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Ron Edwards oral history interview by William Mansfield, July 1, 2005

Ron Edwards (Interviewee)

Bill Mansfield (Interviewer)

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Interviewed by: William Mansfield
Location: Vero Beach, Florida
Date: July 1, 2005
Transcribed by: Wm. Mansfield
Edited by: Ron Edwards & Wm. Mansfield

[Tape 1, Side A.]

Bill Mansfield: I always but a label on the disk by saying, This is Bill Mansfield from the University of South Florida’s Globalization Research Center talking with Mr. Ron Edwards in the Evans Properties offices here in Vero Beach, Florida on July 1, 2005. And Mr. Edward’s, we always get people to start out by having them state their name and telling when they were born and where they were born. So let her go.


Mansfield: Okay and tell me about your education.

Edwards: I went to the University of Florida, majored in business administration, with a major in accounting. Then I went on to graduate school in accounting. Did everything but finish my thesis.

Mansfield: ABT I think they call that, “All but thesis.”

Edwards: [laughs] All but thesis.

Mansfield: Was this at the University of Florida too?

Edwards: Yes, at the University of Florida.
Mansfield: And how did you get connected in the citrus industry?

Edwards: Well, I went to work in public accounting in Atlanta, Ernst & Ernst, at the time one of the “big eight” [accounting firms]. One of my clients was Tropicana Products, which at that time was a—‘bout a hundred million dollar company that was public, on the New York Stock Exchange in the orange juice business; kind of a start-up, an early forerunner in the citrus business.

I worked on that audit for four years and ultimately they hired me as their controller. I then spent eleven years, from 1975 to 1986, with Tropicana. In the last five years I rose to executive vice-president and chief operating officer. So, I got to see a little bit of everything on the processing and marketing and accounting [chuckles]. They were a public company at that time.

As I said, I started out in accounting. Then [I worked in] production, quality control, marketing, fruit procurement. Spent a lot of time in Brazil, that was when the freezes in 80’s, when there were few oranges here. I spent a lot of time down there acquiring citrus for Tropicana. [I was also in] Mexico and anywhere that oranges grew, besides Florida.

Mansfield: Describe your current occupation.

Edwards: Currently I’m president and CEO of Evans Properties, Inc., Which is a large citrus grower that operates in about eight counties in Florida. We have about 25,000 acres of citrus, fresh and processed. We export to Europe and Japan, in the fresh business. Currently all of the oranges that we grow are sold to Tropicana. [pause] I’ve been here eighteen years, I guess.

Mansfield: Okay. You really came into citrus from the accounting end of the business?

Edwards: Yeah, I guess that’s how I got started in—from the processing and marketing side of the business. And in there too, I had about a year and a half with ConAgra, which
was an importer of juice from Brazil and Mexico. So, I saw that side of the business as well. I’ve kind of worked in all of the different parts at one time or another.

Mansfield: Okay. In the 80’s you went down to Brazil to secure oranges for—

Edwards: Well, concentrate primarily.

Mansfield: Tell me about that. From what I understand, and correct me if I’m wrong, the Brazilian citrus industry was not as developed then as it is now. The freezes of the 80’s showed them—

Edwards: It was not as big as it is now, but the freezes in the 60’s, kind of the first round, is what started the Brazilian citrus industry, when a couple of companies from Florida went down there and put in processing plants. Evans Properties [the company I work for now] was in the processing business back then. They don’t have a processing plant now, but they were [processing orange juice] and they had—one [at that time]. Lykes started Citrosuco. A guy named Horst Happel who ran Citrosuco—

Mansfield: Who now?

Edwards: Horst Happel.

Mansfield: Horst Happel?

Edwards: He worked for Evans Packing Company in Dade City for a while. Learned the citrus business. He was the quality control guy for one of the European companies that was buying juice from Evans. Learned citrus here and ended up going down [to Brazil] and running that plant and was one of the two major people, who were fundamental in developing the citrus industry. Horst Happel, with Citrosuco and Jose Louis Cutrale, the Cutrale Family who run it now.
Citrosuco was— Fisher and Eckes were the two companies that owned it. Horst came from Eckes. He ran Citrosuco and Cutrale ran Cutrale. And those two were “at your throat” competitors over a twenty or thirty year period there.

Mansfield: And it’s Horst Happel?


Mansfield: Okay. When you went down to Brazil back in the 80’s, what can you tell me about that?

Edwards: It was pretty developed industry at the point. It was as developed as Florida, at that point. You know—it was probably—just somewhat smaller. But the freezes in the 80’s, with the big demand in the United States and no [oranges in] Florida to service it was big prices and big demand. It put them on the map started them to become the behemoth that they are today.

Mansfield: Did you have any idea that, that would be the beginning of—uh the big rivalry. Like you said, it turned them into the behemoth?

Edwards: Yeah, probably we did, think that. We knew that we didn’t have much choice. I mean Florida—in some ways the Brazilian industry also helped maintain the market [for orange juice] in the United States. Having a secondary supplier like Brazil made branded companies willing to invest the money that it took to build national brands, where they have an assurance of supply. As long as all the oranges in the world came from ten or twelve counties in Florida, that’s not a very safe supply.

So they kept the product on the market when we didn’t have it. But, on the other hand, they turned into a major competitor.

Mansfield: The “five hundred pound gorilla,” isn’t that how you described it?
**Edwards:** I said the “eight hundred pound gorilla.” [laughs]

**Mansfield:** Okay. So let’s fast forward from then until recently, with the Free Trade Area of the Americas, FTAA and the possibility of removing the tariff. Tell me about your experience with that.

**Edwards:** Well, obviously the tariff that exists today—the tariff has eroded somewhat over time. It started out 20% higher than it is today. The GATT [General Agreement on Tariffs and Trade] took out some of it—I believe it went from about thirty-five down to twenty-nine cents, under GATT. That differential is roughly the difference between Brazil’s cost of production and delivering it here and what you can do it for in Florida. Probably today they’re able to—they have enough of an advantage on us that it even exceeds the tariff. They can, obviously, ship it here and still make a profit. Without [the tariff] we wouldn’t have a chance, we’re dead in the water.

**Mansfield:** Tell me about your work to keep the tariff in place. What—the Citrus Tariff Oversight Committee?

**Edwards:** Yes.

**Mansfield:** How did you get connected with that?

**Edwards:** I guess there were a group of industry people who had a lot at stake in maintaining the tariff. In order to maintain the value of the assets that are invested here in Florida and through Citrus Mutual, which is historically been the entity that the growers have used to fight trade battles on tariffs. When the FTAA and the World Trade Organization [WTO] considered changing the tariff, that [CTOC] was the vehicle that was formed in order to bring a diverse group of people with interests [in Florida citrus together.] [Including] most of the larger citrus organizations as well as regionally and different political affiliations, but sort of a cross section of the industry to guide the strategy that was going to be used to try and maintain the tariff.
Mansfield: This is the “Oversight Committee?”

Edwards: Right.

Mansfield: And how did you become part of it? Did they call you and ask? Did you volunteer your services? Tell me about that.

Edwards: I’m not sure I exactly remember how it was. I guess, I think that I expressed an interest, obviously, because we have a lot of assets that are subject to what happens [with the tariff] and I have had a lot of experience in Brazil and the processing industry and importing juice. I knew the market. I knew all the players in the Brazilian Industry personally. So, I—ended up being involved with it.

Mansfield: As I recollect, it was the Department of Florida Citrus and Florida Citrus Mutual that put this to—

Edwards: Florida Citrus Mutual put it together. There was a part—initially how to fund it was a question. It was originally intended that—that they were going to attempt to have the Department of Citrus collect the funds, that were going to be separately collected, because they had a taxation authority. It turned out that they—the legal review determined that they really couldn’t [finance it] through the Department of Citrus. So Mutual relied on the collection system that they currently use, where the processors collect the money for Mutual from growers to deliver fruit, if [the growers] authorize the deduction. Like they do for the Mutual dues, they added another penny and a half to it.

There was a discussion about whether the Department of Citrus was going to assist in that collection or not. At that time the executive director of the Department of Citrus was one of the members of the Tariff Oversight Committee.

Mansfield: You said you expressed interest in serving on the committee, who did you—[talk to?]
Edwards: I guess Andy LaVigne, at Citrus Mutual.

Mansfield: So you were on the committee, tell me about the other people that were on the Committee.

Edwards: There was—I probably won’t remember everybody. I could go get the list.

Mansfield: Tell me about the ones you remember.

Edwards: Most of the large growers. Let’s see who all’s on there.

I think Ben Hill Griffin is on there. Mike Carrere with Lykes. Pat Carlton, a grower. Um—Nelson, he was a grower. (I have the list. I could look at that.) But it’s a cross section of growers all over the state. Let’s see—people from US Sugar, which had a citrus division.

Mansfield: Who struck you as—tell me about the leadership, or the “drivers” of the committee came out. I know some people will sit on a committee and do what they’re told and other people will be introducing ideas and sort of stuff.

Edwards: That was a pretty aggressive group. There was certainly no one holding back their opinions in that group. In most cases they were the presidents of their companies, or leaders in it. There’s no lack of opinion. There was some controversy but generally everyone—there was no disputing that Florida needs to maintain the tariff. There maybe some differences of opinion about how to go about it.

There weren’t really a lot of “big disputes.” “How much is the budget? What should we spend it on? How do we collect it? Whose going to do what to effect that?”

Mansfield: Tell me about the different strategies that were put forward to keep the tariff in place, to defend Florida citrus.

Edwards: Well, it’s sort of a multiple, I mean there was a grass roots analysis of just what people in Florida think about citrus. We did some focus groups and market studies
to begin with, just to see what people felt about citrus, whether they lived in a citrus area or not. You know, Miami and South Florida doesn’t really have that much of a citrus industry, nor does North Florida, Jacksonville or the panhandle. So we found that citrus had a very good perception, among people in the citrus belt as well as the whole state. A lot of people identified citrus as what defined Florida. That [citrus] was a part of what [Florida] was.

We asked questions about, just understanding what the average guy understood about tariffs and orange juice, and is it important? Do you think Florida growers are subsidized or not? You know a lot of people—probably half the people thought the Florida citrus industry is subsidized. Which it is not. The tariff is a tax on imported juice but Florida growers get no subsides. Where most people who think about agriculture [think about the] Mid-west, where everything is subsidized.

Mansfield: Like tobacco in North Carolina.

Edwards: Tobacco, most—I mean very few crops aren’t subsidized somehow or another, so—When people heard that it wasn’t they were really supportive of it. So we started out in a real good position. Then we thought—we had a localized public relations campaign to make sure [we] had the grass-roots support of those ideas and to communicate and educate the story. We had a series of thinks that are probably different than most of the—

I mean nobody wants their ox gored—right? You know, “I want to protect my product.” But we thought we had some pretty good arguing points about what is different about citrus. One being that, usually, when you remove a tariff, the consumer stands to benefit by getting the product more cheaply. But in the case of this situation, where you have an oligarchy, or almost a monopoly of only three or four families that control all of the citrus in Brazil, we are the only competition that holds them down. If you take out the other competitor [Florida], then the monopoly [Brazil] is going to price [orange juice as they see fit.]

So in the long run, US consumers are not really going to get orange juice at a lower price. And, you’re going to lose an important industry that employs several hundred thousand people in Florida. It’s a nine billion-dollar industry. It’s the second
biggest thing, next to tourism, in Florida. In many ways it’s a way of life and adds a whole lot of importance the small towns and counties [of the citrus belt] that rely on—not just the citrus, but the related [business]. You know, the farm implement dealers, fertilizer and pesticide sales, the support infrastructure, the support for the schools ands that sort of thing.

And the alternative, if that eight hundred thousand acres of citrus were to go away, what’s going to replace it? Condominiums? Brazilian peppers? You know that’s a tree that is not indigenous to Florida and takes over everything. In South Florida the Brazilian pepper tree just—it’s ironic that it’s a Brazilian pepper tree. So there are a lot of environmental [issues]. Water recharge—people just like to ride by and see citrus groves.

So we thought we had a good story and it really made sense economically. It’s true. It’s easy to [understand]. And those facts supported by economic studies and analysis that resonated with the individual person living here, whether they were a long time resident or newly moved to the state. That same message carried well in Washington. We hired what we thought was as a good lobby firm in Washington, to help get us in front of the right people. And to tell our message to the right people. We made a lot of trips to Washington with representatives of the industry to tell the story.

We had, you know, Adam Putnam, who’s a congressman. Maybe you’ve spoken with him?

Mansfield: I’ve tried to set up an appointment with him.

Edwards: But he and his family are citrus growers. He’s been influential in making sure that his constituents and the whole industry got in front of the right people. He’s been incredibly important to that process. The whole Florida delegation has [been]. When we went up there we got to see everybody. We’d see the top people in the White House, the Secretary of Agriculture, and the Trade Ambassador. Anybody that counted, we got to see them and they listened.

Mansfield: Well, describe some of those visits, if you don’t mind. In looking at the newspaper accounts and history, you hear, “They met with the representatives and this
was the results.” But if you could, give me a picture of what it looked like. Tell me about one of the trips where you spoke to Secretary of Agriculture or somebody in the White House or somebody in Congress. Tell me about one of those.

**Edwards:** On most trips we would usually speak to someone in all of those places. When we’d go [it’d be for] two or three days. I spoke with Karl Rove, in the White House. It was a political time in the election. Bush running for his second term, Florida was the key, turning point in the first election and it was going to be [crucial] in the second one too. So this was a politics game as well as us telling an economic story. It was an important section of the voting group in Florida that was influential to help support the Bush campaign.

**Mansfield:** Tell me about meeting with Karl Rove. I’d be fascinated to find out what that was like.

**Edwards:** He’s a very intelligent guy, obviously. He understood [laughs] what we wanted and they—Ken Melman, who is now the head of the Republican Party at the time, was in those meetings.

**Mansfield:** What did you say to Karl Rove?

**Edwards:** We told that same story, about why should you decimate and industry and a state, to gain nothing for the US consumer? There is a big trade off in the larger economic world, you know—if they want to sell—insurance and banking and financial services and telecommunications and software to Brazil and Brazil wants to sell agricultural products to the US? We didn’t want to be sold out for that trade off, even thought it was, in the big picture.

I mean free trade is good, if you can have fair trade. Which is a difficult thing to get. Because, you know, you never start off from an even base on both sides. In most cases the Third world countries that are wanting to [export] agricultural products [to the US] are really Third World countries. But Brazil, in citrus, is a First World country as far as their—they have a larger and even more sophisticated industry in Brazil than you
really do in Florida today. And today, half of the Florida [processing] industry is owned by Brazilians. So they’ve already taken over half of it there and maybe all of it there. Then you’d really have a monopoly situation set up.

But I mean [Brazil] is not an underdeveloped country, in the citrus aspect. There are certainly parts of their economy that are [underdeveloped] but their [citrus] industry is built with Florida technology. We took it down there. [In the beginning] the Brazilian industry was heavily subsidized by their government. And even though it’s not directly subsidizes now, once you plant a tree, it’s good for twenty-five or thirty years. Once you build a processing plant or a roads, or the whole system, the infrastructure that supports and industry, once you’ve got that going you’re going to have those benefits for years.

**Mansfield:** So you all presented the practical, economic aspect of this argument to the President in Washington, but what about the political advantages that you presented to Mr. Rove?

**Edwards:** We told him that we were a strong political group in those counties that grow citrus. It’s an important thing to those people and that is, basically, the I-4 Corridor, which is where the swing vote happened in the first election. That’s what gave Florida to Bush in the first Bush candidacy and that was going to be very important in the second one. So we were going to be of political assistance in their re-election and we would hope that they would be able to support our needs as well.

**Mansfield:** How did he respond?

**Edwards:** Eventually, just before the final election, Bush came and talked to Marty McKenna and spent some time in his grove with him. [See Marty McKenna’s interview with Bill Mansfield 5-13-05.] He made the statement that he was going to make sure that Florida citrus growers were taken care of. He didn’t come out and say “I’m not going to lower the tariff.” He made a political statement that got message across that he wanted to leave, without committing himself, too much. I mean, you know, politicians can change when the wind is blowing the other way.
Mansfield: I remember there were tariffs on steel imports that President Bush supported—

Edwards: And he got a lot of flak for it.

Mansfield: And after the election he withdrew his support. So—I was just wondering what kinds of concern you all might have about that?

Edwards: We certainly know that politics can change any time. This fight’s never over. As long as you have a tariff somebody is going to be trying to take it away. And the next president, or this one—I mean we still got three years and a lot of trade negotiation to go on right now. We may yet lose it.

Mansfield: You met with Karl Rove in the White House and Ken Melman. What about Congress?

Edwards: We met with all of our Florida delegation and we met, at different times, with the chairmen of Ag committees, finance committees, the ones that are in control of tariff matters and how and when they get to the floor. We met with Zoelick, who was the Trade Ambassador. We had several meetings with him and his deputy, [Allan] Johnson.

We had some good spirited debate about whether what we were saying was true. I think that in some cases Zellick didn’t understand the citrus industry, per se. He has an astute academic knowledge of business and trade, but our particular [industry] he hadn’t had too much time to spend on it. It isn’t that big a deal, but it is politically sensitive because it is Florida.

Mansfield: You say you had a “spirited debate,” could you describe it a little bit more?

Edwards: He thought [about] opening trade for the fresh fruit industry, that we could export it. He felt like there was a two-way street. That Florida was going to be able to
export products, if we got these other countries to open up. We had to explain to him that we were not going to be able to compete in exports because Brazil had such a commanding cost advantage over us. The rest of the world is their market. Opening certain markets that they had done, like Korea or Chile, for fresh fruit imports. Those are not markets that we’re going to export any significant amounts of fruit to. They don’t buy that much and those were miniscule potential benefits for the damage that could be done to the larger industry, if Florida citrus goes.

**Mansfield:** So Ambassador Zoelick was countering your arguments with these ideas?

**Edwards:** Yes.

**Mansfield:** Do you feel that you changed his mind?

**Edwards:** Well, I think we got our story across and I think he understood it more clearly. I think it was definitely better that we were there and we got to tell our story ourselves. You know, you got the people that are doing it to tell. I mean you can study an industry from 20,000 feet, but not getting into the trenches of what you can do and not do. Who is benefiting and who isn’t? Making inroads for the major juice markets and most of those countries don’ import anything from Florida any way, as far as fresh fruit [is concerned].

**Mansfield:** In order to set that meeting in context, and the time frame, when was it?

**Edwards:** Oh, I guess that was about a year and a half, two years ago? I guess we had at least two meetings where a large group of, ten or twelve growers and other representatives went up and “did the circuit,” with the Secretary of Agriculture as well. Anne Veneman, at the time, and all of her deputies. We told our story. She was from California, originally was their Agricultural Commissioner, for the state[of California]. So [she] was reasonably familiar [with citrus]. But again, California is mostly a fresh fruit state, not a processed [orange juice state]. Some of the same arguments about opening up the fresh fruit side [of the market] had to be made[from them] to understand that this is a
processed industry and we’re not really going to be exporting against Brazil. And explaining the monopoly position the Brazilian industry had to begin with. A lot of people didn’t understand that. That resonates well that you are just going to turn a monopoly loose, with no competition if you put Florida out of business.

Mansfield: Who would you say you had the most difficult time talking with? Ah—that’s not a good question. But who do you feel like was most resistant to your argument? who was most in favor of eliminating the tariff?

Edwards: Probably, the one who said, “You guys, this is going to happen, one way or the other. So you’d better just suck it up.” Was the guy who was Secretary of Commerce [Don Evans]. He’s the one from Texas, it’s changed now. He is an ex-oil guy from Texas and he just said, “Trade’s gonna happen. It’s not a matter of if, but when.” But we made our case and he said, “I understand, but—it’s probably not going to happen any way.”

Mansfield: Well did he just say it’s going to happen, or did he give you any explanation as to why?

Edwards: I think he was more speaking in the general, not specifically just citrus, that, you know, trade is coming and you guys are going to get run over eventually, one way or the other. And I mean, we probably are, for lots of reasons, but we’re trying to hang on as long as we can.

Mansfield: So you don’t feel like that was—

Edwards: No he wasn’t saying, “We’re going to do it right now.” Or that kind of thing, he was more making a general economic statement and I can’t debate that he is not probably right. I mean it’s a matter of time.

Mansfield: When you say it’s a matter of time tell me why you do you think it will eventually—[be removed]
Edwards: Well, there are only two tariffs left, sugar and orange juice and they are grinding away on sugar right now. I think in the greater, over all picture of the economics of the United States, free trade will probably benefit the United States. Making these deals, over all, it’s probably in the best interest of the country as a whole. But it can certainly do great harm to individual states, or segments of the economy, like it can to citrus. Time and transitional processes to try to [balance the losses to a given segment of the economy.]

And you know everything isn’t free trade. Just like I said, you got to get to kind of a fair trade and not everything starts from the same place. Like the difference that Brazil’s citrus industry is not a Third World industry. So it’s really not—doesn’t need protection.

They have a lot of advantages that are derived from their own environmental and labor practices and regulatory and land costs that are a function of their society. In many cases our—uh—we probably as an industry, the citrus growers are not totally aligned with labor or the environmental lobbies. But as far as this tariff fight goes we probably are. Probably the democrats were more philosophically aligned against trade than the republicans are. In some cases they were more—they had reasons to be against trade agreements. Different reasons, but they were against them. “The enemy of my enemy is my friend.” [laughs]

Mansfield: I was going to ask, who were some of the allies that you all were seeking? Who did you want to enlist in support? You mentioned labor and environmentalists.

Edwards: Certainly, they were against trade in general, for other reasons because they don’t want the competition in the labor force here, with cheap labor from other countries. Environmentalists, because in many cases they are tearing up rain forests to plant these things, or the environmental impacts that will—we’ve made some points by pointing out what would happen [to the environment of Florida] if all of the citrus groves were gone.

Mansfield: So tell me about the efforts you all made to work with organized labor?
**Edwards:** I think our lobbyists spoke with theirs as well, to see if we had common interests, things that we could work together on. We worked with other countries, other citrus producing countries that weren’t Brazilian but would also get stomped by a reduction in the [tariff]. Most of the Caribbean countries [that produce citrus] and Mexico are already bringing citrus [in to the United States] at reduced or on tariff. That came out of the Caribbean Initiative Programs, where duties were released back then. If Brazil comes in it’s going to kill Costa Rica. It’s going to kill Mexico, Belize, whatever citrus industry they’ve [got]. Lately they’ve been working on developing with this subsidy that we originally gave them by giving them duty free access to the US.

You induced and industry to start and now you’re going to squish it? Those are not that competitive economies to begin with so Brazil will just smash them. So we tried to build a relationship there as well, with other countries that had similar interests.

**Mansfield:** You said that the lobbying group approached labor organizations, do you have any—

**Edwards:** I don’t know the specifics of what was done. We just identified others that, for one reason or another, were against the trade [agreement]. Certainly the other countries that produce citrus, that aren’t Brazil, have reasons to hope that—uh—the FTAA doesn’t allow Brazil in.

**Mansfield:** But did the lobbying group consult the Citrus Tariff Oversight Committee before doing this?

**Edwards:** Yes. We met every three of four weeks, either in person or by telephone conference calls. When things were really hot and heavy we’d meet more often. I think we have a pretty good access. Our story is out and we got to keep it out now. It’s not something you can quit. As long as you have the tariff, you’re always fighting to keep it. You can’t take your foot off the gas. You’re not going to be able to quit [spending] the money.
Mansfield: What is that, constant vigilance is what you need. But what about the Caribbean countries? You’ve mentioned it, but do you remember when they met with them and how it went?

Edwards: We met at the FTAA meeting in Miami and we met in the—where was the meeting, in—ah—what country was that? It was in Mexico and what’s the resort?

Mansfield: Cancun?

Edwards: Yes, I remember the Cancun meeting the FTAA had down there. We met representative from different grower groups from those countries when they’d come to Florida to coordinate our efforts and talk about mutual interests in that area.

Mansfield: So what’s happening now?

Edwards: Well; now there is the CAFTA Agreement [Caribbean Area Free Trade Agreement] is being pushed and the White House is trying to get that through.

That doesn’t really have a direct bearing on citrus, but it does have a direct bearing on sugar. Basically we got a lot of pressure from the White House, for the citrus industry to take sides on the CAFTA Agreement. And we did. We came out in favor of the CAFTA Agreement, which in some ways alienates those members of the citrus industry who are also in the sugar industry. I think they understood why it had to happen. But the citrus industry has a big problem with citrus canker and is looking for compensation for all the groves that are lost. And politically, it looked like we weren’t going to get any [federal compensation] if we didn’t take sides in the fight.

Mansfield: So used—what about hurricane relief? Did they use that?

Edward: Hurricane relief had occurred before. The relief was probably helped a lot by the visibility and contacts that were built through the lobbying and the industry leaders being in Washington and telling there stories and understanding the Florida citrus
industry. So when we had all of those hurricanes and they did such a huge amount of damage to the crop here. The Department of Agriculture and the White House were supportive and trying to help. That was sort of a bonus. We might not have been nearly as successful in doing if we hadn’t spent that money on lobbying and being in front of those people telling our story. That was sort of a bonus.

**Mansfield:** That sounds like an unintended benefit. But with CAFTA, how did the work come down from Washington that you should pick a side? Was it the lobbying group?

**Edwards:** I think that some of the—I’m not sure exactly who talked to who. Some of the people at Mutual [were contacted by the White House and told] *You’re going to have to declare whether you’re with us or against us.* You know? That’s the way it comes down. When things get tight at the end, it’s hard ball.

**Mansfield:** Did they spell out the advantages of being with [the Administration]? And the disadvantages of being against them?

**Edwards:** [chuckles] I think everybody knew what the advantages and disadvantages were. I mean we were looking for, we’d been lobbying for money for canker eradication and that was right in the budget. There’s two hundred million dollars worth of canker trees that have been destroyed. Congress hadn’t appropriated any money for compensation for the growers that had the government destroy [their trees]. You know, if you didn’t have the White House friendly to that idea, you wouldn’t have any chance at all. It may still be a very difficult thing to happen. But we probably weren’t going to get any canker money, certainly, if you didn’t take sides on the CAFTA Agreement.

**Mansfield:** The fact that the President’s brother is also the governor of Florida—

[End Tape 1, Side A. Begin Tape 1, Side B.]

**Mansfield:** — how have you all used that to further your cause?
Edwards: Governor Bush has been very supportive of the citrus industry and he listens to a number of people in the industry about what the needs of it are. Obviously, it’s the second largest industry in his state and he doesn’t want to see that go down either. So he’s been very much an advocate for citrus to his brother. That’s helped.

Mansfield: Well—shoot! I had a question I was going to ask and it just—flew right out of my mind. Give me a second and I’ll think of it.

It seems like, based on the background reading I’ve done that this is really a trying time for the citrus grower, with the hurricanes, with canker, with threat of Brazilian imports and also the lawsuit against the Florida Department of Citrus.

Edwards: Yes.

Mansfield: What can you tell me about that?

Edwards: I guess you know that our company is one of the companies that was involved in suing the Department of Citrus. It doesn’t directly have anything to do with the trade issue. But it is probably one of the things that the industry is divided over. Where I’d say on the trade issue, there’s not much dissension about that.

But [concerning the lawsuit] a group of large growers, ourselves included, and my self, probably the ringleader of that bunch. Anyway, [we] felt that the money that is spent by the Department of Citrus on the advertising is not the best use of that money, verses whether we kept it and spent it on something else. One of the big issues being that the Brazilians pay no part of the tax for that advertising. Yet they benefit significantly from it and have a cost advantage over us, so that future growth will not go to Florida, but to Brazil. So we’re really spending our money to help them. And that’s a hard thing to swallow. [chuckles]
Mansfield: Seems like it’s been happening all along, to tell you the truth. I’ve had many people tell me about the concept of the “free rider” and how that just galls them even more.

But, if you don’t mind, tell me about the genesis of the idea to dispute this tax and to bring about the lawsuit.

Edwards: Well, I tried through the normal—I’d argued that point, as far as the economic benefits of that advertising to the Citrus Commission and others for a long time. We were not making progress on that front.

The United Foods, Supreme Court decision basically, was the first time that, free speech and advertising, or compelled [speech for] advertising for a cooperative crop kind of thing, laid out a new area of law. It seemed that under that interpretation we would have the right to dispute that. That it is compelled speech. They’re making us spend our money for a message that we don’t agree with.

So we sued and we won, at the Circuit Court level. And we won at the appeals level. And we were at the Florida Supreme Court when the—and this was going on in almost every commodity—where certain groups had sued whatever government entity that compelled the check-off for beef or pork or whatever to take that position. So, the beef case had made it to the Supreme Court, before we did. And the ruling that the Supreme Court made, relative to government speech, that “this is government speech and therefore you can’t dispute it as free speech theory. It was a complete change, a 180-degree difference from where the court had been before. That’s going to take the wind out our sails in the ability to pursue that legal theory. So I guess we’re going to end up dead in the water on that.

Mansfield: You said you’ve been pursuing this for sometime; when did it start?

Edwards: I guess it was probably about three years ago, the original lawsuit was filed.

Mansfield: But you said, before the lawsuit you’d work through other means to—
Edwards: I’d made my case at Citrus Commission meetings and with individuals and whatever. Some people agreed—I mean a lot more people agreed with it than just the ones in the lawsuit. You know, it’s controversial whether the money spent on the advertising is well spent or not. Do they do the best advertising they could?

I am not really a supporter that generic advertising is really necessary. It really only occurs in certain commodity groups. It’s a very small part of the world. Most things don’t have commodity advertisements. I mean, water, which is kicking our butt, doesn’t have any generic advertising. [chuckles] Beer, soft drinks—lots of the brands do well in growing the category that they’re in. I think the best use of your money is for your own company, rather than being compelled to give it to someone else to run an advertising program for you.

Mansfield: I’m trying to imagine some generic beer commercials, Beer, it’s what’s for dinner. [Satirizing the generic beef commercial.] Or, A day without beer is like a day without sunshine. [Satirizing a generic commercial for orange juice.]

Edwards: [laughs] I mean only poor dumb farmers are organized and made to pay money for advertising by the government. There’s nobody else that has to do that.

Mansfield: Well, for years people have been doing this and you suddenly call attention to it and want to change it. I’m just curious about what—when did you look up and see that this isn’t right—

Edwards: I’ve never thought that the generic advertising as that great of a thing. But to the extent that more and more of—a lot of structural changes have occurred in the industry. In the 60’s and 70’s when there wasn’t a Brazil. To the extent that we advertised if it had any positive effect, all the benefit went to the guys that were paying for it, the Florida growers. As the industry has changed, to where now Brazil owns half of the Florida processing capacity. Is the behemoth cost advantage supplier in the rest of the world and imports into the United States and sells throughout the US, every time we advertise the guys that are paying for it are just building a cost disadvantage for
themselves, verse our competitor. They can maintain a price that allows us to go out of business while they still make money. And any increase in demand accrues to them, until we’re dead. Then they have the whole thing. So slowly they’re going to get there with the tariff still being imposed, instead of where it is now.

And some other structural things, there used to be thirty processors. Now there are seven. The grower [has fewer alternatives] as to who to sell to.

The retail side of the business, I mean ten large chains stores control 50% of the retail business. If you sell—if you’re advertising to the consumer and you induce him to pay a higher price, or get more volume, the first guy it’s going to pick off that benefit is the retailer. The grower is the last one in the food chain and it’s becoming more and more difficult to pass that [increased profit] down. Even if there wasn’t Brazil those structural differences have made it more difficult. Those more concentrated powerful economic entities are more power full than the little residual grower at the bottom; we take what’s left over. So inducing a higher price isn’t going to get to us.

**Mansfield:** When you started talking about that to people in the citrus industry, tell me about the folks who supported you and were in favor of it and the folks who were in opposition.

**Edwards:** Well, there were a lot of people who supported the idea and agreed with the things that I said. There were a lot of them that didn’t agree with it. They think that the advertising is the most important thing in the world and that we’d all go to Hell in a hand basket if we quit.

It’s almost like religion. [laughs] I’m not sure that it’s based on a knowledgeable thought out debate. You either believe it or you don’t.

**Mansfield:** It’s more often a visceral response rather than an intellectual response. But when you say a lot of people were for it and a lot of people were opposed to it, those are kind of broad strokes. Were there any—would you say big growers were against it and the mid to small growers were for it, or, you know—were there any commonalities among the two groups?
**Edwards:** I don’t [think so]. I mean there were a lot big growers that are for the advertising tax. There were probably more big ones that were against it. There were a lot of small growers that agreed with it. They felt that [the advertising tax] wasn’t benefiting them. It’s a pretty—I don’t know exactly how, I mean there is no poll on it. I would say a significant amount of the industry was against it. It was a very divisive thing. People were for it or against it. It was difficult to change somebody’s mind, one way or the other on it.

**Mansfield:** What about the different organizations? What kind of stance did they take? Citrus Mutual is at the top then there are smaller regional organizations, how did they fall out?

**Edwards:** I think that Citrus Mutual never took a position on it, one way or the other. Some of the [smaller organizations] were for it or against it. I mean Jim Griffiths was certainly for the advertising. [See Jim Griffiths’ interview with Bill Mansfield, 4-28-05] Ben Hill Griffin was for the advertising. [See Ben Hill Griffin’s interview with Bill Mansfield, 5-9-05.] Certainly the people who were involved in the lawsuit were against it. I’ve had a lot of people tell me, “I hope you win,” who were some of the larger ones that wanted to stay out of the lime light, one way or the other. But behind the scenes they were supportive of it.

I think that, you know, it has made the Department of Citrus more sensitive to the issue and to the extent that they can—they are trying to be accountable. Not that there are bad people, or people who aren’t trying to do the best they can. I just think the system doesn’t allow effective use of the money.

**Mansfield:** Do you feel that the efforts to protect the tariff—

**Edwards:** I don’t think that they’ve had any—I don’t think it’s had any effect on the ability to protect the tariff at all. There may have been some perception from outside that there was divisiveness in the industry, that everybody wasn’t on the same page. But I
think anytime there was ever any discussion of tariff, I think everybody was n the same page.

**Mansfield:** That does seem to have been a unifying thing.

**Edwards:** Yeah, no one thinks we ought to reduce the tariff. There’s not one person that I ever heard in the citrus industry to say that.

**Mansfield:** Could you talk to me about the position of the orange juice processors on the tariff? I understand they depend on Florida juice and Brazilian juice. So how do they fall out in this?

**Edwards:** Well, they are kind of in the middle. Obviously half the processors, half the capacity is owned by Brazilians, so you can tell which way they would go. Sometimes I’m not sure I know which way the big marketers [would go]. Generally the Tropicana’s and the Minute Maid’s—Minute Maid, for certain would be better off if there wasn’t a tariff. Because they’re freely source, supplies from anywhere. [They] get the best price. Although I think that even Minute Maid and Tropicana would potentially face a monopolistic supplier, to them if they only had to deal with Brazil and basically there are two companies there that are the biggest suppliers there. If they were in control even those guys would have a hard time manipulating them with all of the supply.

Tropicana has a little more difficult analysis to make. I mean they’d like to have a second source of NFC, [Not From Concentrate] that’s primary for their business. But it’s probably not practical to think that they could completely supply their US market from Brazil, if they had to. So Florida is the only practical source of NFC for them. They are more aligned to having to get their source from Florida. Other products can make [orange juice] from concentrate. But they do source all of their European juice from Brazil.

**Mansfield:** On the efforts to protect the tariff, how did the processors respond? Did they contribute to it? Did they—
Edwards: They did assist in the collection of the money for Mutual, even the Brazilian processors did. Most of them, at least in a public way, stayed out of taking a position on it. You know, the growers did the lobbying. [The Brazilian Processors] did not actively take a public position. There may have been some behind the scenes [activity] that you wouldn’t know about one way or the other. But pretty much the growers carried the water on that issue. I think the processors mostly stayed out of it.

Mansfield: The one question I’ve been asking everyone is, what is your vision of the future for the Florida Citrus industry?

Edwards: [chuckles]

Mansfield: I’ve heard bleak tales and I’ve heard rosy tales.

Edwards: I would probably say that I don’t have a very rosy outlook for the Florida citrus industry.

Mansfield: What do you foresee?

Edwards: I see—I think that Florida citrus would have been here a long time. [It] would have been a shrinking industry, but [would have] been here a long time without the advent of canker. That, with the hurricanes, now has almost gotten completely out of control. I guess we’ll kind of know in the next six months or so, if it really is [out of control]. That may significantly accelerate the demise of the industry.

But not with standing that, we had a tough situation anyway. I mean we’re at a huge cost disadvantage to Brazil and the only thing holding us is the tariff. How long can we keep that together? But there are a lot of other issues, the accelerating land prices in Florida have made almost every kind of agriculture difficult to stay in, verses the alternative—what you could get for just selling the land.

It doesn’t make financial sense to keep it when you could do something else with it for development. So not being cost advantageous and having [development as] a better
alternative staring you in the face, all the time is going to make a lot of people exit the industry. The uncertainty of knowing that a disease can come and kill your investment—and you’d have to dig it up the next day.

So people aren’t going to invest and re-build right now, because they don’t know [what canker will do to their crop]. I’ve had a thousand acres, in the past two months that we are going to have to burn. And every week or so, or every day I get a call from one of my managers saying they’ve had another find [of canker]. And that’s a nineteen hundred-foot circle. That’s two hundred and fifty acres.

**Mansfield:** Well, there has been talk about different ways to treat canker. Do you think that cutting down [infected trees] and burning them is the best way to do that?

**Edwards:** Based on the science that exists today, it is. After a point, if it gets too far, it probably can’t be eradicated by [burning]. Unfortunately you can’t live with it either. It will probably, in just the matter of a few years, spread across the industry without efforts to eradicate it, to the point where it reduces the production of the oranges that you’re already not competitive on. And you’ll immediately lose the fresh fruit industry. We may not be able to export to Europe, starting this year. They won’t accept imports from a country that has canker.

So those things do not bode well for the future.

**Mansfield:** If the tariff is, indeed, removed what can the Florida citrus grower do to remain in business?

**Edwards:** Not a lot. He can be in some small niche [markets], but we won’t have twenty thousand acres growers. You’ll have guys with a hundred acres road [side] stand, or something.

**Mansfield:** Okay. I’ve been throwing questions at you for the hour. Is there anything you want to tell me about that I haven’t asked about?
**Edwards:** You seemed to have covered a pretty wide range, a lot more than the tariff. [laughs]

**Mansfield:** Well sometimes this stuff just comes along. The lawsuit, everybody I’ve talked to has commented on that, one way or the other. And the Department of Florida Citrus is a government agency that works with the citrus industry. So I think it would be useful to collect information on growers and processors and people’s perspective on what they do.

**Edwards:** How would you assess the people that you’ve talked to? Are they for or against [the lawsuit]?

**Mansfield:** I’d say it’s been pretty much down the middle.

**Edwards:** That’s how I would say it. There is not anybody that’s undecided. [laughs] Usually they are for or against, not “maybe.” [laughs]

**Mansfield:** I would say that the “maybe” people have said that, at one time the promotional efforts of the Department of Florida Citrus made orange juice what it is. They made the market for Florida orange juice.

**Edwards:** They did.

**Mansfield:** And things have changed.

**Edwards:** You have brands now. That’s what you didn’t have whenever [they were starting]. Brands and NFC, which is the fastest growing segment, over half the total business, 95% of the NFC business is through brands.

**Mansfield:** I always thank people, officially for taking the time to talk with me.

Mansfield: [laughs] Well, thank you off the record as well. I want to remind you that the information you’ve shared with me will be deposited at the Special Collections of the University’s library and in order for scholars to have access to it we need to get you to sign a release form. Also I’ve been photographing everybody I’ve interviewed, so do you mind if I take your picture?

Edwards: Sure, go ahead.

Mansfield: Okay, let me shut this thing off.

[End of interview.]