

FLORIDA DEPARTMENT OF CITRUS

Long Range Program Plans

Fiscal Years

2012-2013 through 2016-2017





STATE OF FLORIDA
DEPARTMENT OF CITRUS

605 EAST MAIN STREET / BOX 9010 / BARTOW, FLORIDA 33831

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DEBRA J. FUNKHOUSER
ACTING EXECUTIVE DIRECTOR
PHONE: 863-537-3999
FAX: 877-FLA-CITRUS



MARTIN McKENNA
CHAIRMAN
FLORIDA CITRUS COMMISSION

LONG-RANGE PROGRAM PLAN

September 30, 2011

Jerry L. McDaniel, Director
Office of Policy and Budget
Executive Office of the Governor
1701 Capitol
Tallahassee, FL 32399-0001

JoAnne Leznoff, Staff Director
House Appropriations Committee
221 Capitol
Tallahassee, FL 32399-1300

Craig Meyer, Staff Director
Senate Budget Committee
201 Capitol
Tallahassee, FL 32399-1300

Dear Directors:

Pursuant to Chapter 216, *Florida Statutes*, our Long Range Program Plan (LRPP) for the Department of Citrus is submitted in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for the Fiscal Year 2012-13 through Fiscal Year 2016-17. This submission has been approved by Debra J. Funkhouser, Acting Executive Director.

A link to the LRPP document located on the Florida Fiscal Portal is posted on our website at <http://www.fdocgrower.com>.

Sincerely,

A handwritten signature in black ink that reads "D. J. Funkhouser".

Debra J. Funkhouser
Comptroller/Acting Executive Director

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AGENCY MISSION STATEMENT

Grow the market for the Florida citrus industry to enhance the economic well-being of the Florida citrus grower, citrus industry, and the State of Florida.

Approved by the Florida Citrus Commission April 20, 2005

AGENCY GOALS & OBJECTIVES

Goal 1: Increase consumer demand for Florida citrus products

Objective 1A: Increase consumer awareness of Florida citrus products

Outcome: Percent of consumer recall of television orange juice advertising

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
60%	50%	40%	40%	40%	40%

Objective 1B: Increase consumer intent to purchase Florida citrus products

Outcome: Percent of consumer intent to purchase Florida orange juice on their next shopping trip

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
46%	55%	45%	45%	45%	45%

Goal 2: Increase fresh citrus sales

Objective 2A: Conduct cost-effective marketing programs to promote fresh Florida citrus domestically

Outcome: Number of cartons of fresh oranges, grapefruit and specialty fruit shipped domestically

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
36.2MM	21.5MM	17.0MM	16.0MM	16.0MM	16.0MM

Objective 2B: Conduct cost-effective marketing programs to promote fresh grapefruit internationally

Outcome: Number of cartons of fresh Florida grapefruit exported

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
20.3 MM	11.1MM	10.0MM	9.0MM	9.0MM	9.0MM

Goal 3: Provide research support to Florida Department of Citrus marketing programs and conduct mechanical harvesting research to reduce grower costs

Objective 3A: Enhance the productivity of commercially viable systems by registering (manufacture an abscission chemical) to mechanically harvest a portion of the orange juice acreage in Florida

Outcome: Number of acres mechanically harvested

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
6,500	20,000	50,000	50,000	50,000	50,000

Objective 3B: Provide timely research data and information through presentations that are need-based and can be accepted and utilized by the citrus industry

Outcome: The number of educational presentations given on economic and scientific research relevant to the citrus industry

Baseline FY FY 2001-02	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
N/A	50	50	50	50	50

EXECUTIVE OFFICE OF THE GOVERNOR LINKAGE TO GOVERNOR'S PRIORITIES

HOW DO YOUR AGENCY GOALS LINK TO THE GOVERNOR'S SEVEN PRIORITIES?

(List each of your agency goals under the appropriate priority below.)

#1 – Accountability Budgeting

#2 – Reduce Government Spending

#3– Regulatory Reform

#4 – Focus on Job Growth and Retention

Goal #1, Goal #2 and Goal #3

#5 – World Class Universities

#6 – Reduce Property Taxes

#7 – Eliminate Florida's Corporate Income Tax Over Seven Years

TRENDS AND CONDITIONS STATEMENT

The Department of Citrus, headquartered in Bartow, Florida, is an executive agency of state government. It was established in 1935 at the request of the citrus industry to enhance the welfare of the industry. The primary purpose was to set standards for Florida citrus products and to fund marketing and research programs for the direct benefit of the citrus industry. That continues to be the Department's primary purpose today.

The Department implements policies of the Florida Citrus Commission, a 9-member Board of Directors appointed by the Governor and representing all areas of the industry. The Commission and the Department are organized and operate as provided in Chapter 601, Florida Statutes. The Department is charged with setting quality standards for Florida Citrus products, promoting and marketing citrus products, and conducting research to support the regulatory and marketing programs. Chapter 601 F.S. also provides the authority to collect an assessment on each box of citrus moving into commercial channels of trade and this supports the operations of the Department. The Department also receives matching federal dollars from USDA to support our international marketing programs.

Six years ago, the Florida Citrus Commission adopted a mission statement and Strategic Plan for the Florida Department of Citrus (FDOC) which are still in effect today. The Strategic Plan concentrates on objectives and strategies that grow the market for Florida citrus. Its sole purpose is to provide a roadmap for the Department and to focus it on the core responsibilities of marketing, research and regulating product quality for all Florida citrus products. The four objectives and associated strategies carefully delineate those activities that are geared to grow the market.

- **Marketing**: Promote the Florida citrus industry's products by developing positive, consumer-driven messages about citrus, thereby increasing awareness and demand via advertising, public relations, consumer/trade communications and shopper marketing programs.
- **Research**:
 - **Market**: Conduct research to understand consumer attitudes and behavior, product attributes and benefits, and sales trends and status.
 - **Scientific**: Provide scientific validation of the nutritional benefits of Florida citrus products and support efforts to preserve the viability of the Florida citrus industry through citrus disease research, and increase efficiency in harvesting, handling and processing of industry products.
- **Regulatory**: Protect the integrity of the Florida citrus industry's interest through advocacy and regulation.
- **Communication and Fiscal Responsibility**: Provide consistent communication to the industry and ensure fiscal accountability.

- The 2006 Special Industry Committee identified threats relating to the supply and demand of Florida citrus products and also noted that consistent, unified communication was needed to help resolve issues at the State and Federal levels. They recommended that the Department continue and even expand involvement in research efforts, continue efforts to generically influence consumers to grow

demand, and continue lobbying efforts while working with other industry groups to assure a unified message.

- In January 2008 the Florida Citrus Commission passed a resolution to fund citrus disease research, particularly greening disease research, as it is recognized as the greatest threat to the future of the Florida citrus industry. The Department expended \$7.2 million in 2008-09, \$9.1 million in 2009-10, and \$8.2 million in 2010-11 to support disease research.
- The Citrus Research & Development Foundation, a non-profit organization created for the citrus industry, took over the management of citrus greening research in 2010. It is working to develop a process to manage and conquer greening disease, and establish research protocol for a viable future for the Florida citrus industry. The Florida Citrus Commission has approved \$10.1 million for 2011-12 to support the Foundation and its research.

Internal program evaluation measurements are the basis for the Long Range Program Plans and Legislative Budget Request. Each year, the Florida Citrus Commission, with input from the citrus industry, adopts certain measures that set the priorities of the Department and establish realistic goals based upon the annual operating budget. The perspectives of the measures are aligned with and capture the direction of the Department's Strategic Plan.

The Department's goals reflect our statutory charge, the mission statement, strategic plan and projected crop sizes for the next five years. Citrus crops have declined in the most recent years and are projected to be relatively unchanged from this level in future seasons. Therefore, the Department's goals with respect to utilization and shipments are adjusted downward accordingly.

Actual and Forecasted Production for Round Oranges, Grapefruit and Specialty Citrus			
Season	Oranges ^a	Grapefruit	Specialty
 million boxes *		
2002-03 ^b	204.30	38.70	7.85
2003-04 ^b	243.40	40.90	7.50
2004-05 ^b	150.45	12.80	6.00
2005-06 ^b	148.40	19.30	6.90
2006-07 ^b	129.00	27.20	5.85
2007-08 ^b	170.20	26.60	7.00
2008-09 ^b	162.50	21.70	5.00
2009-10 ^b	133.70	20.30	5.40
2010-11 ^c	139.00	19.90	5.75
2011-12 ^d	143.50	19.25	5.30
2012-13 ^e	144.00	19.00	5.30
2013-14 ^e	143.00	19.00	5.20
2014-15 ^e	142.00	19.00	5.10
2015-16 ^e	141.00	19.00	5.10
2016-17 ^e	141.00	19.00	5.00

^a Includes Temples
^b Florida Agricultural Statistics Service
^c Preliminary
^d EMRD and Commission estimates
^e FDOC, "Florida Citrus Production Trends, 2012-13 through 2020-21 Update", February 2011

FDOC Goal #2 is to increase fresh citrus sales by conducting cost-effective marketing programs domestically and internationally. Sales of fresh Florida citrus have suffered due to crop shortages and supply issues. In addition, aggressive competition, coupled with supply limitations, (Canker, Greening, Tristeza and Urban Development) suggest a downward forecasted trend of fresh fruit shipments through 2014-15. To measure the effectiveness of the Department's marketing activities of a declining crop, an additional outcome measurement, "on-tree earnings," was established internally. The citrus industry's on-tree earnings are forecast to increase even as the Department has eliminated domestic fresh fruit advertising programs at the industry's request. The primary fresh program focus will be on research efforts to bring a more competitive product to market. The Department will continue to measure the movement and on-tree earnings for the industry.

Objective 2A - Domestic Fresh Fruit Shipment

	Baseline 2001-02	Actual 2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Cartons* Shipped Domestically (million cartons)	36.2	19.4	19.3	19.2	19.1	18.9	18.9	18.8
Industry On-Tree Earnings (million dollars)	\$109.9	\$115.6	\$118.0	\$118.1	\$118.3	\$118.5	\$118.6	\$118.7

* one carton equals 4/5 bushel; one box equals 2 cartons or 1 3/5 bushel

Objective 2B - Fresh Florida Grapefruit Exported

	Baseline 2001-02	Actual 2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Cartons Exported (million cartons)	20.7	10.1	9.7	9.6	9.6	9.6	9.6	9.6
Industry On-Tree Earnings (million dollars)	\$54.3	\$62.9	\$63.3	\$63.4	\$63.4	\$63.4	\$63.4	\$63.4

Budget Entities

The services we provide are under three budget entities: agricultural products marketing, citrus research and executive direction and administrative support.

The Agricultural Products Marketing Service objective is to promote the Florida citrus industry's products by developing positive, consumer-driven messages about citrus, thereby increasing awareness and demand via advertising, public relations, and consumer/trade communications. The Department develops and implements a domestic and international integrated marketing program consisting of advertising, public relations and consumer promotions. To measure the marketing program's effectiveness, consumer awareness of Florida citrus products (including recall of our advertising) and consumer intent to purchase our products are tracked.

The objective of Citrus Research is to conduct research to understand consumer behavior, product attributes and benefits, and increase efficiency in harvesting, handling, and processing of industry products. As a result of the Special Industry Committee recommendations and the specific disease research needs, more emphasis has been placed on internal research activities and the coordination and support of research activities through the industry and with research organizations, such as the Citrus Research & Development Foundation.

It is the responsibility of Executive Direction and Support Services to oversee these activities, provide direction, administer the programs, monitor results, provide support services, and also to serve as liaison to the Florida Citrus Commission, the Governor's Office, and the Legislature. The objectives of this budget entity are two-fold. Protect the integrity of the Florida citrus industry's interest through advocacy and regulation; and provide consistent communication to the industry and legislative authorities, and to ensure fiscal accountability.

A reduced budget of approximately \$61.0 million is projected for 2012-13. Revenue projections were developed using the projected crop estimate for 2012-13 and the assessment rates authorized by Chapter 601F.S.

List of potential policy changes affecting the agency budget request or Governor's Recommended Budget.

The Department of Citrus has no intended policy changes that will affect the Legislative Budget Request.

List of changes which would require legislative action, including the elimination of programs, services and/or activities.

While programs will continue at similar levels to past several years, some statutory changes to Chapter 601 F.S. will be requested to update assessment schedules and eliminate unnecessary regulatory language (Governor's Goal #3), among other changes.

List of all task forces, studies, etc. in progress.

A Committee of Florida citrus industry representatives named by the Chairman of the Florida Citrus Commission has met through the summer and fall months of 2011 to gain industry consensus on needed changes to Chapter 601 F.S. All agreed-upon changes will be forwarded to the Legislature for appropriate consideration in the 2012 Legislative Session.

Performance Measures and Standards

LRPP

EXHIBIT II

LRPP Exhibit II - Performance Measures and Standards

Department: Department of Citrus Department No.: 570000
--

Program: Citrus	Code: 57000000
Service/Budget Entity: Citrus Research	Code: 57010000

NOTE: Approved primary service outcomes must be listed first.

Approved Performance Measures for FY 2011-12 (Words)	Approved Prior Year Standard FY 2010-11 (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved Standards for FY 2011-12 (Numbers)	Requested FY 2012-13 Standard (Numbers)
1. Number of acres mechanically harvested	50,000	11,535	50,000	20,000
2. The number of educational presentations of relevant citrus economic and scientific research reports	N/A	50	50	50

LRPP Exhibit II - Performance Measures and Standards

Department: Department of Citrus
Department No.: 570000

Program: Citrus	Code: 57000000
Service/Budget Entity: Exec Direction and Support Services	Code: 57020000

NOTE: Approved primary service outcomes must be listed first.

Approved Performance Measures for FY 2011-12 (Words)	Approved Prior Year Standard FY 2010-11 (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved Standards for FY 2011-12 (Numbers)	Requested FY 2012-13 Standard (Numbers)
1. Administrative cost as a percent of total agency costs	5%	5%	5%	6%
2. Administrative positions as a percent of total agency positions	42%	42%	42%	42%

LRPP Exhibit II - Performance Measures and Standards

Department: Department of Citrus Department No.: 570000
--

Program: Citrus	Code: 57000000
Service/Budget Entity: Agriculture Products Marketing Service	Code: 57030000

NOTE: Approved primary service outcomes must be listed first.

Approved Performance Measures for FY 2011-12 (Words)	Approved Prior Year Standard FY 2010-11 (Numbers)	Prior Year Actual FY 2010-11 (Numbers)	Approved Standards for FY 2011-12 (Numbers)	Requested FY 2012-13 Standard (Numbers)
1. Percent of consumer recall after television orange juice advertising	50%	55%	50%	50%
2. Percent of consumer intent to purchase Florida orange juice on their next shopping trip	55%	66%	55%	55%
3. Presumed U.S. grapefruit juice consumption (measured in single strength equivalent (SSE) gallons)	52 million	52.7 million	52 million	52 million
4. Number of cartons of fresh orange, grapefruit, and specialty fruit shipped domestically	21.5 million	20 million	21.5 million	21.5 million
5. Number of cartons of fresh Florida grapefruit shipped/exported	11.1 million	11.3 million	11.1 million	11.1 million
6. Percentage of increase to demand contributed per million dollars spent on advertising and promotional programs	.50%	.40%	.50%	.50%

Assessment of Performance for Approved Performance Measures

LRPP

EXHIBIT III

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus
Program: Citrus
Service/Budget Entity: Citrus Research/57010000
Measure: Number of acres mechanically harvested

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
50,000	11,535	38,465	-76.9%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation: Mechanical harvesting without the abscission agent has been found to damage the tree. This has led to the decline. The industry is waiting on FDA approval of the abscission agent CNMP.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations: We will continue to monitor mechanical harvesting results even though we are not financially supporting research and development of new methods or equipment. Results vary year to year depending on industry conditions. We will also monitor FDA approval of the abscission agent which may lead to more mechanical harvesting. FDA approval is expected by January 2013.

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Citrus Research/57010000

Measure: The number of educational presentations of relevant citrus economic and scientific research reports.

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
50	50	0	0

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Exec Direction and Support Services/57020000

Measure: Administrative cost as a percent of total agency cost

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
5%	5%	0	0

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Exec Direction and Support Services/57020000

Measure: Administrative positions as a percent of total agency positions

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
42%	42%	0	0

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Percent of consumer recall after television orange juice advertising

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
50%	32%	-18%	-36%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input checked="" type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input checked="" type="checkbox"/> Other (Identify) |

Explanation: Citrus disease research needs were prioritized at a higher level than marketing for the past three years. Reduced marketing budgets provided fewer opportunities to reach our target audience with our advertising messages.

External Factors (check all that apply):

- | | |
|--|--|
| <input checked="" type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input checked="" type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Citrus greening disease is requiring attention and funding.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations:

The industry is seeking outside funding sources for citrus greening disease. Consumer research is conducted to determine the most responsive target audience, and the most impactful marketing messages to encourage consumption of Florida citrus products.

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Percent of consumer intent to purchase Florida orange juice on their next shopping trip

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
55%	66%	11%	20%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Presumed U.S. grapefruit juice consumption (measured in single strength equivalent (SSE) gallons)

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
52,000,000	52,700,000	+700,000	1.3%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus
Program: Citrus
Service/Budget Entity: Agric Products Marketing Service/57030000
Measure: Number of cartons of fresh orange, grapefruit and specialty fruit shipped domestically

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
21.5	20	-1.5	-7%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Reduced availability of Florida fresh fruit and increased competition from more convenient fruits in the produce aisle.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations:

The Department is supporting scientific research efforts to establish fresh fruit that is easier to peel and with fewer seeds.

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus
Program: Citrus
Service/Budget Entity: Agric Products Marketing Service/57030000
Measure: Number of cartons of fresh Florida grapefruit shipped/exported

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
11,100,000	11,300,000	200,000	1.8%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

External Factors (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input type="checkbox"/> Other (Identify) |

Recommendations:

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Percentage of increase to demand for orange juice per million dollars spent on advertising and promotional programs.

Action:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Performance Assessment of <u>Outcome</u> Measure | <input type="checkbox"/> Revision of Measure |
| <input type="checkbox"/> Performance Assessment of <u>Output</u> Measure | <input type="checkbox"/> Deletion of Measure |
| <input type="checkbox"/> Adjustment of GAA Performance Standards | |

Approved Standard	Actual Performance Results	Difference (Over/Under)	Percentage Difference
.50%	.40%	-.10%	-20%

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Personnel Factors | <input type="checkbox"/> Staff Capacity |
| <input checked="" type="checkbox"/> Competing Priorities | <input type="checkbox"/> Level of Training |
| <input type="checkbox"/> Previous Estimate Incorrect | <input type="checkbox"/> Other (Identify) |

Explanation:

With reduced budgets, the advertising impact on the consumer is reduced because of lower frequency of exposure to marketing message.

External Factors (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Resources Unavailable | <input type="checkbox"/> Technological Problems |
| <input type="checkbox"/> Legal/Legislative Change | <input type="checkbox"/> Natural Disaster |
| <input type="checkbox"/> Target Population Change | <input checked="" type="checkbox"/> Other (Identify) |
| <input type="checkbox"/> This Program/Service Cannot Fix The Problem | |
| <input type="checkbox"/> Current Laws Are Working Against The Agency Mission | |

Explanation:

Higher market prices, reduced package sizes versus many new competitive beverages.

Management Efforts to Address Differences/Problems (check all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Training | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Personnel | <input checked="" type="checkbox"/> Other (Identify) |

Recommendations:

Consumer research is conducted to determine the most responsive target audience, and the most impactful marketing messages to encourage consumption of the Florida citrus products.

Performance Measure Validity and Reliability

LRPP

EXHIBIT IV

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Citrus Research/57010000

Measure: Number of acres mechanically harvested

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: Mechanical harvesting contractors and growers are contacted quarterly for a total of the acres and field boxes harvested to date.

Validity: The harvest tracking survey is designed to measure:

- The number of contractors
- The number/type of harvesters
- The total volume of fruit that was mechanically harvested

Reliability: This survey provides a good estimate of the adoption and use of mechanical harvesting technologies throughout the Florida citrus industry.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Citrus Research/57010000

Measure: The number of educational presentations of relevant citrus economic and scientific research reports.

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure. Backup for performance measure.

Data Sources and Methodology: On a regular basis staff updates a master schedule of reports provided including details of the subject covered.

Validity: Confirmed by the Director of Scientific Research and Deputy Executive Director of Research and Operations.

Reliability: Results are published and citrus commission and industry provide feedback, if applicable.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agriculture Products Marketing Service/57030000

Measure: Percent of consumer recall after television orange juice advertising

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: A Consumer Tracking Study is contracted and conducted by Millward Brown (MB) headquartered in Alpharetta, Georgia. MB conducts online surveys that typically last 20-25 minutes. They are conducted daily, throughout the entire year, with results reported quarterly.

Validity: The Consumer Tracking Study is designed to measure:

- U.S. populace attitudes regarding citrus products;
- U.S. populace usage of citrus products; and
- U.S. populace recall and responsiveness to Florida Department of Citrus (FDOC) advertising.

This document provides an excellent marketing report to evaluate the effectiveness of FDOC advertising and public relations activities. The measurement of “recall” of our advertisements and understanding consumer responsiveness to FDOC advertising message is critical to the evaluation of the program.

Reliability: On a quarterly basis, approximately 375 telephone interviews are conducted; 200 among the general population and 175 augments among women with children ages 6-17. Interviews are conducted among a random sample of adults at least 18 years of age, yielding a nationally representative view of the U.S. population in terms of geographic location, age, household income, ethnicity and other lifestage/demographic considerations.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Percent of consumer intent to purchase Florida orange juice on their next shopping trip

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: A Consumer Tracking Study is contracted for and conducted by Millward Brown (MB), headquartered in Alpharetta, Georgia. MB conducts online surveys that typically last 20-25 minutes. They are conducted daily, throughout the entire year, with results reported quarterly.

Validity: The Consumer Tracking Study is designed to measure:

- U.S. populace attitudes regarding citrus products;
- U.S. populace usage of citrus products; and
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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Presumed U.S. grapefruit juice consumption (measured in single strength equivalent (SSE) gallons)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: Tree census from United States Department of Agriculture, grower returns from Florida Citrus Mutual, and other reliable sources.

Validity: Economic reports validated by University of Florida (IFAS) and Florida Department of Citrus – Economic and Marketing Research.

Reliability: The Economic and Marketing Research department of the Florida Department of Citrus prepares a Citrus Reference Book annually which is reviewed by industry experts, published, and utilized by all citrus growers/ industry.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Number of cartons of fresh orange, grapefruit, and specialty fruit shipped domestically

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: As required by Chapter 601, Florida Statutes and Chapter 20 of the Florida Administrative Code governing the Department of Citrus, the Florida Department of Agriculture and Consumer Services (FDACS) is assigned the responsibility to inspect and ensure quality standards are met on all fresh citrus which enters the primary channel of trade. Confirmation of this activity includes manifest and certificates of inspection from each Florida packinghouse (which includes, among other information, the number of cartons and destination of the fruit). That information is transferred to the Florida Department of Citrus (FDOC), division of economic and market research, who reports industry total movement on a monthly basis.

Validity: The “workload” of the Florida fresh fruit industry can be identified annually as the number of boxes to be harvested. Comparison to prior year activities, percent of the total crop and delivery to domestic or international markets are all appropriate measures of the FDOC marketing, regulatory and legislative efforts.

Reliability: This measurement is unique to the FDOC inasmuch as no other source captures the associated information of fresh fruit shipments. Comparison to prior years, year-end reports, as well as monthly industry publications have proven the reliability of the methodology. In addition, periodic audits are conducted on the private packinghouse, which confirm tax (advertising) payments and total fresh fruit shipments.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Number of cartons of fresh Florida grapefruit shipped/exported

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: As required by Chapter 601, Florida Statutes and Chapter 20 of the Florida Administrative Code governing the Department of Citrus, the Florida Department of Agriculture and Consumer Services (FDACS) is assigned the responsibility to inspect and ensure quality standards are met on all fresh citrus which enters the primary channel of trade. Confirmation of this activity includes manifest and certificates of inspection from each Florida packinghouse (which includes, among other information, the number of cartons and destination of the fruit). That information is transferred to the Florida Department of Citrus (FDOC), division of economic and market research, who reports industry total movement on a monthly basis.

Validity: The “workload” of the Florida fresh fruit industry can be identified annually as the number of boxes to be harvested. Comparison to prior year activities, percent of the total crop and delivery to domestic or international markets are all appropriate measures of the FDOC marketing, regulatory and legislative efforts.

Reliability: This measurement is unique to the FDOC inasmuch as no other source captures the associated information of fresh fruit shipments. Comparison to prior years, year-end reports, as well as monthly industry publications have proven the reliability of the methodology. In addition, periodic audits are conducted on the private packinghouse, which confirm tax (advertising) payments and total fresh fruit shipments.

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Department of Citrus

Program: Citrus

Service/Budget Entity: Agric Products Marketing Service/57030000

Measure: Percentage of increase to demand contributed per million dollars spent on advertising and promotional programs.

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology: Media Brand Analytics created a model that defines citrus product movement as it relates to various marketing efforts and media spends using actual sales and advertising data received from other marketing and research agents. These analytics are applied to the departments marketing spend details to determine ROI by media and program type.

Validity: Vendor has extensive experience in the use of econometric modeling and proprietary optimization tools. Results are made public and additional scrutiny is welcome.

Reliability: The MegaStar™ program utilizes Adaptive Heuristics™ on the new data to verify reliability.

Associated Activities Contributing to Performance Measures

LRPP

EXHIBIT V

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2010-11 (Words)	Associated Activities Title
1	Number of acres mechanically harvested	Sponsored Research Programs
2	The number of educational presentations of relevant citrus economic and scientific research reports.	Sponsored Research Programs
3	Administrative cost as a percent of total agency costs	Executive Direction, Administrative Support and Information Technology
4	Administrative positions as a percent of total agency positions	Executive Direction, Administrative Support and Information Technology
5	Percent of consumer recall after television orange juice advertising	Domestic Marketing -- advertising

LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures

Measure Number	Approved Performance Measures for FY 2010-11 (Words)	Associated Activities Title
6	Percent of consumer intent to purchase Florida orange juice on their next shopping trip	Domestic Marketing – advertising -- public relations
7	Presumed U.S. grapefruit juice consumption (measured in single strength equivalent (SSE) gallons)	Domestic Marketing – advertising -- public relations
8	Number of cartons of fresh orange, grapefruit, and specialty fruit shipped domestically	Domestic Marketing – public relations
9	Number of cartons of fresh Florida grapefruit shipped/exported	International Marketing -advertising -promotions -public relations
10	Percentage of increase to demand contributed per million dollars spent on advertising and promotional programs.	Domestic Marketing

Agency-Level Unit Cost Summary

LRPP

EXHIBIT VI

GLOSSARY OF TERMS AND ACRONYMS

Citrus Tristeza: A virus (tristeza, also called CTV) is a viral pathogen vectored in Florida by the Brown Citrus Aphid. Tristeza causes decline and eventual death to citrus trees grown on sour orange root stock.

FDOC – Florida Department of Citrus