



Florida Department of Citrus

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Presented to
Florida Senate
General Government Appropriations Subcommittee
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Agenda

- The Florida Department of Citrus
- Funding by Source and Program
- Historical Spending and FTE's
- Major Programs – Marketing & Research
- Performance Measures
- Priorities for FY13-14

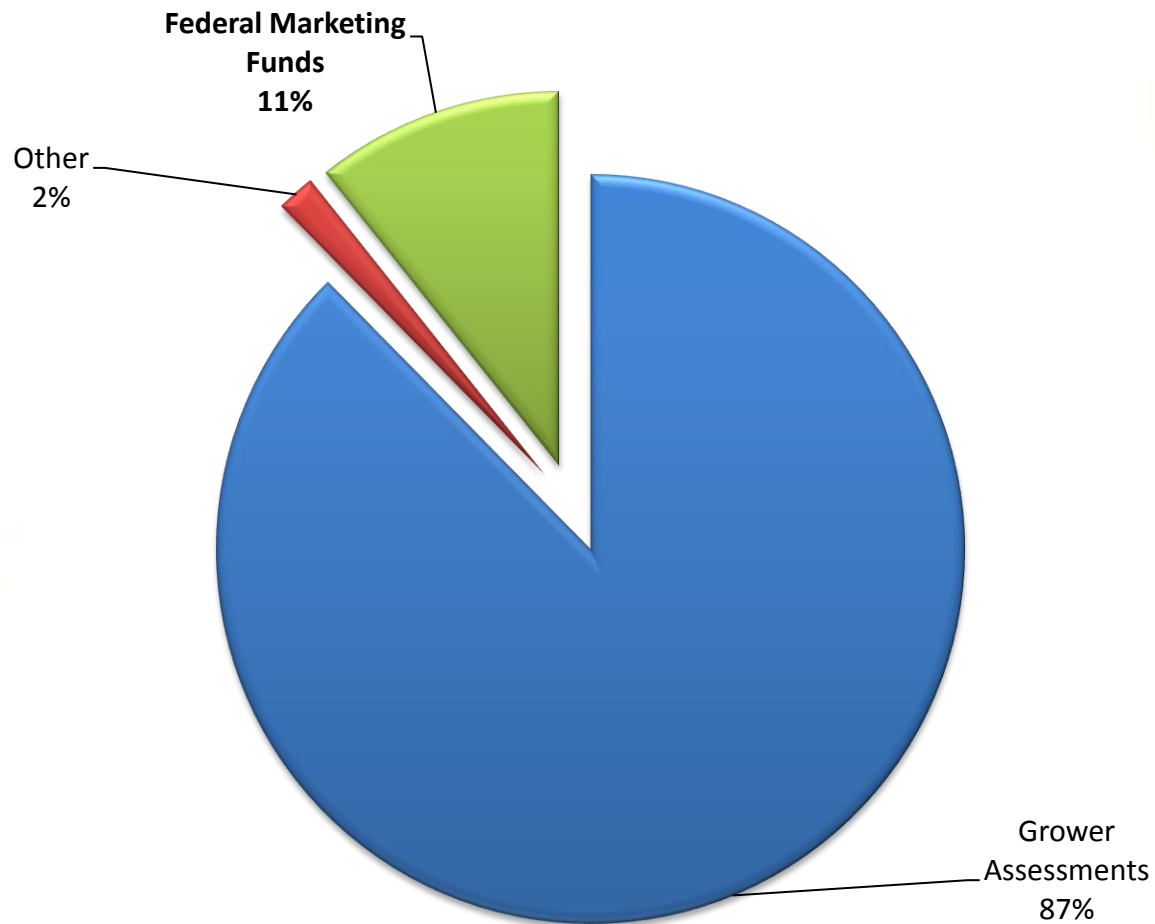
The Florida Citrus Industry

- Over \$9 billion industry
- 76,000+ employed
- 8,000 growers
- Oranges: primarily processed and domestic
- Grapefruit: fresh and processed, domestic and export
- Specialty: tangerines, tangelos, temples

FDOC Mission Statement

Maximize consumer demand for Florida citrus products to ensure the sustainability and economic well-being of the Florida citrus grower, the citrus industry and the State of Florida.

Base Revenue by Source



Funding

- **Financed by assessment on each box of citrus***
- **Two to four percent of the orange grower's annual return**

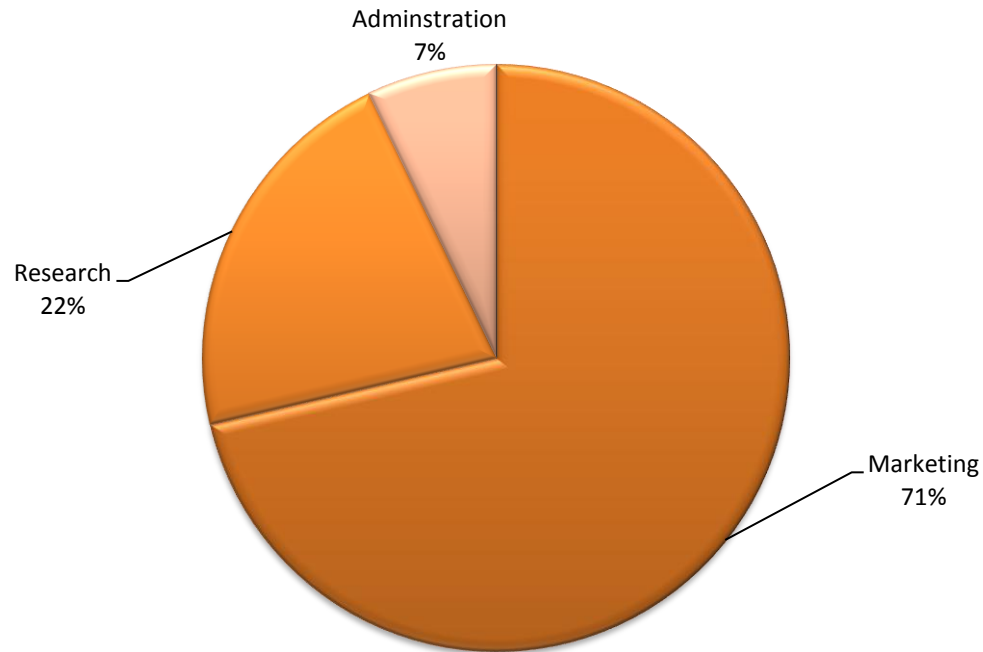


*** Similar structure as other State and Federal Marketing and Research Orders**

Citrus Grower Assessments per Box

- No Change from 2011-12
 - Processed Orange \$.23
 - Processed Grapefruit \$.34
 - Fresh Orange \$.05
 - Fresh Grapefruit \$.34
 - Fresh Specialty \$.14

Base by Program

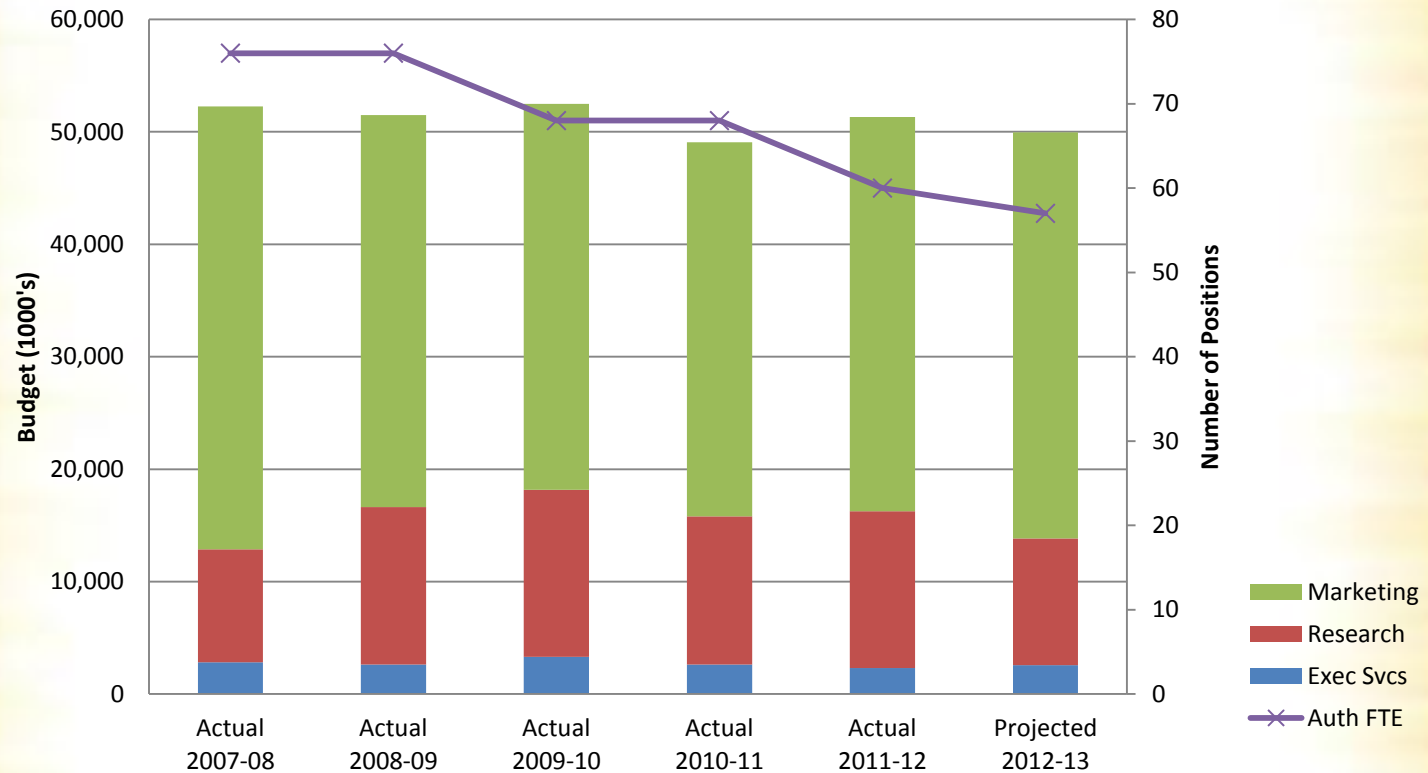


FY 2013 -14 Budget Request

Administration	\$ 4,348,200
Research	13,156,782
Marketing	<u>43,614,124</u>
Total	\$ 61,119,106

Historical Perspective

Department of Citrus Fiscal Years 2007-08 to 2012-13



Key Strategic Initiatives (KSI's)

- Key Strategic Initiatives: provide a framework of action items that will be used by the FDOC to deliver on our mission.
 - Focused
 - High-impact
 - Simple
 - Measurable
 - Prioritized

Revised KSI's

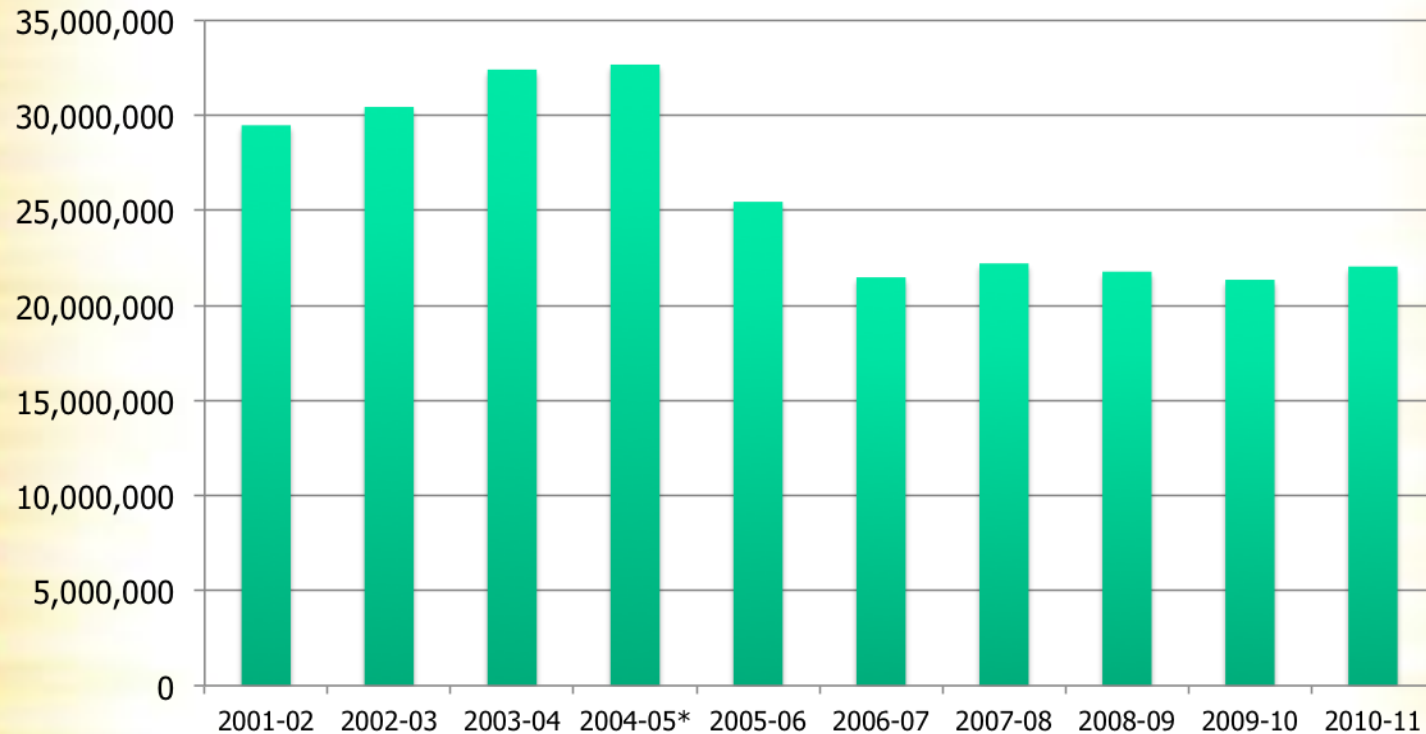
1. Improve relevance of Florida Citrus.
 - Increase relevance and consumer loyalty for Florida citrus.
 - Increase in the perceived level of price/value relationship
2. Demonstrate value of the FDOC.
 - Increase grower awareness of FDOC value-added proposition.
 - Increase level of stakeholder satisfaction.

3. Enhance Organizational Resources

- Develop a needs-based plan for optimizing human resources.
- Develop a needs-based plan for optimizing infrastructure.

Decline in Marketing Spend

Other priorities such as disease research have required the Commission to make tough choices that impact marketing.



Media Dollars YOY Comparison

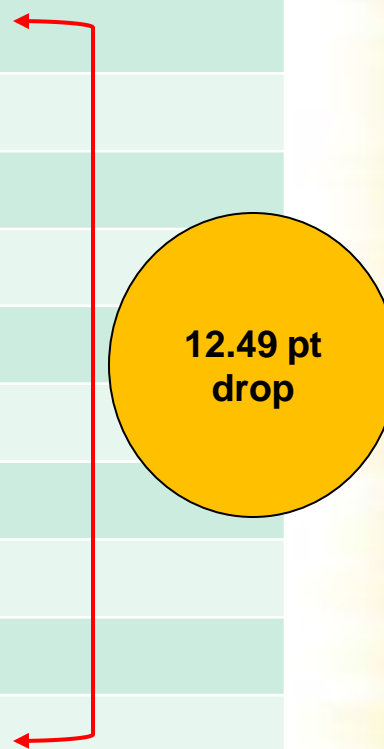
	FY 2012/2013	FY 2011/12
Budget	\$12.76MM	\$13.60MM
TV TRPS	1188	1470
TV Weeks	15	20
% Reach	75	77
Frequency	15.8x	19.1x
TV Impressions	1,595,498,000	1,907,115,000
Digital Impressions	257,100,000	161,321,500
Total Impressions	1,852,598,000	2,068,436,500

Challenges

- Changes in the consumer environment
- Decreased production
- Increased competitive and economic pressures

Household Penetration Has Dropped

Year	% HH Penetration of OJ
2001	81.09
2002	80.35
2003	79.68
2004	78.23
2005	76.64
2006	75.31
2007	70.82
2008	69.57
2009	70.16
2010	68.6



12.49 pt drop

Source: FDOC's Nielsen Annual Homescan reports.

Growing Number Of New Fruit-based Beverages

Year	# of New Product Intros
2006	16
2007	119
2008	145
2009	123
2010	170
2011	102
<u>Total</u>	<u>675</u>

Source: Datamonitor. Fruit drinks, nectars or pure fruit.

Forecasted Production

FLORIDA DEPARTMENT OF CITRUS U.S.D.A. CITRUS ESTIMATE JANUARY 11, 2013 WITH COMPARISONS

(1000'S Boxes)

* Note: Temples Included In Early & Mids

Estimated for 2012-13

REPORT 12/13-4

ORANGES	2010-11	2011-12	OCTOBER	DECEMBER	JANUARY	CHANGE
U.S. All	203,749	203,919	214,916	206,916	203,005	-3,910
Florida, All	140,300	146,500	154,000	146,000	142,000	-4,000
Early & Mids	70,300	74,200	74,000	67,000	66,000	-1,000
Valencias	70,000	72,300	80,000	79,000	76,000	-3,000
GRAPEFRUIT						0
*U.S. All	30,150	27,000	29,580	27,280	27,280	0
Florida, All (utilized)	19,750	18,800	20,300	18,000	18,000	0
Seedless:						0
Colored	13,900	13,500	14,500	13,000	13,000	0
White	5,850	5,300	5,800	5,000	5,000	0
TANGELOS						0
Florida, All	1,150	1,150	1,200	1,100	1,100	0
TANGERINES						0
Florida, All	4,650	4,300	4,400	3,800	3,800	0
Early (& Dancy)	2,600	2,350	2,400	2,000	2,000	0
Honey	2,050	1,950	2,000	1,800	1,800	0
*TOTAL FL CITRUS	163,850	170,750	179,900	168,900	164,900	-4,000

Share of Voice/Share of Market

	2000				2005				2010				2011			
	Revenue	SOM	Media Spend	SOV	Revenue	SOM	Media Spend	SOV	Revenue	SOM	Media Spend	SOV	Revenue	SOM	Media Spend	SOV
FRUIT DRINK/ REM. FRUIT JUICE	\$5,124,488	58%	\$103,168	48%	\$5,315,695	59%	\$278,349	69%	\$6,060,901	63%	\$227,840	75%	\$7,334,527	69%	\$285,683	72%
ORANGE JUICE	\$3,110,799	35%	\$111,059	52%	\$2,698,660	30%	\$99,419	25%	\$2,445,227	26%	\$48,796	16%	\$2,517,149	24%	\$92,087	23%
APPLE JUICE	\$551,494	6%	\$966	0%	\$612,676	7%	\$1,747	0%	\$733,102	8%	\$5,979	2%	\$597,530	6%	\$3,328	1%
GRAPE JUICE	\$0	0%	\$0	0%	\$364,737	4%	\$22,953	6%	\$336,728	4%	\$20,635	7%	\$233,118	2%	\$17,760	4%
TOTAL	\$8,786,781		\$215,194		\$8,991,769		\$402,468		\$9,575,957		\$303,250		\$10,682,324		\$398,859	

Source: Media Spend by PhD; Revenue from Nielsen Multi-Outlet Reports for \$2mm Grocery

Measuring our Performance

Program Evaluation Measures

- 33 Measures based on Key Strategic initiatives
- Presented to the Florida Citrus Commission quarterly

Priorities for FY2013-14

- This continuation budget does not include any new requests
- Our day to day priorities still include
 - Economic well being of the Florida citrus grower
 - Effective and efficient use of assessment and grant revenue
 - Optimize marketing efforts

Questions?

