

**PRESIDENT'S MESSAGE
LOUISIANA DIVISION**

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On behalf of the members of the Louisiana Division of the American Society of Sugar Cane Technologists, I would like to express my most sincere welcome to the Florida division of the Society to the Thirty-First Annual Joint Meeting at New Orleans, Louisiana. I would also like to welcome all of the friends and family members of the Society and give thanks for their enduring support to what I consider the sweetest industry in the world. I will say with the highest degree of confidence that this year's meeting will engage prolific ideas and technology exchange to continually advance the U.S. Mainland sugarcane industry.

In reading the production report for the year 2000 in Louisiana, an anticipated record year turned into only a good year even though the Louisiana industry produced the second largest crop in the state's history. Eighteen factories producing 1,565,848 tons of sugar, raw value, ground a total of 15,497,457 tons of cane. This is about 100,000 tons of sugar less than 1999 record production with sugar recovery also dropping from 10.40% in 1999 to 10.10% in 2000. Approximately 460,000 acres of cane, a new state record, were harvested yielding a cane production of 33.7 tons per acre, down from 37 tons per acre the previous year.

The decline in production from the previous year can be summed up into one word, DROUGHT. The winter months of 1999 and 2000 were relatively dry and mild. This was ideal weather for the harvest season for 1999. Lay-by at the beginning of 2000 went very smoothly due to the dry conditions. With a record amount of acreage in cane and a mild winter behind them, the Louisiana sugarcane farmer was anxiously awaiting a record-shattering crop. The only two ingredients needed were rain and sunshine. The scorching sunshine did its job enthusiastically, while the timely rains took a long summer vacation. Drought conditions had carried over from 1999 and put a choke hold on South Louisiana in 2000. For some areas, 30-inch deficits were noted by September. The cane was stressed and below the average height nearing the end of the growing season. The new prediction for the 2000 harvest was as much as 20% below the earlier estimates. Finally, the rains did come but in September, which brought about an abnormally late growth period. Tonnage looked as though it would recover but sucrose content was sacrificed because of the late growth spurt. Natural ripening was delayed and the response to the chemical ripener, glyphosate (Polado) was reduced especially during the early weeks of the harvest. Sucrose content made a valiant, come- from- behind charge to present a respectable yield of 10.10% by the end of the crop; however, sucrose levels took a nose dive following a killing freeze on December 20. There were small areas in the state that received some timely rainfall and benefitted from early applications of Polado, which in turn increased sucrose yield from the start of the crop and continued through the end.

What's in the crystal ball for the Louisiana sugar industry? We must address the issues that are of

major importance in the United States and in the world today. Look up the spot price on sugar today and it is virtually unchanged from twenty years ago. Who among us would not love to go out and buy a new F-150 for ten thousand dollars or experience unchanged grocery prices over the last two decades. Reflect back a mere five years ago and track the retail prices of food that contain substantial amounts of sugar. Breakfast cereal prices are up 4%, candies, cakes and cookies up 8%; and ice cream up 14%. Sadly, we are all well aware of the stagnant price of sugar during the same time period. The food manufacturers have the audacity to cry to the legislature that the price of sugar is hampering their profits. There are a number of factors that deter us from true economic supply and demand. The current U.S. trade agreements that allow importation of up to 1.5 million tons of sugar from forty-one countries can easily exceed the demand, thus suppress prices. In addition, the United States quota system never envisioned sugar being smuggled into the country by way of “stuffed molasses” or other desugarization products. It will be a tough battle, but it appears our friends in Washington can potentially resolve these and other issues to bring a stable and fair market value to the sugar we produce, especially if we resolve to add our voices to their efforts.

What can be done here at home? Over the past ten years, our number one priority as producers was to increase volume. Put as much cane through our mills as possible and try to keep losses in sucrose to an acceptable Louisiana level. Various alterations were utilized to achieve record volumes, for instance, starting the harvest season earlier and finishing later, and acquiring larger process machinery. We were aware that these early starts could result in immature cane, low sugar content, and problems in the factory with starches and other impurities. But, with proper applications of chemical ripeners, we were able to bring this window forward to a degree. In addition, hardier varieties developed by the Louisiana Agricultural Experiment Station, USDA-ARS and the American Sugar Cane League, working cooperatively, were less vulnerable to marginal freezes over a short period of time, providing some peace of mind on the backside of harvest. During the 2000 harvest season, Mother Nature brought an early freeze in November that caused moderate damage to the northern parishes of the state, but surprisingly, spared most of the cane in the south. However, on December 20 the entire sugarcane belt experienced a killing freeze that ultimately, with subsequent freezes the first week of January, caused a dramatic reduction in recoverable sugar by the end of the harvest. It appears that we are willing to accept this inherent risk in an attempt to achieve higher volumes. Processing records tons of cane per day in an attempt to achieve over one million tones per season became the goal of many mills.

In today’s market, we must not lose sight of the potential degree of greater sugar loss when production is increased. Keeping our focus on efficiencies as well as higher volume is imperative. In 2000 we saw sugar prices plummet to a 30 year low while watching natural gas prices skyrocket. How can an industry thrive with its product price so low and fuel costs exorbitantly high? Fortunately, as we reach mid-2001, sugar prices have rebounded some and natural gas prices have dropped slightly. Nonetheless, our priority remains yielding the most sugar with a low operating cost and minimal losses. Research is an invaluable tool that can heighten our abilities and thus keep us competitive in the domestic market as well as globally. Scientists with the Louisiana Agricultural Experiment Station, USDA-ARA and the American Sugarcane League, working cooperatively, have in recent years developed outstanding, high-yielding varieties such as LC 85-384 and HoCP 85-845, which now occupy over 85 percent of our planted acreage. These new varieties, especially LCP 85-384, led to the industry switching from whole-stalk to

combine harvesting; this revolutionized our harvesting methods and minimized field losses while increasing sugar per acre. Ongoing research in processing is needed now more than ever to develop new technology and improve old technology. Reducing labor requirements by implementing automation in various processes has been and will continue to be a positive result of ongoing research.

The Louisiana sugar industry with its uniquely short grinding season can ill afford to experiment with pioneering, unproven, process equipment. Theoretically, this new equipment could improve efficiencies, but losses could be significant if the equipment fails and processing stops. There are high expectations for the resurgence of Audubon Sugar Institute to provide new product research and practical solutions. With our assistance and cooperation, Audubon is positioning itself once again to be the premier sugar institute in the world. Through its highly qualified staff, training and educating factory personnel is an integral part of ASI's commitment to the sugar industry and its future success.

The time has come for the United States sugar industry to acknowledge that we can no longer survive on a razor thin profit margin. Increasing bureaucratic regulation, increased operational costs, decreasing qualified personnel, should motivate us as an industry to define and implement a course of action to move forward and create successes. Education, communication, cooperation, and motivation are key elements for any successful businesses facing future challenges. Throughout the history of the sugar industry challenges and obstacles have plagued us in one form or another but we have always persevered, overcome, and ultimately thrived. The resolution of problematic obstacles is relative to its place in history. No era exists in this industry that was without its tribulations. The technology and resources of these eras have historically resolved the problems of a particular time and more significantly forged the industry ahead to a higher level.

Meetings such as this, where all facets of the industry come together and share ideas, studies, experiences, and technology is an integral part of the future success of our beloved industry. Sugar has been in the Legendre family for four generations; therefore, one could surmise that it is in my blood to have chosen such a profession. That may have some validity, although a deeper bond comes from the character of its associates. The willingness to help out a colleague with technical information, lend equipment and assistance to get neighboring factories back on line, is a unique quality found in no other industry. This fraternal relationship generates a passion within our industry that can only result in future prosperity for generations come.