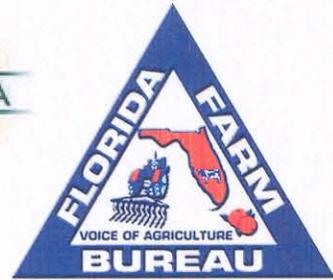




UNIVERSITY OF  
**FLORIDA**

Institute of Food and Agricultural Sciences  
Food and Resource Economics Department



INTERNATIONAL AGRICULTURAL TRADE  
AND  
POLICY CENTER



4<sup>TH</sup> ANNUAL CONFERENCE

DECEMBER 7-8, 2004

GAINESVILLE, FLORIDA

## **Florida Fruit and Vegetable Industry in 10 years**

By

D. J. Cantliffe, Horticultural Sciences Department  
and

J. J. VanSickle, Food and Resource Economics Department

### **Summary**

Agricultural receipts in Florida rank eighth in the nation in total cash from all farm marketing for a total value of over \$6.8 billion. Florida ranks second in the nation for value of fresh vegetables with over \$1.6 billion in farm gate value. Florida is presently number one in the fresh market production of tomato, pepper, snap bean, cucumber, sweet corn, and squash. The fruit industry in Florida, outside of citrus, is comparatively small. The major crops making up the value for fruits include blueberries, pecans, and a potential for stone fruits such as peaches and nectarines. Strawberries are considered a vegetable crop and statistics for this crop is included under vegetables.

The State has a great diversity for producing vegetable crops as growers in Florida commercially produce over 35 different vegetable commodities. Over the past 10 years, many changes have taken place for fruit and vegetable production in Florida that will have a profound influence and give us a vision for where we are going in the next 10 years. Florida used to be second in the nation in production of celery, carrots, and first in the nation in the production of radishes. Florida was third in production of lettuce. With the closing of the Zellwood Muck Area in the late 1990's, essentially no carrots are now being produced in Florida, while radish production is down about 90% of where it was in the early 1990's. Celery production has ceased with the exception of one grower (A.

Duda & Sons) who retains celery production in Florida for both the fresh and processed markets. While Florida ranked third in lettuce production, there are only approximately five growers presently producing lettuce. South Bay Growers, our largest producer (12,500 acres) in the 1980's, went out of business in the mid 1990's.

There are many reasons for these changes and those reasons will have profound influences on where our fruit and vegetable production scheme will be after the next 10 years. Methyl bromide will be banned for use by growers in the U.S. in January 2005. There will be certain exceptions made, primarily for tomato and strawberry growers, while there may be minor amounts available for use on pepper, although this latter crop is in question. Methyl bromide will not be made available for use on cucurbit crops including watermelon, cucumbers, and squash for which methyl bromide usage has led to major production changes in those industries.

A portion of the present tomato and strawberry acreage will be covered under the exemption; however, best guess estimates are somewhere about a third of the present acreage. Thus, major production problems, especially weeds such as nutgrass, soil borne diseases, nematodes and other crop threatening pests, can arise and greatly affect yields of these major crops grown by Florida's vegetable producers. Because of urbanization and the loss of the most valuable land in warmer southern coastal areas, Florida vegetable growers for many years have been dependent on using the same land in continuous cropping cycles and have virtually become dependent on methyl bromide as part of their production scheme. A reduction in yields due to the loss of methyl bromide might lead to

a catastrophic economic hardship for Florida producers when trying to compete against outside imports especially from Mexico and Canada.

Combined with the loss of methyl bromide is the tremendous urbanization of prime production areas especially in South Florida. Urbanization takes over and threatens the use of lands for farming purposes especially where pesticides are commonly being used. More importantly, urbanization increases land values which many times becomes too tempting for individuals to remain in agricultural enterprises. This is especially true in the Hillsborough County area where approximately 90 percent of the 7000 plus acres of the Florida strawberry crops are grown. Land values in the last 10 years have increased as much as 10-fold from what they were in 1994. This along with the many regulations, labor problems and loss of methyl bromide could greatly tempt many growers to sell their lands for other uses.

Water use restrictions due to urbanization and the more than 17 million residents presently residing in Florida, as well as 40-50 million visitors each year, will continue to place major demands on water use, diverting use from agriculture to other purposes. Coupled with will be the imposition of Best Management Practices that call for the proper use of fertilizer and various chemical pesticides so as to restrict movement of these compounds into the aquifer and potable water stream. Growers are also faced with increased demands on labor and increased problems with getting high quality labor into the production and harvesting scheme. This shall especially increase as much of the high quality Mexican labor moves to work in construction and the tourist trade. The other

work areas that pay more and allow these individuals a more consistent steady income, a less intensive manual labor pace and offer fringe benefits will displace the current higher quality labor pool.

Trucking has also plagued growers over the past 10 years and will likely get intensively worse over the next 10 years as truckers find more suitable and more economically viable cargo for transport. Moreover, the price of trucking will increase as fuel costs, insurance, and maintenance costs for the industry continue to climb.

Finally, global competition is a major factor that will affect all agricultural commodities in Florida but especially fruits and vegetables. In recent years our global competitors have learned how to aggressively market in the U.S. and they have been able to use all of the scientific principles available to our growers to produce their crops. The quality of foreign produce from areas including Mexico, Canada, Spain, Holland, and Israel are second to none on the planet.

As for the future, Florida growers will have to continue to diversify, to look at niche markets, and to look at consumer preferences. This includes growing reasonably priced, high quality products while maintaining the highest level of food safety. Various new crops that Florida growers have excelled in and will continue to do so over the next 10 years include blueberry production (which has tripled in value in the last few years). Over the next 10 years blueberry production could again double in value as acreage continues to increase. Concomitant with increases in blueberry production, crops such as

peaches and nectarines will have a resurgence. it is our belief in IFAS/UF this area could grow to about 10,000 acres over the next 10 years. This in large part will be due to the IFAS Stone Fruit breeding program and many releases that have come out recently and continue to come out which are non-melting flesh peaches with extremely high quality, consistent high production and good flavor as well as long lasting quality. Other highlights include the introduction of the new low-crab potato which has been extremely appealing to those on low carbohydrate diets. Our potato growers in the state have formed what as can be loosely looked at as a cooperative for growing and marketing this potato. The Florida potato industry can potentially see a resurgence in its economic structure and value over the next 10 years.

A final area for consideration will be the increased use of protected agriculture, especially greenhouses for growing both fruit and vegetable crops to fit both niche and early market types of production. This will include crops grown with and without pesticides and organic structured systems. In order to meet global competition for both high quality and product food safety, protected agriculture is a production system that has caught on in a world-wide basis. Tomatoes from the greenhouse have taken over larger parts of our retail tomato market and potentially, in the next few years, our pepper market. Imports from Mexico, Canada, Spain, Holland, Israel, Morocco and Turkey are all likely to threaten field production of Florida produced crops such as cucumber, tomato, pepper and even strawberry. All these commodities can be profitably grown under protected culture with a reduction in labor usage and up to a tenfold increase in unit area yields; many times without use of pesticides and most importantly with no need for

methyl bromide. Moreover, water use restrictions and BMPs become null points because nutrients in water can be recycled within the greenhouse for continual usage.

What the last 10 years have brought Florida's fruit and vegetable producers have been a cadre of changes some of which some growers have been able to adapt too and others which could not. When growers could not adapt technology to improve the economics of production those growers generally went out of business. This will be the trend over the next 10 years. If growers can adapt to the changes in Florida agriculture, with environmentally friendly, sustainable production schematics that are economically viable, they will stay in business and flourish. If they do not keep up on a global basis, more than likely much of what we have today will no longer be in production 10 years from now. Thus, the final word is change at a rapid pace in order to remain economically viable in the world market place.