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## TRADE

# Florida citrus reaps juicy tariffs

**Round two of the citrus wars finds Florida's industry prevailing over Brazilian competitors in a complaint over exporting orange juice at unfairly low prices.**

Herald Staff and Wire Reports

The Florida citrus industry scored a preliminary success in its battle with Brazilian competitors Wednesday when the U.S. Commerce Department slapped punitive import duties as high as 60 percent on Brazilian orange juice imports.

In a preliminary decision, the Commerce Department found that processors in Brazil are dumping -- selling at below fair market value -- their juice in the U.S. market and imposed duties of 60 percent on Montecitrus Industria e Comercio Limitada, 31 percent on Fischer, 25 percent on Cutrale, and 27 percent on all others.

Montecitrus was hit with the highest tariff because Commerce said the company stopped cooperating with its tariff-setting investigation.

The Florida industry hailed the decision, which must advance through two more steps before the penalties are final.

"Each step that we are successful gives us a firmer stance that bolsters our efforts to get a positive final ruling," said Andy LaVigne, executive vice president and chief executive of Florida Citrus Mutual, the state's largest citrus growers organization.

Brazil shipped \$98.6 million worth of orange juice to the United States in 2004, a drop of 37.6 percent from the \$158 million in orange juice shipments in 2003.

The Florida citrus growers filed their dumping petition against Brazilian exporters in December. According to the complaint, in a three-year period starting in 2001-02, Brazilian orange juice shipments to the United States rose 53 percent even though Florida growers had bumper crops.

The International Trade Commission ruled in March that Florida growers were being harmed by the import of citrus concentrates at allegedly below-fair-market prices, and the Wednesday decision determined the extent of the dumping and set punitive tariffs, known as anti-dumping duties.

"The biggest benefit will be the likelihood that pricing in the market will definitely be more stable," said Matthew McGrath, a lawyer at the Barnes, Richardson & Colburn firm in Washington who represented the Florida Citrus Mutual and three processors that filed the trade complaint in December.

Robert Kalik, an attorney representing the Brazilian company Fischer, said: "We don't necessarily agree with what's been done."

With Wednesday's announcement, U.S. Customs and Border Protection agents will begin collecting deposits on the duties from importers.

Herald staff writer Jane Bussey and Bloomberg News contributed to this report.

## WHAT'S NEXT?

Before the penalties on Brazilian orange juice imports become final, two things must happen:

- **The U.S. Commerce Department** must ratify its preliminary decision. It will decide in January.

- **The International Trade Commission** must determine whether to uphold its original ruling that U.S. producers were being harmed.

In the meantime, U.S. Customs and Border Protection agents will begin collecting deposits on the duties from importers.