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Malcolm Watters oral history interview by William Mansfield, May 4, 2005

Malcolm Watters (Interviewee)
Bill Mansfield (Interviewer)

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Bill Mansfield: I always but a label on the disk by saying, this is Bill Mansfield from the Globalization Research Center talking with Mr. Malcolm Watters at his home in Lake Placid, Florida on May 4, 2005. And Mr. Watters, 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.

Malcolm Watters: All right Bill. My name is Malcolm Watters, Jr. And I was born in Sebring, Florida, Highlands County, on January 15, 1948. So I’m a native, probably [I’ve lived in this area] fifteen miles from where we sit, basically my entire life, other than going off to the University of Florida, from 1966 to 1970.

Mansfield: That’s something I want to ask about too, is your education. So tell me about—what, you went to school here in Sebring?

Watters: Yes. Graduated Sebring High School in 1966. Was accepted to the University of Florida and went all four years, up to the University. Got a degree in fruit crops and graduated in August of 1970.

My father was in the citrus business in Lake Placid at the time. We’re kind of a third generation citrus family. He owned Lake Placid Care Takers, at the time. He took care of and did custom work for probably a couple of thousand acres of citrus, around the area. He was ready to retire and have somebody take over the business. He actually sold
out of Lake Placid Care Takers, but his [kept] own groves—I started managing his groves.

Eventually [I] bought some groves from him and planted some others. [It’s] not a really big citrus organization. I personally have a hundred and forty acres of citrus and I’m in a corporation with two other people, my sisters, that has another ninety-three acres. And I manage my dad’s estate that has sixty acres of citrus in it.

Mansfield: Do you manage any other people’s citrus?

Watters: Well, I formed a care taking corporation back in, I think about ‘74 and I did do some other individual’s properties, probably four or five other individuals. And I finally worked my way back to doing my stuff. ‘Cause I do mostly, actually today as we speak, the organization is just my son and I. He’s 32. He also graduated from the University of Florida. He comes back and it’s just the two of us doing all the work.

Mansfield: Tell me about the work that’s involved in looking after your oranges.

Watters: We do all the custom work. [At the] first of the season we do all of the spraying, fertilization, hand work, planting trees—even got a little hedging machine, we do most of our own hedging. About the only thing we don’t do is the harvesting. We have a contract crew come in and do that for us. Basically, everything else we do, we do in house.

It was tough in the 70’s when I started out. I remember the first year I had ten acres of Valencia’s and couldn’t sell my fruit. Seems like we had a big year, or something, that year. I asked all around and finally got somebody to take it for, I think it was forty cents a pound, thirty or forty cents a pound solids. And [I] was happy to get it. Then I thought this is going to be a tough deal, but it progressively got better.

We did very well in the 80’s. We had a lot of natural disasters, I guess you’d call it, freezes in this area. The price was good. If you want to call it supply and demand, seems like things were working. We did very well.
In the 90’s it got where, I don’t know, we’re just—had a lot of planting after the 80’s. We had a lot people concerned about these freezes. The citrus industry was moving south and planting a lot of big acreages.

So I was thinking the day was coming when we’d probably have bad prices again. And that we might need to start thinking of other things to be doing. It didn’t really get to that point—I though it would happen in five, six or seven years and it seems that it took more like ten or twelve years before we started really seeing that. Then the prices have not been too good for us here, from the mid-90’s to date.

[They have] kind of [taken] the fun out of growing citrus. Making money helps you a little bit, but not making money, you don’t enjoy it quite as much.

**Mansfield:** Everybody has told me that there were a series of really bad freezes in the 1980’s that destroyed a lot of citrus, but it also drove prices up. Did you all loose a lot of fruit in the 80’s? Or did you manage to escape the freezes?

**Watters:** We didn’t lose a lot of fruit here. We got a lot of damage. I recall one block I had, I lost, probably 35% of my fruit fell on the ground one-year. But we were able to salvage the bulk of the crop, in all of these years. The oranges would not test good, because they lost some juice due to dryness, but we never got it so bad where we lost the entire crop.

**Mansfield:** You said, in the mid 90’s the prices went down. What explanation would you have for the price’s decline at that point?

**Watters:** Well, the inventories have been getting bigger and bigger, as a result of the freezes of the 80’s there was a lot of importation of juice into this country. I think mainly Brazil. I actually took a trip to Brazil, in about 1985. That was kind of the talk of what was going on and we spent about ten days [there]. Three or four growers went down and toured the area. It was phenomenal the amount of citrus that they had at that time.
Mansfield: What were your thoughts? I’m asking you to think back almost twenty years, but when you saw what they were doing in Brazil, what did you think about that?

Watters: We had a tariff in place at the time, which we still do. That was the only thing saving us, is [Brazil] had to pay that tariff to bring it into the States. But it also limited the game for us, because it was a world market at that time and the price was kind of set by that tariff. I’m not sure if it is solely the supply of citrus. I think there are a lot of factors that cause the price to be what it is. It’s very complicated today.

I was talking to a man the other day [and] he was talking about the stock market and how things are supposed to work. In history it did this and that and it doesn’t work that way anymore. It’s just gotten more complicated and complex. I think that’s what here too.

When you sell fruit, the marketers—well for instance we had a packinghouse, a local co-op in town, we worked years and years with that and we sold through different organizations. We always had a little trouble, all the time.

You’d send a load of fruit and it would be very good quality fruit and you’d send it, say to New York or something. Three days later you’d get a call saying the fruit’s no good, we’re going to have to cut the price. We’d say, ok let’s call for a federal inspection.

So they would have a federal inspector come in and check the fruit. They’d say, it’s no good. Instead of nine dollars a carton, it’s worth three.

Mansfield: That’s got to be a big disappointment.

Watters: Yeah. We don’t even cover shipping costs sometimes. A lot of things like that put us out of the packinghouse business. It turned out, fifteen or eighteen months after we were out of it, they indited thirteen Federal Inspectors in that area for taking bribes and kickbacks. We knew it going on at the time, it was just hard to make the trip—to fly up to New York. And what are you going to do?

There were a combination of things like that. The chain stores, some of the big ones have started saying, “If you want to deal with us you’re going to have to do it our way. You pay us a little on the side to work with us.” Things of that nature.
**Mansfield:** They would say that to you, or the vendor with whom you sold your fruit?

**Watters:** Well, for instance at our packinghouse they started coming out with these little price code labels, identifying labels. Here’s one, a peach [demonstrates with peach from bowl on the table]. Those labels cost a certain amount of money to put on. Plus you had to buy the equipment to put them on. Price look up codes, or whatever they call them. It got to be some of the chains would say, “We’re not going to take your fruit unless you put them on [your fruit]. We’ll pa [for them] you to start with.” But then later on, “That’s an expense you should bear.”

Everything always came back to the grower. That’s what made it so difficult. I don’t know this for a fact but certain other suppliers would say, “If you want to deal with us you have to have your fruit packaged in our containers. Picked up at certain times and delivered at certain times. You do it our way, if you want to deal with us. We’re going to take a quarter a box off the top for your right to deal with us.” Now that’s what I’ve heard.

**Mansfield:** So they are dictating terms to you?

**Watters:** Right.

**Mansfield:** That was a question, I was going to ask earlier, the oranges that you grow, are they for what they call fresh fruit? Do you just sell them as oranges or do you process them for the juice?

**Watters:** We’ve done both, but now we’re almost entirely juice. What we did, a lot of times, if it was a pretty crop and the fresh market was worth more, we’d go that route. If not, we’d go the processed route. But I believe when our packinghouse went out of business, our packinghouse [was] a member of Citrus World, Florida’s Natural. That’s a co-op that was originally ’s made up of thirteen packinghouses. So we had the option of packing or taking it up to the plant.
But I also dealt with some other [plants] I was involved with Tropicana for probably twenty-five years. I sold about half of my stuff to Tropicana and the rest of it, either packed, or Florida’s Natural. I recall one time in the late 80’s; I had a block of tangelos, Orlando tangelos and a fellow called me saying he needed them real bad. So we made a deal on that and I think I got eleven and a half-dollars on the tree.

He wanted more, so I talked to some of my neighbors and area growers. I didn’t have to talk them into it because that’s a very good price and that’s probably as good a price as we ever got. Then probably two years ago I pushed that tangelo block up. It’s come full circle with that. I’m solely [committed] to juice oranges in there. It’s all Valencia’s at this time. Haven’t even picked a crop off of it.

Mansfield: Well, it takes a while to get where you can harvest them doesn’t it?

Watters: Right.

Mansfield: Now you pretty much sell all for juice?

Watters: That’s correct.

Mansfield: Okay. Tell me about selling your fruit. How does that work? Do you contact them? Do they contact you? Who do you deal with when you go to sell your oranges.

Watters: Well, like I said, Bill, earlier I was about 50% with Tropicana. I [knew] quite a few people over there over the years. Tropicana went through a number of changes. They were bought out at least three times since I started dealing with them. People change all the time. You know they weed people in and out. You got different people and it got to the point that I, basically, didn’t know anybody over there.

And I’m thinking, with this market getting in a tight situation (over supply, with all of stuff from the south area coming in) you need to [have a home for your fruit]. So I ended up putting all of my stuff in citrus world. “You own the groves. You own the
company.” That’s their commercial. Actually I’m in a participation deal with them. They squeeze all of my juice and whatever the returns, it’s a true co-op, they pay you.

I’m locked into that deal, unless I give them two years notice to get out of it. So I’m pretty much in there. And I pretty much, take what I get.

Mansfield: And how do you like that? Is it a good deal? Do you feel like that’s the best you can do? And when I say the best you can do, I mean you take what you get, rather than taking what you want.

Watters: [sighs] Well, there’s people that people that make more money. A lot of them are out there. But I don’t know—I’m supposedly getting the true price of fruit, whatever the true price of fruit, what fruit reflects. It’s considerably lower than what you hear from growers that are selling in the cash market, or short term and long term contracts with some of these other plants.

For instance, I heard the other day the price right now on the cash market was $1.15, $1.20 on Valencia’s. I haven’t gotten $1.20 in ten years. There was a point, last season, [the] 2003-2004 season that the cash market was probably the lowest it’s ever been, after adjusting for inflation and what not. That’s about the only I can recall it has been lower that what you can get in a participation plan.

Mansfield: Is the cash market more of a risk that with the contract?

Watters: When I was with Tropicana I always had a contract with a floor. That would take a lot of the risk out of it. I would have a base that I could live by, and it adjusted, basically upwards for there. If I was happy with the floor it was pretty good. Cash market, sure it would be riskier, but like I said, last year was the only time that I can recall where you got a bad deal out of the cash market.

Mansfield: People have explained the long-term contracts with me and that seems to be the safest way to go. How would you categorize it?
**Watters:** I would say it’s probably the safest.

**Mansfield:** And I’ve heard about box contracts and grove contracts?

**Watters:** Right.

**Mansfield:** So which of those two would you prefer?

**Watters:** Well, we do grove contracts, production contracts. I’ll sign up with Citrus World; I’ll give a legal description of the property. And we will do a lot of estimating, for them. To say, we think it’s going to be “X” number of boxes, to help them out. But whatever it is, it is. As opposed to a box contract, where I promise ten thousand boxes, then [if] we have some weather conditions, or something and I couldn’t fulfill [the contract] then I’d have to go purchase it, to fulfill my contract. That’s not what we’re looking [at] here.

**Mansfield:** Before we get away from your growing oranges, tell me about – you said that you and your son do everything yourself, the spraying and fertilizing and trimming. But you had a contract crew to do the harvesting?

**Watters:** Right

**Mansfield:** Tell me about that. What kind of outfit is it? How many people are on it?

**Watters:** Well, years ago, another local grower, a larger grower, had his own harvesting company. He used to harvest my fruit for me. It’d just bring his crew in and get it done. I have no idea of how many people he hand, or anything, but it was a big operation.

And I’m thinking, probably in the early 90’s, liability became an issue for him, doing outside work. If something happened, could he be sued? He got concerned about it and sold part of his operation to a couple of his employees; that at the time actually
worked for him doing some outside work. So they formed their own corporation and I’ve been with them ever since.

Mansfield: I ask that question because there has been a lot of talk about illegal immigrants making up the bulk of the farm workers in this country and I was wondering what kind of knowledge you had the folks who worked for the contractor who pick s your oranges? Do you think there might be illegal aliens? Is that something that concerns you at all?

Watters: I don’t have the date, but back, probably in the late 80’s maybe I had a couple of Mexican laborers that were working for a harvesting crew. I needed some more labor. So they came over to work for me during the summer, as opposed to going to North Carolina to tobacco, or whatever they do up. They couldn’t speak English. I’d had a couple of years of Spanish in high school.

But we got a long. I’d pick them up in the morning and they would work and I’d take them home. [They were] very dedicated workers. After the summer, one, out of the three stayed on with me, as a full time employee. I had a little mobile home that he lived in. That guy would work all the time. Even on Sundays he would walk up and down the drive, coming into the house and patch potholes. He just liked to stay busy. I found out later that he had a family in Mexico, a wife and two or three kids. What he was doing was sending his money back to Mexico every month. He spent very little of it.

He came up to me one day and said, “Boss man I would like to go Mexico to see my family. Would that be fine?” I said sure. So he went to Mexico and I found out at that time that he was illegal. I didn’t know that before. He had a social security number that he had given me, and a Florida driver’s license. So I was just assuming that everything was fine. (How do you get that stuff [if you’re illegal]?)

After I found out he was not legal I called a couple of congressmen, trying to figure out what I could do to for this guy. They said the best thing for him to do was to try and get his papers in Mexico and come back that way. Bit I could not hire the man. It was five years in prison and a ten thousand-dollar fine, for me employing him. So I got
the papers for him to take to Mexico. [I told him] your going to have to do it on your end. He didn’t understand it well enough and couldn’t get it done.

Later, he slipped back into the States and called me from somewhere at a meat processing plant, wanting to come back to work. I think he was in Arkansas I told him, “I can’t do it. They told me I’m going to jail if I hire you” I felt real bad about that.

Within two years, I believe it was, we had an amnesty policy. The other two that worked for me that summer came back to me to see if I kept their records, which I had. They could prove employment and they were grated visas to stay. But that man never came back. I don’t know what ever happened to him.

**Mansfield:** What an irony that these great workers can’t come here. One of the men I interviewed said, that labor is all part of this free trade complex too. That is as important to your oranges as anything else.

**Watters:** Yeah, Brazil, I know those laborers down there got paid, basically nothing to work. Also, they could use chemicals that we couldn’t use. The Brazilians would come up to this area and take pictures of our equipment. [Take the] photograph [back] and build [our equipment]. They would make their own machines.

They could use chemicals we couldn’t use, have cheap labor and though most of their groves aren’t irrigated they had a lot of them. And grew a lot of fruit.

**Mansfield:** I’ve heard that they don’t have near the overhead that, nor the regulations there that we do here.

You’re aware of the effort to eliminate the tariff on [imported] orange juice?

**Watters:** Right.

**Mansfield:** What’s your position on that?

**Watters:** I don’t like it a bit [chuckles at such an obvious question]. That would put us out of business, totally, I think.
Mansfield: What have you done to make sure the tariff stays in place?

Watters: I’m a member of Florida Citrus Mutual and Highland County Citrus Growers Association and they’re kind of doing the legwork for me, individually. Ands I did do a survey with the trade Commission. I got a questionnaire about the anti-dumping regulations and stuff. I set them a letter off, regarding that. But you know I just support those organizations, basically.

Mansfield: When you say support them does that mean membership dues or writing letters? What do they ask you to do?

Watters: I recall writing a letter or two. And I’m not even sure what the issue was, but I’ve written letters and put some money in the PAC funds. And membership, and that’s about it.

Mansfield: How do you feel that Florida Citrus Mutual is doing in their efforts to keep the protective tariff in place?

Watters: [sighs] I think we would have lost [the tariffs] by now, if it wasn’t for Mutual. They really doing a good job on it right now.

Mansfield: And what about the Highlands County Citrus Growers Association?

Watters: Well, their just another stepping stone in that process. It comes down to [this]; they relate a lot of Mutual stuff to the local growers. It’s just another support system, but Mutual takes the lead [with the tariff] in that respect.

Mansfield: So what is your perception of what Citrus Mutual is doing? Or what do they tell you about what they are doing?
Watters: There’s a lot of lobbying, I guess you’d call it. They meet with Congressmen all the time and influential groups and push our interests, with the Secretary of—not the Secretary of trade, but the trade commission. They’ve bent some ears and gotten some good results from it.

Mansfield: What about the Florida Department of Citrus?

Watters: They’re kind of the same things. Seems like we had a set back with the Department of Citrus. I would say we lost some of our key advertisement people. The staff was cut back. It seemed like we were doing the wrong things to promote citrus and sale just sort of went down. And on top of oversupply and everything, it looked like we were kind of heading in the wrong direction. It seems like we’ve turned that back a round now with Dr. Gunter in there.

When you’re selling something you have to be with the buyer and bend his ear every once and a while. Remind him that you’re still selling something. It doesn’t matter if it is cars or anything, especially produce, you know [something] people buy all the time.

Mansfield: What, there is that lawsuit against the Department of Citrus, tell me what you know about that? Tell me your understanding of the lawsuit.

Watters: Okay, let me think about this a little bit.

As I understand it, the [litigates] didn’t think that the box tax we paid the Citrus Commission [sic; Florida Department of Citrus] was helping them at all. That it was a waste of time and they thought, maybe it was illegal because—They’re also promoting [Brazil’s citrus], when they did promote citrus it was not necessarily Florida citrus but all kinds of citrus. And they weren’t getting their money’s worth. And thought they could do a better job spending that money themselves. [That’s how] I understand it.

I don’t really agree with that. I think we could probably do a better job, sometimes, but I think you have to do it.
Mansfield: You mean the promoting that the Department of Florida Citrus is doing?

Watters: Right.

Mansfield: So what’s your take on the people who are fighting it? Do you see them as misguided, as adversarial? How would you categorize them?

Watters: [thoughtful pause] Well, you know it takes all kinds to make the world go ‘round.

Mansfield: [laughs]

Watters: You know it really does. I think they have their rights to their beliefs but I don’t think they are correct on it. I’ll give you a “for instance” that happened to me.

I’m the only one that lives on this little lake here. My neighbor put his grove up for sale. He wants to change the zoning and put in multiple houses in there. Two houses per acre, or whatever. I said, “Boy, that’s going to tough on me. Raising oranges out in the middle of nowhere and all of a sudden have fifty or sixty neighbors. I don’t like it.” But each man has his own rights and property rights [is one of them]. I’m for them.

But the same guy that would change the zoning for his own benefit [earlier, a similar] situation came [about] on the lake [that] he was on. And he didn’t like it either.

Mansfield: So he was experiencing what you were experiencing?

Watters: Right. It’s okay as along as it doesn’t happen to me. [Sardonic laugh]. You know?

Mansfield: Did that change his position?
Watters: No. But this didn’t matter as much to him because he doesn’t live here. It’s all money oriented. You know you got a piece of property you want to get the most money you can for it.

Mansfield: Well, the people I’ve talked with [so far told me] there were, like three different levels of growers: the huge corporate growers and then the smaller growers. How would you describe the unity, or disunity among the different levels of growers? Do you feel threatened by the large growers? Do you see them as adversaries or allies? What’s you perspective on that?

Watters: No, I see then as cohorts in this business. I don’t see any adversity there. A lot of times they’ve got a lot of finical strength, where they can try now things, do different things. And sometimes we learn from that. As far as I see it, we’re all just growers. But I do see it going in that direction, getting bigger.

The smaller man has a tough time staying in it. With prices being what they’ve been, if he’s got any kind of debt service, then it’s almost a losing battle. Actually I think the big grower’s having a tough time.

Mansfield: What are some of the challenges you see the smaller growers facing?

Watters: Well, pricing. Your cost, you got to try and keep your production costs down. You can’t buy stuff as cheaply as somebody that’s going to buy fifty times more than you are. They’re always going to get a break and that’s something [that’s] always been there in any type of industry, I think. But I know some small growers that didn’t think they could afford to keep their equipment up. Equipment costs keep going up and so they would hire an outside firm to come in and do their tractor work, or something. Then they’d say, “Uhm! That’s a lot of money we’re paying these people. Maybe I could [do it myself].” And the end up buying a used sprayer or something and try to go back to it. I think it’s basically it’s just not making money at it. Enough to maintain your equipment.
You got to feel good about what you’re doing. You got to enjoy it. And I think that’s the thing that’s happened to most of the growers I know now. It’s just not fun anymore.

A lot of them are diversifying into other things. Development is the big thing in the past eighteen months here that’s just phenomenal. A grove that was worth maybe six thousand dollars on a profit–loss basis, people are selling them for thirty-five thousand dollars an acre.

**Mansfield:** [Whistles in surprise at the cost.]

**Watters:** For five-acre tracts, you know. Just development. They’re selling them as fast as they can. It’s just incredible right now.

**Mansfield:** I recently read an article about how land prices around here are going up and up and up.

**Watters:** I hear a story just about every week that tops the week before. I don’t know how long it can last. I relate it to the tech bubble in stocks, sort of thing, when it’s a frenzy. Right now, I talked to a realtor who told me in January, he had to lock his doors one-day. He had so many people trying to get in there that his staff couldn’t facilitate that many people. He locked his doors! I’d never heard of such a thing.

**Mansfield:** Was he looking to sell land or were people coming there to—

**Watters:** People were [going] there to buy land.

**Mansfield:** You said when it quits being fun, it’s not worth doing. What is it that makes raising citrus fun for you? What do you like about it?

**Watters:** Well, when I started out in the early days, you’re outside, out in the environment. You could get on tractor and drag a disc along the ground. You get a sense
of appreciation for what you’re doing. You see these trees. You’re nurturing them and the
are producing. You get a lot for satisfaction. Then it seemed like it came to a point where
everything was more and more regulated. You had to do a lot more paper work. You had
to keep records of this and records of that.

I used to spend 99% of my time in the field. Now I only spend 39% in the field
and the rest with record keeping, bookkeeping, just complications. Whatever you want to
call it.

Mansfield: So being outside and the physical aspect of it was enjoyable?

Watters: Right.

Mansfield: And the bookkeeping part just no fun?

Watters: Right. Well there’s—you know—we got more and regulated with chemicals.
We don’t use near the chemicals we used to use and probably we didn’t know we could
get the job done as safely as we do now. We hardly use any restricted pesticides or
anything. Basically, we heading towards organic.

Well, you’ve got that part of it. You had OSAOH [Office of Safety And
Occupational Health] that came in at one point [with a regulation stating], “any set of
three steps you had to have them painted red and a have a guard rail and a fire
extinguisher every twenty-five feet.” You know things that just keep happening. It wasn’t
just all paper work but you have to constantly upgrade, keep workers compensation and
things like that. That’s why I don’t pay workman’s now. It’s just [us] two in the family
and just to get out from [doing a lot of that sort of thing].

Fuel tanks. I had under ground fuel tanks and they started regulating all of these
fuel tanks. So I actually changed all my tanks out to above ground tanks. It cost a lot of
money to do this changing. But I pulled them up and—because I couldn’t ell what they
looked like under ground. We would do electronic sniffing tests to monitor them at first,
but I had to pay somebody to come in. We put in monitoring wells and I had to keep
records of [fuel levels in the tanks], a bank account system of input and output. Any time
somebody fills up and every month send that in. I had to read the water levels for the SWIFT MUD [a water-regulating agency] and send that in. My pumpage reports every month, send that in! You know you just got to keep a record of every thing!

And when I pulled the storage tanks up, they looked brand new. But you don’t want to go through the everyday hassle of all that work all the time.

**Mansfield:** Back in North Carolina we had to get our heating oil tank moved. So I understand what you’re talking about. Just the bureaucracy [of it all is so frustrating].

**Watters:** What buffaloes me is if your tank is under five hundred and fifty gallons, it’s not regulated. But if it is five-fifty, or over it is. So a lot of growers who had thousand gallon tanks just went out and put in two five hundred and forty-gallon tanks. And they don’t have to go through all of this. Just the insurance on every tank is very expensive. Insurance and then you got to register them with the state and then you’ve got to keep up with all the regulations, what ever they can think of to add to that tank. We’ve put concrete containment systems around them and painted it with a material that won’t let it leak.

I don’t know of any of them that ever leaked. But what I think I should be doing is selling insurance on fuel tanks, cause I don’t think you’re ever going to have a claim.

**Mansfield:** [laughs] You talked about people who were selling grove land for development. What kind of pressure are you under for that?

**Watters:** Money isn’t everything. And I hear what you can get [for your land] all the time. But still I like living out by myself. We’re sitting right here in the middle of an eighty-acre block. I’ve been here for probably thirty years. Basically no neighbors at all and I like that life style, just a little bit. It’s not that I don’t like people.

My pressure to sell out is the price of oranges. If I’m going to lose money every year, you can only do it for so long. So you’re thinking, “I need to hedge my bet. I need to get a little of this action.” But nobody is going to stay in a business they can’t survive in.
**Mansfield:** What are your strategies for staying in the business?

**Watters:** I’m seriously considering selling one grove right now. I’ve had an offer on it of twenty-two thousand five hundred [dollars] an acre. It’s highway frontage. But I know one of my neighbors has his [property] listed for thirty-eight [thousand] five [hundred]. So I’m thinking twenty-two is [too little]. You know, you don’t have to get the top, but you want to keep up with what the market is. I’m thinking about putting that on the market and—

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

**Watters:** — that just takes a lot if frustration away from me. I don’t want to have to beat my head against the wall seven days a week. I’ll only want to have to do it three days and hope fully a take little better care of what I got.

We’ve been cutting back on costs because we’re not making a lot of money. I’ve always said to myself, I’m not going to put more into it than I get out of it, ‘cause you’re going backwards. So we’re just having a tough time right now. We probably would have lost money last year if it hadn’t been for the hurricane damage [reimbursement from Federal disaster payments].

**Mansfield:** Somebody said that the damage to the crops would cause a shortage that would push prices up. Have you found that to be so?

**Watters:** Cash market prices have gone up. I don’t know, with my participation, whether I’m going to see any again. I’m a little bit more optimistic right now, than I’ve been for the last two or three years. And that’s because development has taken [out] a big slug [of acreage]. Our inventories are down a little bit from what they have been. Actually canker is doing a job on a number of groves. I think there is going to be less acreage.

So, hopefully prices will get better, but as I said before, it’s a complex issue. I tell people all the time, it’s not supply and demand any more. That doesn’t work. I think
these [grocery store] chains, if they’ve got twenty cubic feet they allocate to your orange juice and they are making three dollars a gallon, off of it (which is one of the highest profit things they have.) They don’t want to cut the price of it, or raise the price of it. They are doing great with it. It’s one of the their things. It seems like it’s not what I learned in economics in college, It’s a different ball game. [The grocery store chains] can do what they want. That’s a big part of it.

One day, with in the last year or so, prices were kind of down. Maybe it was right after some of these hurricanes or something. [I was in a produce section in a supermarket]. The price for three oranges was $1.49 or something like that. It worked out to about ninety dollars a box. I’m thinking what an ironic situation when I’m getting $1.50 a box, but it’s selling for $90.00. It’s crazy.

Mansfield: That’s got to be frustrating.

Looking to the future citrus in Florida, what’s you prediction?

Watters: I think, in this area, we have a Not-From-Concentrate product that’s doing pretty well. I think citrus is going to continue to lose acreage to development. That’s what I see. [Citrus] disappearing, kind of like the tobacco industry in North Carolina. I mean it’s something that’s going away.

Mansfield: That’s something that concerns Mr. Kahn. He felt like growing oranges was a big part of Florida’s identity and heritage. He was really worried seeing it disappear.

Watters: I can’t see what’s going to make it better. That’s the problem.

Mansfield: What about the tariff do you think it will stay in place? Do you think it will be removed?

Watters: It seems that we got a pretty good lock on it right now. That we feel secure about it. But ten years from now, I don’t know. If our piece of the global pie gets smaller and smaller, maybe we’ve got a chance of losing that. I don’t know.
Mansfield: Have you thought far enough ahead to think what would happen if it did disappear?

Watters: You know it seems like that the USA is pretty much a service economy now. We’ve lost a lot of our industry; it seems like to me. We’re either tech related or service oriented. I kind of like the steel mills and the farming and things like that, and not be so dependent on other countries. But it’s just not the way people think any more. I whish it wasn’t going like it is, but I don’t know how to change it.

Mansfield: Maybe you could say it’s the way people don’t think any more.

Watters: Right.

Mansfield: I guess I’m asking you to speculate and peer into the crystal ball, or read tealeaves or whatever, but what would your strategy be if the tariff is removed? What would you do to stay competitive?

Watters: I’ve thought about—years back we tried to think of these things and my wife even started a business plan of a niche market, for fresh fruit at the time. And she was going to work—she’d talked with ARC foundations in different states about doing fundraisers and stuff like that with fresh fruit. There seemed to be an idea there but—

Mansfield: ARC stands for?

Watters: The Association for Retarded Citizens. She might have talked to some other groups, but that was one of them I know of that she had some interest in. She does a lot of volunteer kind of work. She actually works for Take Stock In Children right now. It is a mentoring, leadership thing. She was with the American Cancer Society, so she’s developed that kind of mentality of how to do things. But a lot of people are thinking along those same lines.
I know there were people that started fruit stands in, like Pine Hurst [NC]. I went up and studied these little packinghouses. The guy would bring his fruit up there on a weekly basis. Or maybe in a parking lot in Raleigh [NC]. He’d put these fliers out and people would be there to get it.

I don’t know. The question was, if we loose the tariff?

Mansfield: [Nods his head: affirmative]

Watters: Probably get out of the business.

Mansfield: Are there organizations of small growers that are looking to develop this kind of niche marketing? Where they would sell more directly?

Watters: I think this is a five to eight year old thought. That is was pretty strong and some people tried it. I don’t hear any talk of that stuff any more. All I’m basically hearing about is land prices, and, “Let’s get out of it.” Or “Let’s convert to tree farms.” Or other crops.

Mansfield: I think, back in North Carolina the United Farm Organization and the Farm Stewardship Organization are groups that are looking to help small farmers stay in business. I was just wondering if orange growers had though about participating in groups like that. Or if that was an option that was open.

Watters: No I don’t hear of much of people getting together like that in a new venture, or something. But we discussed doing it ourselves. I don’t know.

Mansfield: It was Citrus World, a co-op. Was that the one that started from fresh fruit growers taking fruit [that couldn’t be sold as fresh and using it for juice]?

Watters: Right. Right.
**Mansfield:** They ended up [becoming] an orange juice outfit as much as a fresh fruit place.

**Watters:** Right. They are probably a lot more so now.

**Mansfield:** I know that’s what my wife gets when she goes to the grocery store. She’s helping you all out by buying a lot of orange juice.

**Watters:** [laughs] And you’ll find some in my refrigerator, but I tell my wife it doesn’t make a lot of sense for us to buy it all.

**Mansfield:** Well I’ve been throwing questions at you for the past hour. Is there anything you want to comment on that I haven’t asked about?

**Watters:** I’ve been thinking so hard, I can’t think of anything right now. Probably when you leave I’ll think of something. I’ll give you a call if I do.

**Mansfield:** Okay. That’d be great if you do.

I want to thank you for taking the time to talk with me. I’ve enjoyed it and hope I haven’t strained your thought process too much. But like I said when we started, the information you’ve shared with me deposited in the Special Collections of the University of South Florida’s library and be available to historians, scholars of different sorts, who will be researching this. In order for them to have access to this interview I have to ask you to sign a release form.

**Watters:** All right.

**Mansfield:** Also, I’ve been photographing everybody I’ve talked to. Would you mind if I took your picture?

**Watters:** [chuckles] Not at all.
Mansfield: Okay. Let me turn this thing off.

[End of interview.]