

# SWEETENER USERS ASSOCIATION

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August 12, 2010

Honorable James Miller  
Under Secretary for Farm and Foreign Agricultural Services  
U.S. Department of Agriculture  
1400 Independence Avenue, S.W.  
Washington, D.C. 20250

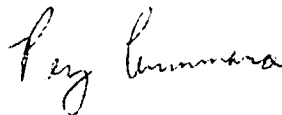
Dear Mr. Secretary:

Today's *World Agricultural Supply and Demand Estimates* continues to show the need for additional sugar supplies during the balance of this fiscal year. The Department of Agriculture has finally recognized that demand this year and next is stronger than official estimates suggested. And the revised estimates of shortfalls and of imports of high-duty, Mexican, and re-export sugars are in and of themselves evidence of the inadequacy of sugar supplies. The projected stocks-to-use ratio on September 30 is still just 13.7%. Recent USDA actions to increase the tariff rate quota (TRQ), reallocate existing quotas and announce the initial 2011 TRQ earlier than usual have been much appreciated by our members, as we have previously told you. Now, however, additional action is urgently needed.

We respectfully request that USDA announce a further increase in the 2010 TRQs for refined and raw sugar of a total of 300,000 short tons, raw value, to get ending stocks up closer to 15.5% of use. We base this number on the likelihood that, at this late date in the fiscal year, a large amount of any announced quota will go unfilled – perhaps as much as half. Refined imports would more quickly and directly address current market needs. In addition, we request that USDA permit early entry of the 2011 TRQ, commencing immediately. These two steps will not completely assure adequate supplies but would have a positive impact on an extremely tight sugar market.

Thank you for your consideration of our request. We will be happy to supply any additional information that might be helpful to you and your colleagues in administering the TRQ and related programs.

Sincerely,



Perry Cerminara, Chairman