

Big sugar targets organic market

By [Susan Salisbury](#)

Palm Beach Post Staff Writer

Monday, July 03, 2006

SOUTH BAY — When Florida Crystals Corp. decided to try growing and processing sugar cane for the organic market nine years ago, even some of its top officials were skeptical.

"The biggest challenge was the processing. How do you process it without chemicals?" said Ricardo Lima, vice president and general manager of the firm's Okeelanta Corp., which includes 65,000 acres of cane fields, plus a mill, processing plant and distribution center. "I said, 'That's not possible. You're nuts.' But we decided to try it, starting out with 50 to 60 tons of sugar."

Another challenge was the organic operation's size. Florida Crystals has 160,000 acres of cane, and the project was designated for a tiny portion of that.

"Organic sugar is a small niche market," Lima said. "We are used to producing large volumes of everything."

Still, the company felt it was time to pursue it.

"The organic movement had been around a while, and there was a need for organic sweeteners," said Stephen Clarke, director of industrial research and development at Okeelanta.

Now the sugar producer is enjoying the sweet taste of success.

Today, Florida Crystals of West Palm Beach is the nation's only producer of certified organic sugar — grown without herbicides or pesticides. The rest of the nation's organic sugar supply is imported from other countries. Florida Crystals grows organic cane and rice on 3,800 to 4,200 acres each year, and peak production of organic sugar has reached 3,600 tons. That's a very small percentage of its total sugar output, which has reached 900,000 tons in years not affected by hurricanes.

This fall, the company — a division of the Fanjul family's Flo-Sun Inc. — plans to increase its organic production by another 900 acres west of its Okeelanta Mill south of South Bay, where its existing organic farmland is. With the addition, the company will have 20 times the organic farmland with which it started in 1997.

Michael DeLuca, Florida Crystals' vice president for specialty ingredients, said 80 percent of the company's organic sugar business is conducted with 100 or so food industry customers. The sweetener is used in products such as Silk soy milk, Kashi cereal, Tazo tea and Clif Bars.

"We always felt that sooner or later the mass-market companies such as Kellogg's, Kraft and General Mills would move into organics, providing explosive growth for the industry," DeLuca said.

The prediction was correct. Kraft, which owns Nabisco, will be coming out with organic Oreos, the nation's top-selling cookie, in the near future, DeLuca said. Florida Crystals will supply sugar for organic Oreos, as it does the organic sugar — as well as the rice — for Kellogg's Organic Rice Krispies.

The cereal hit supermarket shelves last month.

Standards ensured

Florida Crystals' organic farming, manufacturing and products are certified organic by privately held Quality Assurance International of San Diego, which ensures that standards set by the U.S. Department of Agriculture's National Organic Program are met.

The other 20 percent of Florida Crystals' market is in sugar sold directly to consumers, who can buy it in 14-ounce or 48-ounce canisters or 32-ounce bags at retail stores including Publix, Albertsons, Winn-Dixie, Whole Foods Market and Wal-Mart.

"The growth curve is significant. Organic sugar is outpacing the overall organic food growth," DeLuca said. "We sell everything we produce."

Organic sugar is actually organic evaporated cane juice syrup that is crystallized only once, retaining more of the character of the juice than

conventional multiple-crystallization sugar, according to The Sugar Association.

Better for environment

Cookies, cakes and candies made with organically grown products are nothing new, and while it might be more healthful to eat an apple instead, at least the organic products are better for the environment, organic advocates say.

"Over the last decade, you have seen the proliferation of organic processed foods, such as Amy's Burritos," said Marty Mesh, executive director of Gainesville-based Florida Organic Growers. "You do see organic sugar and chocolate and coffee. I guess it's not so much a commentary on 'Is the Oreo good for you?' Clearly, it's not. What you are supporting is a more ecologically sustainable agriculture."

Barbara Haumann, spokeswoman for the Greenfield, Mass.-based Organic Trade Association, agrees.

"It comes down to consumer choice," Haumann said. "We would prefer that consumers choose something with ingredients produced organically because of what it does to the earth. We would prefer to see more acreage used in organic production."

The timing of Florida Crystals' decision coincided with an unprecedented boom in the organic food industry. In 1997, U.S. sales of organic food and beverages were \$3.59 billion, and in 2005, reached \$13.83 billion, the Organic Trade Association said.

The overall organic food and beverage sector grew at 16 percent last year, but the organic sweetener category, including sugar, honey and syrups, exceeded that. The sweetener category reached \$49 million in 2005, up from \$33 million in 2003. The differences between conventional sugar farming and organic farming start before the first stalk of cane is planted and continue through the final manufacturing.

Before an organic crop is begun, the field cannot have had any herbicides, pesticides or chemicals applied to it for three years, said Raul Perdomo, Okeelanta's director of agriculture research. The harvest also differs because

the fields are never burned before the harvest to rid them of debris, as they are with conventional cane.

Perdomo drove through the conventional sugar cane fields and the organic fields on a recent morning, pointing out the differences. The organic fields are easy to spot because they are plagued with half a dozen major weeds such as ragweed and giant barnyard weed, some of which have grown high as 5 feet tall.

"Weeds are the number one challenge," Perdomo said. "They take up nutrients and water. Weeds can stress cane and make the production go down."

Perdomo sets foot in a field of cane rustling in the breeze and pulls a weed: "That's what a small organic farmer would do," he said. But the labor costs are too high here to do much hand weeding.

Because of the proliferation of weeds, only one crop is harvested from each planting of organic cane, instead of the usual three years of crops from each conventional cane planting. After the organic cane is harvested, the field is flooded and organic rice is planted. Rice and cane crops are rotated each year, and the flooding helps keep the insect and weed populations down.

"The philosophy of organic farming is: You feed the soil, you don't feed the plant," Perdomo said.

Natural fertilizers, such as rock phosphate, are permitted.

Special methods used

All the organic fields are harvested over three days so the product never mingles with non-organic cane.

Once the organic cane is harvested and taken to the mill, another problem has to be solved. Since the fields were not burned, each load contained as much as 25 percent debris. So Florida Crystals has developed special filters to clean the sugar.

Also, conventional sugar is processed with food-grade chemicals to rid it of impurities, but those cannot be used with organic sugar.

"The issue is with the naturalness," Clarke said.

Before the organic sugar is milled and processed, every piece of equipment is pressure-cleaned to make sure no residue remains from the conventional cane. The mill is cleaned for two days, then for three days the mill grinds only organic cane, which is then processed for 35 days.

"A key issue is organic integrity from when you plant it until it leaves the packaging plant. It costs 25 to 30 percent more to grow organic cane," Clarke said.

Whether it's the learning curve, the investment of time and dollars or the pesky weeds that keep other producers out of the organic cane business, Florida Crystals rules the sector for now. And despite the many headaches, it plans to keep babying the special fields.

"We want to be able to look our customer in the eye, and say, 'This is how we do it,' " Lima said.