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**Contact: Christy Moran  
(202) 355-6309**

**WITH U.S. SUGAR PRICES AT NEAR RECORD LEVELS, IMPORTED SUGAR  
CRITICAL TO PREVENT SHORTAGES IN THE MONTHS AHEAD**

Washington, D.C. – June 24, 2009 – Pointing to projections repeatedly made by the U.S. Department of Agriculture (USDA) in its monthly assessment of the U.S. sugar market, the Sweetener Users Association (SUA) says additional sugar is needed to assure adequate supplies this summer. With supplies tightening and with retail sugar prices approaching record highs, SUA has urged USDA to take action to loosen import restrictions.

A June 2009 study from LMC International, a research and analysis firm, found that U.S. retail sugar prices of 53 cents in the fourth quarter of 2008 were 47% higher than the weighted average of 36 cents for the 46 countries they surveyed.

USDA projections rely on imports as well as domestic production but even USDA's own numbers show that more supplies are needed. Imports from Mexico have been helpful the last few months but are now winding down with the end of the Mexican sugarcane harvest. Sugar companies there are now saying they too need import quotas to prevent shortages in coming months.

The American Sugar Alliance contends that sugar prices remain low but they only talk about raw sugar. "Consumers and industrial users buy refined sugar, not raw sugar," said Fred Hensler, chairman of SUA. The current wholesale price of U.S. refined sugar is 35 cents per pound and far above historic norms. The USDA reports that refined sugar prices have only averaged higher than their current level during one of the past 18 years – and that was in the aftermath of Hurricane Katrina, which closed sugarcane refineries for months.

According to the SUA, the need to loosen import restrictions is obvious from USDA's June estimate of a historically low 11.0% stocks-to-use ratio. U.S. refineries will have to operate at a near-record rate to supply adequate sugar to the market for the remainder of the summer. The risk of disruption from a hurricane or other adverse weather is worrisome to food and beverage manufacturers that rely on an assured supply of sugar. USDA projections for next season show even lower supplies.

The Sweetener Users Association (SUA) represents confectioners, bakers, cereal manufacturers, beverage makers and dairy food companies that use sugar, as well as trade associations for these industries. SUA members support a healthy domestic sugar-producing and sugar-processing industry that can deliver an ample supply to refiners, industrial users, and consumers, but SUA believes sugar policy should support producer incomes without distorting the market.

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