INTERNATIONAL TRADE

Trade Commission affirms citrus-dumping decision

The U.S. International Trade Commission reaffirmed a March 2006 ruling that Brazilian orange juice producers had sold the product below market prices, harming Florida growers.

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Florida citrus growers won another round in their nearly 2-year-old battle with their Brazilian competitors over dumping orange juice into U.S. markets. The U.S. International Trade Commission for the second time has reaffirmed its March 2006 decision that the top five Brazilian citrus processors dumped orange juice in the U.S. earlier this decade.

In its decision dated Oct. 19 but released this week, the federal trade body again determined Brazilian dumping -- exporting a product at below the cost of production to undercut foreign competitors -- had economically damaged Florida growers.

The Trade Commission again split 3-3 on the dumping question, but under its rules a tie vote goes to the complaining parties, which includes Lakeland-based Florida Citrus Mutual, the state's largest growers' representative, and Florida's Natural Growers in Lakeland, the third-largest U.S. citrus processor.

In a separate decision released Wednesday, the trade body rejected a request from Tropicana Products of Bradenton, Florida's largest citrus processor, to reconsider its dumping decision in the face of changing circumstances.

Tropicana argued the 2004 and 2005 hurricanes had so radically changed the Florida citrus industry to the growers' benefit that the dumping issue was irrelevant. Orange crop losses since the hurricanes have more than doubled the farm price Florida growers get from the state's processors, Tropicana argued, so they are not harmed by Brazilian imports.

Citrus Mutual and its allies filed the dumping complaint in December 2005 against the five Brazilian companies, including Sucocitrico Cutrale, which runs citrus processing plants in Auburndale and Leesburg, and CitroSuco Paulista, which owns a Lake Wales plant.
The original March 2006 ITC decision led to the imposition of retaliatory tariffs ranging from 10 percent to 60 percent against orange juice exports from the five Brazilian processors.

Tropicana and the Brazilian companies appealed the dumping decision to the U.S. Court of International Trade in New York City. In April, Chief Judge Jane Restani found flaws in the ITC decision and sent it back for further consideration.

The commission reaffirmed its dumping determination in June, which sent the case back to Restani. The judge raised more questions in a Sept. 19 ruling and again sent the case back to the trade commission, which led to the Oct. 19 decision.

The case now goes back to Restani, who can affirm the ITC decision; raise further questions and send it back to the trade commission for a third time; or overturn the ITC entirely. The court rarely takes the last alternative, according to legal experts.