

## Average Packing Charges for Florida Fresh Citrus, 2002-2003<sup>1</sup>

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A survey was sent to Florida fresh citrus packers to collect data on the average “packing charges” for the 2003 season. A total of nine packinghouses from both the Indian River and Interior production regions provided data for the survey. This is not a statistically chosen sample; therefore, the costs may not be representative of Florida's total citrus packinghouse industry. The participants were chosen because of their willingness to participate in the survey. The information reported were “packing charges,” not actual packing costs.

The average packing charges are presented in 4/5-bushel carton equivalents. The total average packing charges include:

1. Materials Costs: mesh/plastic bags and labels/price lookup codes.
2. Labor Costs: supervisor/foreman labor, grading, palletizing, shipping, and general labor (e.g., payroll taxes, workers' compensation, and ground insurance).
3. Other Direct Packing Costs: fruit treating, power, lights, water, repairs, maintenance, and miscellaneous supplies.
4. Indirect Packing Costs: fire and casualty insurance, taxes, licenses, depreciation, and rent.
5. General and Administrative Costs: office personnel (payroll taxes and workers' compensation), packinghouse and general manager fees, and office equipment and supplies.
6. Selling Expenses: sales salaries, travel, telephones, telegraph, and brokerage fees.
7. Special Assessments: advertising taxes, inspection fees, Florida Citrus Packers, and Citrus Administrative Committee.

Total packing charges per 4/5-carton equivalent were collected for five variety categories: domestic grapefruit, export grapefruit, oranges, temples and tangelos, and tangerines. Along with the total packing charges, information was collected on Florida field-box bases for fruit drenching charges, packinghouse elimination charges, and hauling charges for fruit elimination to the juice processors.

A summary of the estimated average packing charges is presented in Table 1. The 2002-2003

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average packing charges for the five variety categories were: domestic grapefruit (\$3.544 per carton), export grapefruit (\$3.992 per carton), oranges (\$3.731 per carton), temples and tangelos (\$4.214 per carton), and tangerines (\$4.733 per carton). Fruit drenching charges ranged from \$0.169 per box for grapefruit to \$0.178 per box for the other three variety categories. Average packinghouse elimination charges were: \$0.575 per box for grapefruit; \$0.60 per box for oranges, temples, and tangelos; and \$0.404 per box for tangerines. Hauling charges for eliminations averaged \$0.378/box for grapefruit, \$0.404 per box for oranges, and \$0.434 per box for temples, tangelos, and tangerines.

Additional information on citrus budgeting and cost analysis and harvesting charges (picking, roadsiding, and hauling) can be obtained by contacting your County Extension Citrus Agent or by visiting the UF/IFAS EDIS website at <http://edis.ifas.ufl.edu>.

**Table 1.** Estimated average packing charges for Florida citrus, 2002-2003.

<b>Charges</b>	<b>Domestic Grapefruit</b>	<b>Export Grapefruit</b>	<b>Oranges</b>	<b>Temples &amp; Tangelos</b>	<b>Tangerines</b>
			<i>dollar per carton</i>		
Total Packing Charges*	3.544	3.992	3.731	4.214	4.733
			<i>dollar per box</i>		
Drenching Charge	0.169	0.169	0.178	0.178	0.178
Packinghouse Elimination Charge	0.575	0.575	0.600	0.600	0.633
Hauling Charges for Eliminations	0.378	0.378	0.404	0.434	0.434
<p>* Total Packing Charges include:</p> <ol style="list-style-type: none"> <li>1. Materials Costs: mesh/plastic bags and labels/price lookup codes.</li> <li>2. Labor Costs: supervisor/foreman labor, grading, palletizing, shipping, and general labor (e.g., payroll taxes, workers' compensation, and ground insurance).</li> <li>3. Other Direct Packing Costs: fruit treating, power, lights, water, repairs, maintenance, and miscellaneous supplies.</li> <li>4. Indirect Packing Costs: fire and casualty insurance, taxes, licenses, depreciation, and rent.</li> <li>5. General and Administrative Costs: office personnel (payroll taxes and workers' compensation), packinghouse and general manager fees, and office equipment and supplies.</li> <li>6. Selling Expenses: sales salaries, travel, telephones, telegraph, and brokerage fees.</li> <li>7. Special Assessments: advertising taxes, inspection fees, Florida Citrus Packers, and Citrus Administrative Committee.</li> </ol> <p>Note: Packing charges represent a total of 13 citrus packinghouses from both the Indian River and Interior Production regions.</p>					
Source: Ronald P. Muraro, UF/IFAS, Citrus Research and Education Center, Lake Alfred, 2003.					