



# Florida Cooperative Extension Service

## PACKINGHOUSE NEWSLETTER

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Key Word Index Diphenyl, Economics, Fresh Fruit Shipments, Residue Tolerances.

### FRESH FRUIT MAKES MORE MONEY FOR GROWERS

It would not have been surprising if the item on payrolls in Newsletter #79 had elicited a dour response from some fresh fruit managers; after all, handling those big payrolls is no picnic. No such comments were received. However, several colleagues allied with the processing industry chided us with such comments as: "The packing people haven't yet taken advantage of the industrial revolution."..."Any industry so inefficient should not be retained."..."Making FCOJ is not only good, it is better for Florida." etc.

We did not, nor ever will, knock FCOJ. Any channel that moves over 150 million boxes of oranges per year is a "thing of beauty and a joy forever."<sup>1</sup> However, for such volume as the fresh fruit trade can carry, fruit moving into fresh fruit channels returns considerably more to the growers than does equivalent fruit sent to the cannery.

Some years ago, a company with whom I was working agreed to let me quote these figures on the comparative profitability of the fruit they had moved in fresh and processing channels over an eight year period (Table 1). In handling nearly three million boxes over eight years, they made nearly a million dollars more on the 50% marketed fresh than on the 50% marketed through their affiliated cannery. This raised the overall profitability of their operation by 33¢ per box over the eight year period.

Reference to the 1975 Florida Citrus Summary indicates that the difference is very real, quite consistent, and still prevails. Over the last five years, the 170 million boxes of citrus that the Florida industry has shipped in fresh fruit channels has returned over forty seven million dollars more per year than the equivalent volume of the same varieties going to the cannery. The overall increase in "on tree" value was \$1.39 per box due to having been shipped as fresh fruit (Table 2). This does not include the returns from tangelos and "Honey Tangerines".

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<sup>1</sup>  
John Keats (1795-1821) "Endymion", only slightly misquoted!

Table 1. Analysis of the effect of owning a packinghouse on calculated "on tree" prices for a grower-packer harvesting a total of 2,977,470 boxes over 8 years from 1954-61.

I. Varieties Harvested, 1954-61			II. Returns Calculated as "On Tree" Price	
<b>Varieties</b>			<b>Actual returns with 50-50 cannery fresh outlets</b>	
Round oranges	57%	(approx.)		\$4,701,162.06
Grapefruit	20%	"	If all had gone to the cannery	\$3,703,534.96
Temples	19%	"		
Tangerines	4%	"	Gain due to having use of packinghouse	\$ 997,627.10
Approximately 50% shipped fresh, rest sent to an affiliated cannery.			An increase of 33 cents per box net profit	

Table 2. "On tree" per box returns from fresh and processing channels for Florida citrus fruit, 1969-70 to 1974-75<sup>2</sup>.

Season	Oranges		Grapefruit		Temples		Tangerines	
	Fresh	Processed	Fresh	Processed	Fresh	Processed	Fresh	Processed
'70-71	\$1.81	\$1.42	\$2.42	\$1.63	\$3.24	\$0.83	\$2.67	-\$0.13
'71-72	2.50	2.01	3.14	1.85	2.85	1.50	4.21	0.12
'72-73	1.85	1.54	3.10	1.47	3.15	0.85	3.70	-0.35
'73-74	2.10	1.43	2.54	1.10	2.75	1.00	4.00	-0.45
'74-75	2.33	1.45	3.33	0.79	2.65	0.35	4.65	-1.05
<b>Averages</b>	<b>\$2.12</b>	<b>\$1.57</b>	<b>\$2.91</b>	<b>\$1.37</b>	<b>\$2.93</b>	<b>\$0.91</b>	<b>\$3.85</b>	<b>-\$0.37</b>
Premium for fresh (\$/box)	\$0.55		\$1.54		\$2.02		\$4.22	
Boxes shipped fresh '70-'75	61,901,000		86,573,000		10,293,000		11,173,000	
Additional \$ for using fresh fruit channel	\$34,045,550		\$133,322,420		\$20,791,860		\$47,150,060	
	Total for 5 years = \$235,309,890, Avg. per year = \$47,061,978							
	Average overall premium = \$1.39/box excess over cannery returns.							

<sup>2</sup>From Citrus Summary, 1975. See "Available Publications."

As mentioned above, the fresh fruit market can absorb only a limited proportion of Florida's huge citrus production and the staggering size of the concentrate industry makes Florida's fresh fruit volume look small. However, not only is the fresh citrus fruit industry profitable, not only does it provide seven times as many jobs per million boxes of citrus as the processing industry, it is, in terms of sheer volume of fruit shipped, approximately equal to all the commercial apples from the twenty six states in the commercial apple business.

Hang in there packers, you're doing better than most people recognize!

Bill Grierson  
AREC, Lake Alfred

IF A LITTLE IS GOOD, A LOT CAN BE ILLEGAL

One thing the citrus industry does NOT need is trouble over illegal residues of pesticides, or anything else. This occurred recently in Germany where the authorities picked up grapefruit with over their legal tolerance of 70 ppm diphenyl.

It turns out that some enthusiastic soul, apparently going on the principle of "if a little is good, a lot must be better" used 5 or 6 diphenyl pads per carton!

ALWAYS USE THE EXACT AMOUNT OF PESTICIDE OR ADDITIVE THAT IS RECOMMENDED, NO MORE, NO LESS. In this case two diphenyl pads per carton would be the upper recommended limit.

Editor

**In Memoriam**

Nearly 24 years ago Dr. Bill Newhall and I went out on our first troubleshooting call to a Florida packinghouse. Surprisingly (for our citrus experience was small) we solved the problem, and also made a lifelong friend, James W. Bowen, Jr. For 24 years he has boomed at me cheerfully over the telephone, always starting "You old reprobate...". Bluff, cheerful and always courageous in trying new methods, Jim Bowen was the first president of the Florida Fresh Citrus Shippers Association (now Florida Citrus Packers). On Saturday, March 27 he died of a massive coronorary. Lake Placid Groves (Consolidated-Tomoka) has lost a valued executive, the fresh citrus industry has lost a real leader and I have lost a valued friend who called me for the last time the day before he died. Good-bye Jim, a lot of us will miss you.

Bill Grierson  
AREC, Lake Alfred

ERRATUM

Packinghouse Newsletter No 78, page 2, line 2 "...less than 30% of the Florida orange crop was color-added..." should, of course, have been "less than 30% of the fresh fruit shipments of Florida oranges are color-added." Even allowing for a liberal amount of treated "eliminations", only about 4% of the total orange crop would have been treated last season. The other figures in the article were correct.

Editor

AVAILABLE PUBLICATIONS

Available from Florida Crop and Livestock Reporting Service, 122 Woodward Street, Orlando, FL 32803.

"Florida Agricultural Statistics: CITRUS SUMMARY 1975."

Available from Dr. E. George Stern, Wood Research Laboratory, College of Agriculture, Virginia Polytechnic Institute, Blacksburg, VA 24061

"Auto -stapled pallets" by E. G. Stern. Bull. No. 139, December, 1975.

Available from Florida Fruit Digest Co., 46 W. Duval Street, Jacksonville, FL 32202.

"The Florida Fruit and Vegetable Directory" published by Florida Fruit Digest Co. Price: \$6.00.

Available from Dr. W. Wardowski, AREC, P. O. Box 1088, Lake Alfred, FL 33850.

"Postharvest decay control recommendations for Florida citrus fruit", by A. A. McCornack, W. F. Wardowski and G. E. Brown. Extension Circular 359-A. February, 1976. Note: this is a recently revised Circular.

"Florida citrus spray and dust schedule 1976". Extension Circular 393-B. January 1976.

Available from Dr. B. L. Wild, Officer-in-Charge, Gosford Horticultural Postharvest Laboratory, P. O. Box 355, Gosford, N.S.W., Australia 2250.

"Citrus Packinghouse Bulletin No. 2." P. F. Rylands, editor, July 1975. 18 pages.

"Response of Penicillium digitatum strains to benomyl, thiabendazole, and sodium o-phenylphenate", by B. L. Wild and L. E. Rippon. Phytopathology 65:1176-1177. October, 1975.

"Research at the Gosford Horticultural Postharvest Laboratory", by B. L. Wild, L. E. Rippon and C. J. Rigney. Agricultural Gazette of N.S.W. 86(4):24-27. Aug., 1975.

"Ellendale tangors for export", by L. E. Rippon and B. L. Wild. Agricultural Gazette of N.S.W. 86(4):56-57. August, 1975.

"Dacus tryoni: Ethylene dibromide treatment of oranges", by C. J. Rigney and B. L. Wild. J. Econ. Ento. 68(5):653-654. 1975.

"Ethylene dibromide fumigation of early season citrus fruit", by C. J. Rigney and E. C. Blanch. Food Tech. in Australia :429-431. November, 1975.

Available from Dr. C. W. Coggins, Department of Plant Sciences, University of California, Riverside, CA 92502

"Effects of light, temperature, and 2',4'-dichloro-1-cyanoethanesulphonanilide on degreening of regreened 'Valencia' oranges" by C. W. Coggins, Jr. and A. E. Hall. J. Amer. Soc. Hort. Sci. 100(5):484-487. September, 1975.

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This newsletter is published at a cost of \$82.74, or 7.5 cents per copy, to give the latest news to the packinghouse industry.