

ECONOMIC IMPORTANCE OF LOUISIANA SUGARCANE PRODUCTION IN 2015

Michael E. Salassi¹, Michael A. Deliberto¹, John Westra¹ and Kenneth Gravois²
¹Department of Agricultural Economics and Agribusiness, and ²Sugar Research Station

Overview

In 2015, sugarcane was grown on 410,553 acres in 23 Louisiana parishes. An estimated 383,867 acres were available for harvest for sugar, assuming that 6.5 percent of the total acres were used for seed cane. The 11 operating raw sugar factories in the state processed 12,756,471 tons of cane, which was very close to the amount processed in 2014. In total, the 11 factories produced 1.387 million short tons of sugar (96° pol). The average yield of cane produced from each harvested acre amounted to 33.2 tons/acre (a decrease of 0.1 tons/acre compared to 2014). The average sugar recovery at the 11 raw sugar factories was 10.83 percent or 217 pounds of sugar (96° pol) per ton of cane; this was an decrease of 15 pounds of sugar per ton of cane compared to the 2014 crop. The yield of commercially recoverable sugar produced per harvested acre was approximately 7,200 pounds (a decrease of 377 pounds compared to the 2014 crop). The 2012 crop had the highest recoverable sugar per acre of any sugarcane crop ever grown in Louisiana when production was recorded at 8,412 pounds of sugar/harvested acre.

Louisiana's Rank is Total U.S. Sugar Production

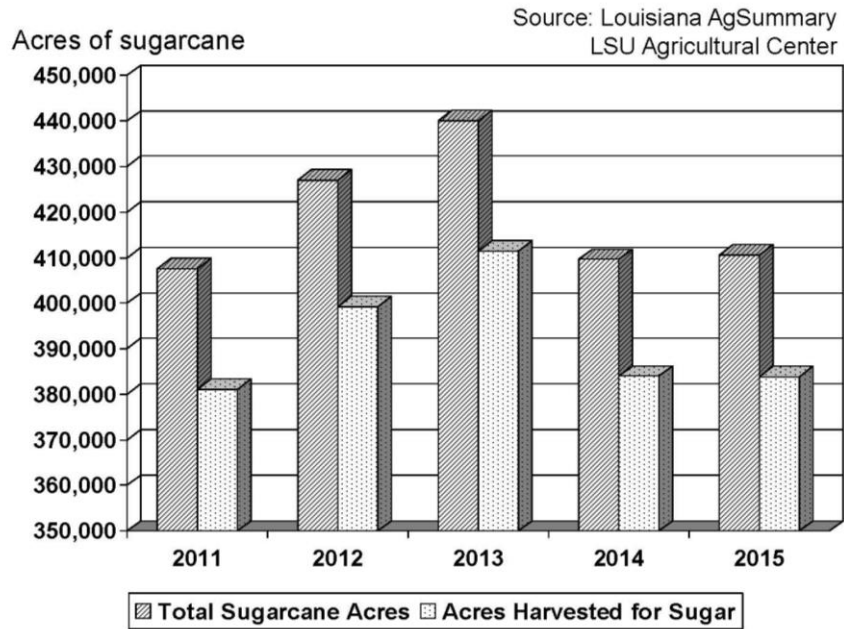
Refined white sugar in the United States is produced from two sources. Sugarbeets are processed directly into refined sugar, while sugarcane is first processed into raw sugar before being refined into white sugar. In 2015, 56.8 percent of total U.S. sugar production came from sugar beets and 43.2 percent came from sugarcane. For the 2015/16 fiscal year, Louisiana accounted for approximately 37.3 percent of total U.S. cane sugar production and 16.1 percent of total U.S. sugar production.

U.S. Sugar Production, 2014/15 and 2015/16

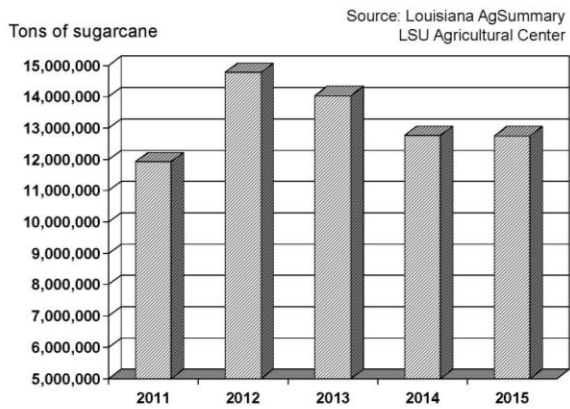
	2014/15	2015/16
	(1,000 short tons, raw value)	(1,000 short tons, raw value)
Beet sugar production	4,893	5,016
Cane sugar production	3,756	3,811
Florida	1,975	2,108
Hawaii	146	165
Louisiana	1,513	1,423
Texas	123	115
Total U.S. sugar production	8,649	8,827

Source: World Agricultural Outlook Board, U.S. Department of Agriculture, WASDE-551, March 2016.

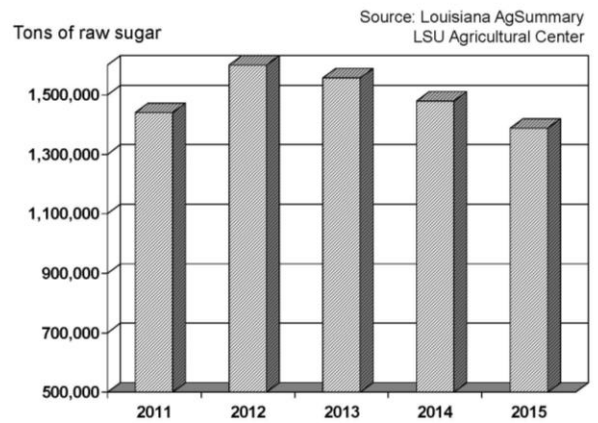
Louisiana Sugarcane Acreage, 2011-2015



Louisiana Sugarcane Production, 2011-2015



Louisiana Sugar Production, 2011-2015



2015 Louisiana Agricultural Summary Data for Sugarcane

Parish	Sugarcane Products	Total Producers	Units of Production (Yield per acre)	Total Production	Total Acres	Total Crop Value ¹
Acadia	Raw sugar (lbs)	*	6,000	22,509,240	3,991	\$5,843,431
	Molasses (gal)		130	486,650		
Ascension	Raw sugar (lbs)	12	7,133	113,884,765	16,985	\$29,564,647
	Molasses (gal)		154	2,462,189		
Assumption	Raw sugar (lbs)	41	7,015	220,519,892	33,442	\$57,247,277
	Molasses (gal)		152	4,767,640		
Avoyelles	Raw sugar (lbs)	15	6,477	44,295,400	6,477	\$11,499,149
	Molasses (gal)		140	957,667		
Calcasieu	Raw sugar (lbs)	*	6,400	2,478,592	412	\$643,446
	Molasses (gal)		138	53,587		
Cameron	Raw sugar (lbs)	*	6,400	199,130	*	\$51,694
	Molasses (gal)		138	4,305		
Evangeline	Raw sugar (lbs)	*	6,800	1,644,662	*	\$426,957
	Molasses (gal)		147	35,558		
Iberia	Raw sugar (lbs)	94	6,970	363,231,792	55,440	\$94,295,488
	Molasses (gal)		151	7,853,071		
Iberville	Raw sugar (lbs)	30	8,200	276,300,968	35,846	\$71,728,123
	Molasses (gal)		177	5,973,627		
Jefferson Davis	Raw sugar (lbs)	10	6,000	4,176,420	741	\$1,084,204
	Molasses (gal)		130	90,294		
Lafayette	Raw sugar (lbs)	20	7,130	65,601,134	9,788	\$17,030,148
	Molasses (gal)		154	1,418,297		
Lafourche	Raw sugar (lbs)	22	5,980	145,420,444	25,870	\$37,751,354
	Molasses (gal)		129	3,143,990		
Pointe Coupee	Raw sugar (lbs)	33	8,400	298,926,768	37,858	\$77,601,813
	Molasses (gal)		182	6,462,797		
Rapides	Raw sugar (lbs)	10	7,835	80,623,560	10,947	\$20,929,990
	Molasses (gal)		169	1,743,081		
St. Charles	Raw sugar (lbs)	*	7,245	8,542,159	1,254	\$2,217,556
	Molasses (gal)		157	184,681		
St. James	Raw sugar (lbs)	23	7,245	183,857,669	26,997	\$47,729,712
	Molasses (gal)		157	3,975,003		
St. John	Raw sugar (lbs)	8	7,245	46,677,796	6,854	\$12,117,622
	Molasses (gal)		157	1,009,174		
St. Landry	Raw sugar (lbs)	8	7,600	53,017,767	7,421	\$13,763,487
	Molasses (gal)		164	1,146,244		
St. Martin	Raw sugar (lbs)	37	7,130	187,138,828	27,922	\$48,581,505
	Molasses (gal)		154	4,045,941		
St. Mary	Raw sugar (lbs)	39	6,955	289,607,035	44,298	\$75,182,397
	Molasses (gal)		150	6,261,304		
Terrebonne	Raw sugar (lbs)	9	6,000	48,943,920	8,678	\$12,705,911
	Molasses (gal)		130	1,058,168		
Vermilion	Raw sugar (lbs)	30	7,416	238,826,436	34,762	\$61,999,682
	Molasses (gal)		160	5,163,428		
West Baton Rouge	Raw sugar (lbs)	15	8,400	110,259,744	13,964	\$28,623,586
	Molasses (gal)		182	2,383,816		
Total Sugarcane Crop Value						\$728,619,179

¹ Total crop value of raw sugar and molasses.

Source: 2015 Louisiana Summary of Agriculture and Natural Resources, LSU Agricultural Center.

SUGARCANE SUMMARY FOR CROP YEAR 2015

Kenneth A. Gravois¹ and Benjamin L. Legendre²

¹ LSU Agricultural Center, Sugar Research Station, St. Gabriel, LA 70776

² LSU Agricultural Center, Audubon Sugar Institute, St. Gabriel, LA 70776

In 2015, sugarcane was grown on 410,553 acres in 23 Louisiana parishes. An estimated 383,867 acres were available for harvest for sugar, assuming that 6.5 percent of the total acres were used for seed cane.

The 11 operating raw sugar factories in the state processed 12,756,471 tons of cane, which was very close to the amount processed in 2014. In total, the 11 factories produced 1.387 million short tons of sugar (96° pol). The average yield of cane produced from each harvested acre amounted to 33.2 tons/acre (a decrease of 0.1 tons/acre compared to 2014). The average sugar recovery at the 11 raw sugar factories was 10.83 percent or 217 pounds of sugar (96° pol) per ton of cane; this was an decrease of 15 pounds of sugar per ton of cane compared to the 2014 crop. The yield of commercially recoverable sugar produced per harvested acre was approximately 7,200 pounds (a decrease of 377 pounds compared to the 2014 crop). The 2012 crop had the highest recoverable sugar per acre of any sugarcane crop ever grown in Louisiana when production was recorded at 8,412 pounds of sugar/harvested acre.

Although the pricing period is not completed for the 2015 crop, the average predicted value for raw sugar for 2015 is \$0.245 per pound. Molasses prices have remained high at an average of \$115 per short ton at 79.5 Brix.

The gross farm value of the 2015 sugarcane crop was \$ 433,073,350 for sugar and molasses. The gross farm value represents 60 percent of the value of the sugar and 50 percent of the value of molasses produced. The remaining percentages are for processing and marketing, which amounted to \$ 295,545,828. Therefore, the total value of the sugarcane crop to Louisiana producers, processors and landlords at the first processing level was \$ 728,619,179.

The 2015 sugarcane crop got off to a good start. Late winter (January and February) temperatures were above normal, and spring temperatures (March – May) were above normal. Rainfall was above normal during this same time frame (**see table - data from Baton Rouge Airport**). The high rainfall and in some cases high water tables were not conducive for early crop growth. Going into the planting season, crop growth was behind, which delayed the start of planting in some areas. Planting ratios were not very good for the 2015 planting season. Stands of newly planted cane are considered excellent with the exception of some late planted cane that was slow to emerge due to dry conditions that were experienced in September through mid-October. Crop growth improved greatly during planting and prior to the harvest season.

Sugarcane brown rust levels were low throughout the growing season, and crop canopies remained very green. In the late fall, brown rust was evident on susceptible varieties of newly

planted cane. The continuing mild weather during the winter of 2015-16 indicates that brown rust disease may be a problem for the 2016 crop.

Harvesting began on September 25, 2015 at Cora Texas Manufacturing Co. at White Castle and concluded at the St. Mary Sugar Cooperative on January 11, 2016. By October 14, 2015, all factories were in operation. Through October 23rd, Louisiana harvested a relatively erect crop and sugar recoveries were very high. No tropical systems from the Atlantic basin affected the Louisiana sugar industry in 2015. However, the remnants of Hurricane Patricia (from the Pacific basin) brought wind and rain to Louisiana on October 24 & 25, 2015. Weather conditions for the remainder of the harvest were very wet. Not only were field conditions unfavorable for harvesting the crop, also the cane was lodged. The wet conditions and lodged cane were the cause of high sediment and high fiber content, which lowered sugar recoveries that were once thought to set a new record. Throughout harvest, cane yields (tons/acre) were higher than expected, which was likely due to very warm temperatures experienced during harvest that accounted for late season growth along with increased extraneous matter (field soil and trash) in harvested cane.

The 2015 sugarcane variety census showed Louisiana producers have spread their risk and continued to rely on several varieties. The most widely grown variety was HoCP 96-540, which was grown on 34 percent of the production acres. This was followed by L 01-299 (30%), L 99-226 (11%), L 01-283 (10%), and HoCP 04-838 (9 %). All other varieties each occupied less than 4% of the state's acreage. No new sugarcane varieties were released to the industry in 2015. Seed-cane of two potential releases (HoCP 09-804 and Ho 09-840) for 2016 were increased on secondary seed increase stations.

The Louisiana sugar industry did not experience below freezing temperatures harmful to the crop in 2015.

Date	January	February	March	April	May	June	July	August	September	October	November	December	
1		0.18	1.14				0.09				0.73	0.32	
2	0.04		0.25								0.17	0.06	
3	3.52		0.07										
4		0.60		0.04			0.19						
5			0.12	1.31			2.96	0.06	0.60				
6								0.09	0.17		0.42		
7							0.02				1.09		
8			0.01				0.01						
9	0.02		0.31			0.57			0.60				
10			0.06	1.08		0.16		0.05					
11	0.42		0.24	0.03	0.26			0.18	0.10				
12	0.02		0.64	0.43	0.30	0.09			0.60				
13				0.49		0.37						0.78	
14				0.69		0.12		1.38				0.04	
15	0.12			0.05	0.08	0.04							
16		0.93		0.24	0.06			0.04				0.88	
17				0.08		0.07		0.02			2.64		
18				0.58	0.71	0.04		0.15			1.22		
19					1.38			2.16					
20					0.01			0.10					
21			0.51				0.10	0.48			0.20	0.89	
22	2.19	0.11					0.04	0.59				0.87	
23	0.04	0.89		0.49		0.04						0.41	
24		0.04		0.02	0.67	0.04				2.12			
25		0.63		0.53	0.41	1.75	0.01			8.60		0.07	
26			0.03		1.83	0.12				0.13			
27				2.00	0.25	0.88			0.06				
28				0.02		0.06			0.07			1.03	
29					0.86	0.11			0.01			0.05	
30					2.86	1.52	0.31				0.05	0.93	
31					1.49					4.28			
Total	6.37	3.38	3.38	8.08	11.17	5.98	3.73	5.30	2.21	15.13	6.52	6.33	77.58
Normal	5.72	5.04	4.41	4.46	4.89	6.41	4.96	5.82	4.54	4.70	4.10	5.60	
DFN	0.65	-1.66	-1.03	3.62	6.28	-0.43	-1.23	-0.52	-2.33	10.43	2.43	0.73	