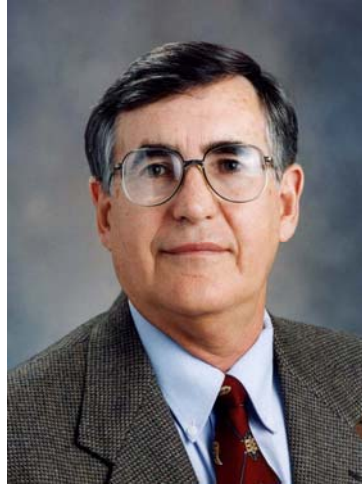


**PRESIDENT'S MESSAGE
LOUISIANA DIVISION
2006 MEETING**

Freddie A. Martin
LSU Agricultural Center
Agronomy and Environmental Management Department
Baton Rouge, LA



On behalf of the Executive Committee and the members of the Louisiana Division of the American Society of Sugar Cane Technologists, I express a sincere thank you to the Florida Division for hosting this 36th Annual Joint Meeting of our society. A great deal of planning and work has gone into organizing this meeting where participants have ample opportunity to exchange ideas and information that will contribute to the continued progress of the U.S. sugarcane industry.

I begin this presentation with the customary review of the past year's crop statistics. The 2005 Louisiana sugarcane crop was grown on 447,848 acres by 694 producers in 24 parishes. The 13 raw sugar factories operating in the state processed 10,786,275 tons of cane to produce 1,170,299 short tons of 96 pol sugar. The average yield of cane per harvested acre was 26.4 tons. The average yield of sugar per harvested acre was 5,729 pounds. The average sugar recovery across the 13 factories was 218.6 pounds of sugar per ton of cane.

In January 2005 the Louisiana sugar industry was hoping for an excellent crop year that would reverse the negative residual effects that resulted from harvesting the 2002 storm damaged crop under unrelenting wet conditions. After a good start in the spring hopes faded as crop growth rates failed to meet expectations due to drought conditions during the grand growth period.

And then there were storms. The extent of cane damage caused by Tropical Storm Cindy in Terrebonne and Lafourche parishes in July was put into perspective when Hurricane Katrina roared through the eastern part of the state on August 29th. Three weeks later, equally powerful Rita made landfall west of Lake Charles. While the winds of both storms caused damage to the crop, Rita flooded approximately 30,000 acres of sugarcane in coastal parishes. Some fields were flooded with water containing up to 15,000 ppm salt. It wasn't unusual to find levees that were built to keep water out of fields, holding water in sugarcane fields. The tidal surge from Rita left debris over approximately 5,000 acres. Although most of these acres were harvested, field operations were often better described as removing storm debris than harvesting sugarcane. Unlike conditions after the storms of 2002, the absence of rain after the hurricanes of 2005 allowed the fields to be harvested under relatively dry conditions. As of the beginning of May, many fields that had been flooded with high concentrations of salt water had not received enough rain to wash the salt laden top soil and return the salt to the sea. The long term effects on the productivity of these fields are yet to be determined.

While having to deal with effects of drought and hurricanes would be stressful enough, other factors are placing additional stress on our industry. The direct and indirect effects of escalating cost of fuels have constrained the budgets of both growers and millers. While a portion of the increased cost resulted from hurricane damage to oil and gas industry infrastructure; political instability in oil producing countries and increased demand from China, India and other countries with rapidly developing economies are playing a large role in escalating energy costs. Energy experts are predicting that we will not see significant reductions in the cost of energy in the foreseeable future. The increased price of oil has rekindled the prospects of using sugarcane to produce ethanol rather than sugar. This is technologically feasible. Brazil has achieved the status of 'energy independent nation' because of the Brazilian government's commitment to producing ethanol from sugarcane. Ironically the increased affluence of Chinese and Indian people that has helped drive the increase in the price of oil also played a role in modest increases in the price of sugar. As was the case in the late 1970's and early 1980's, leaders of our domestic sugar industry are again considering diversifying the industry to add capabilities of ethanol production. As in any other business diversification is a mechanism of reducing down side risks.

Louisiana sugarcane producers are currently very aware of the pitfalls of not being diversified, at least when it comes to varieties. Over the years producers have periodically gotten away with heavy plantings of the top yielding variety of the time. CP 52-68 became the variety de jour in the 1950's when the soldier harvester became available. Producers pushed up the acreage of CP 65-357 in a 40-40-20 rotation in late 1970's. The most recent venture into variety exclusivity was with the exceptional stubbling variety LCP 85-384. Growers had pushed this variety to nearly ninety percent of the planted acreage. Unfortunately, LCP 85-384 is susceptible to a new race of rust that has spread rapidly throughout the industry in recent years. Growers are rapidly shifting over to newer released varieties: HoCP 85-845, HoCP 91-555, HoCP 95-988, HoCP 96-540, and L 97-128. Two additional varieties, L 99-226 and L 99-233, will be released this fall. Hopefully producers have learned a valuable lesson and will diversify their future plantings.

Regardless of the sector of business we find ourselves in, it is important that we be aware of change – regardless of the driving force. In a world that is constantly changing, the difference between success and failure often depends on the ability to adapt to change. In the middle of the last century the focus of agricultural research was to develop new technologies to produce enough food for the projected increase in world population resulting from breakthroughs in medical science. The assumption was that increased food production would be absorbed in the market at then current prices. In reality, the increased production of most commodities has often exceeded the rate of increased demand and resulted in depressed prices. To survive, producers have had to learn to use new technologies and often had to expand the size of their operations. As a result, we have fewer producers who have heavy investments to produce more at lower profit per unit of production. Farm size has increased and the number of American farmers has dwindled.

Concurrently with the above changes, there was an increased emphasis on improving environmental quality. The movement that started in developed countries is making its way to developing countries through pressure from global environmental organization. In agriculture, there has been a shift in emphasis from ‘increasing production’ to ‘bridging production and environmental protection’. The terms ‘Best Management Practices’ and ‘Sustainable Agriculture’ are now part of the agricultural research and extension vocabulary. Producers are not only stewards of the land they farm; they are partners in stewardship of our planet’s environment. It is important that individual sugarcane producers and processors not only adopt and use Best Management Practices, but they must promote the use of BMP by all members of the industry. We live in a changing world; a world that is becoming more affluent. As standards of living increase, so does the concern for the environment. Agricultural industries that conduct their business in a manner that is perceived as being socially and environmentally responsible will have greater chances of prospering in societies of increasing affluence.

In closing I again thank the Florida Division for hosting this meeting and wish that all participants take home and use new knowledge that will ultimately enrich their lives.