

2006 Louisiana Sugarcane Industry: The Year in Review

It's that time of year again. After the harvest equipment is cleaned and the raw sugar is in the warehouse; after the last champagne toast and new year's resolution is made; its time to stop for a moment to reflect on last year's events while they are still fresh in our memory.

For much of the Louisiana sugar industry, the year 2006 was a time of rebuilding. It was a time of renewal and promises of better days ahead. The financial burdens felt from multiple years of poor yields coupled with the devastating impact of hurricanes Katrina and Rita had much of the industry searching for relief. Relief in the form of federal disaster assistance was signed into law since early June, but has yet to be delivered into the hands of those who need it the most. The legislation providing \$40 million of hurricane relief to the sugar industry is still making its way through the proper channels in Washington D.C. Months of data gathering and regulations have caused many delays, but every effort is being made to get the assistance to those who were most seriously affected by the storms.

Relief in the form of improved raw sugar prices were welcomed for part of the year, but they quickly withdrew to below forfeiture levels toward the end of the year. The downturn was directly tied to a new sweetener deal with Mexico announced in late summer. With the opening of the US-Mexico sweetener market, the coming year will undoubtedly be marked with adjustments by the Administration to maintain the no-cost provision of our current Farm Bill. The importance of maintaining a viable sugar industry may someday include more than a stable sugar price. Renewed interest in sucrose based ethanol production and other bio-based products were the featured topic of many meetings and

hearings throughout the year.

For some, 2006 was a year of too little, too late. Another mill shut its doors, bringing the number of raw sugar mills operating during 2006 to twelve. The number of growers also decreased from 718 in 2005 to 694 last year. While the numbers of producers and mills have steadily declined over the last several years, production statistics rebounded for the state as a whole. A total of 12,434,451 tons were harvested from 406,329 acres. Preliminary estimates show that 1,280,748 tons of sugar were produced. This accounts for an average yield of 31.3 tons of cane per acre and 206 pounds of sugar per ton of cane.

Relief in the form of improved yields came for some, but not for others. With Mother Nature taking the front seat again this year, the industry endured exceptionally dry weather for most of the growing season and below average rainfall for the year. Generally speaking, the lack of rainfall took its toll on the northern and western portions of the cane belt. Although these areas recorded below average yields, the southern and eastern areas recorded exceptional yields due to timely rainfall late during the growing season. It has been suggested that brown rust together with the dry weather also decreased yields of our major variety LCP 85-384. Varieties have always played a vital role in our industry. The areas that have been able to adapt to the newer varieties have certainly enjoyed the benefits. Several early freeze events during the harvest season combined with waterlogged fields toward the end of the year made this harvest campaign quite challenging. The early freezes had the industry scrambling to process the sugarcane that was affected. On December 5 temperatures ranged

from 19 to 23 degrees in the northern area and 24 to 28 degrees in the southern area. With the warm, wet weather that followed, some areas experienced significant losses, but the industry was fortunate to be able to harvest most of the crop. With fewer mills to process cane, the long harvest season lasted well until January 12, 2007.

Two new varieties were released to the sugar industry during 2006. L 99-226 and L 99-233 have both yielded significantly better than LCP 85-384 in outfield tests. These varieties along with a host of other promising varieties still in testing stages should help the industry to continue its rebound and remain productive for many years to come.

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