

*Message from Ray Washmera, President: **Gobble, Gobble to You***

It's that time of year to reflect and be thankful for all we are blessed with. Allow me to share some thoughts about Member of the Month, Dalton Yancey from many of his friends expressed at Dalton's retirement party.

*Those who worked with Dalton remember the smile, the laugh, and the litany of anecdotes that could brighten even the darkest of situations. He was active in Faith, in Politics, and his church. He won a Bronze Star for Meritorious Service in Vietnam.*

*Jack Pettus, who represents the Louisiana cane industry, expressed admiration for Dalton's ability to keep things in perspective in a sometimes jaded Washington, D.C. — there is nothing more important in this world to Dalton than his wife and two children.*

*Presenting Dalton a going away present from the industry was an emotional Jack Roney, who is the policy director for the American Sugar Alliance. "You have personally helped heal wounds, Dalton, with your kindness as a constant friend and with your great sense of humor," he said.*

*Dalton, the sugar industry wishes you and Barbie a happy retirement. You may be 1,000 miles from our nation's capital, but you will always be close to our hearts. Goodbye and good luck, good friend.*

As President of the NSIMA, I am truly thankful for the members and their efforts. Our members are hard working professionals, expert in the commodities they sell or buy and offer the services necessary to serve their customers well. We are a great group and all of you should be recognized for your labors.

Attached are this month's articles, chosen by our members. We know you will find them helpful and informative. And just in case you haven't heard, our NSIMA website is better than ever. Take a look. [www.nsim.org](http://www.nsim.org)  
Have a wonderful Thanksgiving Holiday.

Sincerely,  
Raymond A Washmera

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## *Goodbye and Good Luck, Good Friend*

The conclusion of the 2008 Farm Bill brought mixed emotions for the sugar industry.

There were smiles of relief because the long political grind was finally over. But smiles gave way to tears when folks realized that Dalton Yancey, a 30-year sugar lobbyist, had completed his last legislative task and would now retire to Florida with his wife, Barbie.

Those who worked with Dalton remember the smile, the laugh, and the litany of anecdotes that could brighten even the darkest of situations.

Ryan Weston, Dalton's successor with the Florida, Texas, and Hawaii Sugarcane Growers, recounts one of his favorite Dalton stories:

"One time Dalton was at a funeral for a friend of a close friend when the officiating pastor was caught in a traffic jam. Everyone looked around the room and Dalton, known as a gifted speaker and a lay leader, was quickly chosen to perform the funeral ceremony. Dalton did a wonderful job and everyone thoroughly enjoyed the fine stand-in performance, especially Dalton's rendition of the 23rd Psalms. Knowing that he should console the family at the end of the ceremony, Dalton went down to speak with the departed's brother. The brother said, 'Dalton, that was a beautiful Christian ceremony and thank you, but I thought I should tell you that our family is Buddhist.'"

And Dalton didn't just rely on humorous tales to pick his colleagues up when they were feeling down about the Farm Bill's glacial pace. He would interject his experience into the conversation, reminding others that he'd worked six Farm Bills over the years, and that no legislation worth having is ever easy.

"His knowledge will be sorely missed in our industry meetings, in the corridors of Congress, and in federal agencies," explains Jim Johnson, the president of the U.S. Beet Sugar Association, "but his legacy of accomplishments on the commodity and trade policy fronts will endure many years after his retirement."

Vickie Myers, the executive director for the American Sugar Alliance, said it was Dalton's unique ability to use his senses—his common sense and his business sense—that helped him earn the respect of his colleagues and the greater agricultural community.

At his retirement dinner held in the waning days of the Farm Bill, Dalton's peers shed some light on the life experiences that made Dalton such a leader within the sugar family.

Carolyn Cheney with the Sugar Cane Growers Cooperative of Florida spoke of Dalton's spirituality—he was active in Faith in Politics and his church.

Luther Markwart of the American Sugarbeet Growers Association thanked Dalton for his service to the country—he won a Bronze Star for Meritorious Service in Vietnam.

And Jack Pettus, who represents the Louisiana cane industry, expressed admiration for Dalton's ability to keep things in perspective in a sometimes jaded town—there is nothing more important in this world to Dalton than his wife and two children.

Presenting Dalton a going away present from the industry was an emotional Jack Roney, who is the policy director for the American Sugar Alliance. "You have personally helped heal wounds, Dalton, with your kindness as a constant friend and with your great sense of humor," he said.

Dalton, the sugar industry wishes you and Barbie a happy retirement. You may be 1,000 miles from our nation's capital, but you will always be close to our hearts.

Goodbye and good luck, good friend.

10/30/2008; By DAN WEISMAN, **Capital Press**

## Sugar beets' last California stand goes into Imperial Valley ground *Brawley facility only processing plant left on the West Coast*

BRAWLEY - What's left of the California sugar beet industry was being replanted this week in the Imperial County after growers found some problems with germinating seeds.

That's a minor glitch compared to the state of the crop - and industry - in the state.

Spreckels Sugar Company closed its Mendota plant in September, leaving the Brawley facility the only one still operating in California and the only one on the West Coast.

The closest sugar-beet processing factory to Brawley is in Idaho, said Ron Tharpe, agricultural manager for Spreckels at Brawley and a veteran of the sugar beet fields from North Dakota to Montana, Wyoming and Washington state.

"We've got 23,000 to 25,000 acres of beets in the valley, which we process into 2.4 (million) to 2.5 million, 100-pound bags of sugar," Tharpe said. "The Brawley area is unique, the opposite of the northern regions, because here we plant in the fall and harvest in late spring and summer while they plant in the spring and harvest in the fall."

The hot, dusty fields of Imperial County around Brawley and El Centro produced about two-thirds of the state's sugar beets in 2007.

Remaining production was in the Central Valley, primarily around Fresno County, with some crop grown around Bakersfield, Hanford and Merced, according to the U.S. Department of Agriculture.

Yields per acre were consistently highest in Imperial County - about 25 percent better than Central Valley beets, according to crop statistics.

The Central Valley market dissolved, however, when Spreckels closed its Mendota factory last month. Over the last decade, other plants operated by Spreckels were closed at Woodland and Manteca.

About 60 growers had been supplying beets to Spreckels, but that number dropped to around 45 this year, said Steve Reeves, an Imperial Valley beet grower. Reeves has grown beets since 1973; his father grew them for 20 years before that.

Local growers get about 40 tons of beets per acre with returns of about \$2,000 per acre, according to Reeves.

This is up from a California average of 29 tons per acre a decade ago, according to crop records.

Imperial County farmers grew 23,762 acres of beets in 2007 producing 879,431 tons for a gross value of \$39.1 million, according to the Imperial County agricultural commissioner's field crop report. In 2006, growers on 23,404 acres produced 911,820 tons at a gross value of \$43 million. Sugar beets was the top non-hay field crop in the county.

"There were some disagreements between growers and the sugar company over the seeds this year," Reeves said. "There was a lot of replanting because seeds didn't germinate."

"Now, we're just finished germinating and some elected not to grow beets. A few weeks at the beginning of the season is critical to your yield. We're at the lowest acreage ever this year."

Sitting at his downtown Brawley office, Reeves continued: "Overall, sugar beets have been an exceptional crop for the valley. The temperatures and mild winters make for an exceptional yield here. The tax on imported sugar makes us competitive. But the market fluctuates from year to year. Sugar beets you control ahead of time, but not the price."

04-Nov-2008; by staff reporter, FoodNavigator-USA.com

## FDA publishes final rule on food imports

### **The US Food and Drug Administration (FDA) has put out a final rule and draft compliance policy guide (CPG) on prior notice of imported food shipments.**

The agency said the regulation is part of its efforts to protect the nation's food supply against terrorism and other food-related emergencies.

The rule, which is part of the requirements of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, will be effective on May 6 2009. FDA's draft compliance policy guide sets out how the agency – together with the US Customs and Border Protection (CBP) – plans to enforce the requirements of the rule.

FDA has called for comments on the draft CPG, which it plans to finalize by the time the final rule becomes effective.

### **Safe imports**

The final rule follows an interim final rule that has been in effect since October 2003. It requires FDA to be notified prior to any import of food into the United States.

Two of the main areas in which the final rule revises the interim final rule are:

- The final rule permits prior notice submissions to be made no more than 15 calendar days before the anticipated date of arrival for submissions made through FDA's Prior Notice System Interface (PNSI) and no more than 30 calendar days before the anticipated date of arrival for submission made through CBP's Automated Broker Interface of the Automated Commercial System (ABI/ACS), instead of the 5 calendar days required in the IFR.
- In addition to the name of the manufacturer, the submitter must submit either: (a) the registration number of the facility associated with the article of food; or (b) the full address of the site-specific facility and reason why no registration number is being provided. The IFR generally only allowed for the submission of the name of the manufacturer and its registration number.

To access the final rule, click [here](#).

<http://www.reuters.com/article/marketsNews/idUSL43880620081104>

Nov 4, 2008; by Kwasi Kpodo; Editing by Daniel Magnowski, REUTERS

## Cargill opens Ghana cocoa processing plant

TEMA, Ghana, Nov 4 (Reuters) - Commodities trader Cargill [CARG.UL] opened a \$100 million cocoa processing plant in Ghana on Tuesday and said it aimed reach full production within three months.

U.S.-based Cargill, one of the world's largest private companies, will process cocoa into butter, powder and liquor at the plant, which has initial capacity of 65,000 tonnes.

"Our plan is to try and get to full capacity as quickly as possible, latest in the next three months, in order to broaden the market with our Ghana products," said Greg Page, chief executive and chairman of Cargill Incorporated.

In an interview in August, Cargill said costs had risen to \$100 million from an initial estimate of \$70 million, mainly on account of importing most of its equipment from Europe.

The factory in the eastern port of Tema has the potential to expand capacity to 120,000 tonnes.

Ghana, the world's second biggest cocoa grower, intends to boost both its harvest of beans and the quantity of them refined into value-added products domestically, rather than shipped overseas for processing.

Cargill has signed an agreement with Cocobod for bean supply to feed the plant.

Rival agricultural firm Archer Daniels Midland (ADM.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) is also building a processing plant in Ghana. Located in the second-largest city of Kumasi, it is expected to start working in the first quarter of 2009 with capacity of 30,000 tonnes.

Nov. 05, 2008;

USDA Farm Service Agency [usdafsa@service.govdelivery.com]

If you are subscribed to Sugar Information for USDA Farm Service Agency. This information has recently been updated, and is [now available](#).

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This service is provided to you at no charge by the [USDA Farm Service Agency](#).

<http://www.msnbc.msn.com/id/27579740/>

Nov. 6, 2008; **MSNBC.com**

## Obama likely to boost FDA oversight of imports

Agency stumbled under Bush, but may have more power with new president

WASHINGTON – (AP) The Food and Drug Administration, bedeviled by a salmonella outbreak and tainted medicine from China, is likely to monitor imports and fresh produce more closely under an Obama administration.

With President Bush no longer a roadblock, health officials also can expect new powers to control tobacco, from cigarettes to the recently introduced smokeless products called SNUS.

President-elect Obama, a former smoker struggling to avoid relapse, is a sponsor of legislation giving the FDA authority to control, but not ban, tobacco and nicotine.

Long seen as the government's premier consumer protection agency, the FDA stumbled under Bush. Recurring drug and food safety lapses came against a backdrop of shrinking budgets and long periods without a permanent leader. In Congress, a senior Republican complained the FDA had gotten too cozy with industry.

Obama is being urged to move quickly to appoint an FDA commissioner. Already more than a half-dozen names are in circulation: outside critics such as Cleveland Clinic cardiologist Dr. Steven Nissen; insiders such as Susan Wood, a former director of the FDA's women's health office; and public health advocates such as Dr. Joshua Sharfstein, Baltimore's health chief.

Food safety will be a priority for Obama's FDA. "He thinks this is a fundamental role of government to ensure that people's food is safe and he has been concerned that we are not in a position to ensure that," said Neera Tanden, a senior campaign adviser.

Obama will be working with a Democratic-led Congress, including lawmakers who have written legislation to bolster import inspections.

### **Little inspection**

Only a fraction of imported food is inspected now. Foreign drug manufacturing plants can go years without an FDA visit. Democrats had considered fees on industry to pay for more FDA inspectors, but could not persuade the Bush administration to go along. They expect Obama to be receptive.

Tanden said Obama is open to the idea of requiring a tracing system for fresh produce. That became an issue during this summer's salmonella outbreak, after the FDA spent weeks hunting for tainted tomatoes only to find the culprit might have been hot peppers.

"An Obama administration would swing the pendulum back more to protection of public health," said William Hubbard, a retired FDA official who held top posts. "This bodes well for greater regulation in the food safety area, on imports, and on drug safety."

Under the tobacco proposal, the agency would be able to order changes in tobacco products to make them less toxic and addictive, but could not ban tobacco or nicotine. The bill passed the House and Senate with bipartisan support, but a veto threat from Bush kept it from getting out of Congress.

Aides to Sen. Edward M. Kennedy, D-Mass., co-author of the tobacco bill, say there is strong interest in getting the legislation passed soon after the new Congress convenes in January. Obama is a co-sponsor.

The FDA could receive new powers from an Obama administration in the field of biologic drugs. These medications are not made from chemicals but from living cells, and represent the cutting edge of medical treatment for many intractable diseases.

Industry officials expect the Obama administration to work with Congress to create a legal framework for the FDA to review and approve generic versions of biologic drugs. Brand name biologics are very expensive, easily costing \$1,000 a month or more.

11/07/2008; by Stephen J. Lee, Grand Forks Herald

# Wet winter storm pushes back already late harvest

The winter storm that's hitting North Dakota and western Minnesota with rain and snow not only makes this the wettest autumn ever in Grand Forks and Fargo, but pushes back an already late harvest for corn and sunflowers across the region.

Those basically are the only two crops still out standing in their fields.

Usually by this time of year, the harvest of both crops would be about complete.

But only 11 percent of the North Dakota's corn was harvested by last weekend, compared with 70 percent by the same date in an average year, according to the U.S. Department of Agriculture's survey of farmers. The sunflower crop was 54 percent combined by last weekend, compared with 70 percent on average during the past five years on the same date, USDA said.

## Late threshing

As of the storm late Wednesday and early Thursday across the state, experts believe two-thirds of the corn crop and one-third of the sunflowers remain in the fields, which are getting steadily wetter.

Since last week, there were several days OK for harvesting, and now, perhaps 25 percent to 30 percent of the corn is combined, Tom Lilja, executive director of the North Dakota Corn Growers Association in Fargo said Thursday.

The bad weather doesn't necessarily mean farmers will have to wait until next spring to finish off their corn, but it's not going to help and it's going to make for late threshing, Lilja said.

"They will be able to go after it if we don't get more than a foot of snow," he said. "Unfortunately, if we get heavy snow, there will be a lot of lodging," he said, referring to stalks lying down or breaking.

The hard freeze expected by the weekend, with temperatures forecasted to get down to the mid-teens, will help dry down the corn a little, as well as make wet fields perhaps more passable, Lilja said.

Corn yields, which have been coming in at very good levels, with some dry land fields running as high as 175 bushels an acre, will only be hurt by this weather, Lilja said. "You can expect 15 percent yield reductions in these kinds of environments."

It's a much bigger deal this year, because corn traditionally has been a minor crop; but this year, overall production was expected to rival all wheat production, as more and more farmers put major acres into the high-value crop.

It's not unheard of to see farmers combining in the spring the previous season's corn, but with this many acres, that would be more than an inconvenience.

"It's been a long growing season with a cold spring, and it's going to be a long harvest season," Lilja said.

About 30 percent of North Dakota's sunflowers remain to be harvested, estimates Larry Kleingartner, executive director of the National Sunflower Association in Bismarck. The state grows about half the nation's sunflowers.

Like most people in Bismarck on Thursday, Kleingartner knocked off work early, dealing with icy, snowy conditions.

Lots of harvest happened in the past few days, with some farmers running into the night to beat the storm, he said.

Sunflower acres are up 20 percent over last year, he said, and he's optimistic the harvest will get done. "I would assume it will all get harvested," he said, instead of having to wait until spring. "I'm assuming the snow is not going to stay here."

Yields have been good, he said, with many farmers reporting 1,800 to 2,000 pounds per acre. "It's certainly a very nice crop," he said. While sunflowers are about as tough to hurt with weather, at this point, as any crop, yields can only go backward from now, he said.

Farmers could be combining sunflowers well into December and even later.

"It's a pretty resilient crop," he said.

A few acres of soybeans and dry edible beans remain unharvested, many of them in Walsh, Pembina and Cavalier counties, where rainfall has been most excessive.

### Sugar beets

American Crystal Sugar has all but 12,000 acres of beets lifted and piled, which is about 3 percent of the grower-owned cooperative's 420,000 acres that were ready for harvest.

Dan Bernhardson, director of agriculture at American Crystal, said nearly all the late beets are sitting in soggy fields in the Moorhead factory district and on the Minnesota side of the Hillsboro, N.D., district.

A long, hard freeze will damage beets in the ground, he said.

"We're going to take a look at it next week, try to determine the damage and the field conditions, and whether to call it a harvest or what we're going to do," he said Thursday.

Once beets get frozen hard in the ground, they don't store well.

The average yield, now with virtually the entire crop in, looks to be 25.2 to 25.3 tons per acre, below the record of 25.4 in 2006, he said.

Company officials will run the numbers today to figure what the growers' initial payments for this year's crop will be when they are handed out Nov. 15. The payment level will be announced at the annual shareholder meetings scheduled for next week.

Typically, the initial payment is about 65 percent of the total payment for the crop, which isn't complete until a year after harvest.

Total payments have ranged from \$42 to \$50 per ton in recent years, mostly \$42 to \$45.

One record set this year, unfortunately, Bernhardson said, is the amount of "tares" or dirt and other stuff brought in with the beets in the trucks.

Normally, it's about 3 percent of each truckload of beets, he said. "This year, we are going to be close to 4.5 percent, or a 50 percent increase. That's the highest in 20 years and definitely an issue we have to deal with."

It was caused mostly by the muddy fields, he said. It's not only a headache for growers hauling the beets, but a ongoing problem at the five processing factories to deal with the dirty beets during the campaign that will last until late May, Bernhardson said.

[http://www.lockportjournal.com/local/local\\_story\\_313011501.html](http://www.lockportjournal.com/local/local_story_313011501.html)

November 08, 2008; By Joyce Miles, Lockport Union-Sun & Journal

## Apple crop on rebound after potentially disastrous summer

Nobody knows better than farmers: Mother Nature is fickle.

The 2008 apple harvest is wrapping up in Niagara County with mixed results. Some farmers' output was severely hurt by frost and hail earlier this year, while others are reporting strong, and possibly strongest-ever, growing seasons.

Bob Hall, owner of Hall Apple Farm on Ruhlmann Road, counts himself among the unlucky this year. On top of a damaging April freeze, he said, his orchard was hard-hit by multiple summer hail storms. Consequently, about half of his 5,000 bushel average output was wrecked.

"We took a 50 percent hit. Most of the other half is going to (processing)," Hall said. "It's always hit and miss with this business."

Eight miles away in Gasport, Alan Buhr, whose New Royal Farms has nearly one-tenth of Niagara County's total apple acreage, reports one of his best years ever. The harvest is done and output — about 240,000 bushels — is about 15 percent higher this year than in 2007.

Buhr said the bounty comes despite hail damage done on 30 percent of his fields.

"The truth of the matter is this is one of the best years we've ever had," Buhr said. "We've had good demand, good supply, and that works for us. I'm only speaking for myself, though; I know there are many growers out there who'd like to forget (this year)."

Erratic weather is having an impact on apples statewide. According to the latest federal forecast, in early October, it appeared the New York apple crop would be down 8 percent compared with last year because of storms and overly wet conditions that hampered growth and harvesting.

That forecast was actually much improved over a July assessment by New York Apple Association anticipating a 25 percent decline in year-over-year production. East of Niagara County, reported hail damage was far more extensive, according to NYAA President Jim Allen.

Then again, he said, a weather rebound in August — lots of water and sun, the key ingredients of large, juicy apples — helped improve the picture.

Buhr is reporting "extraordinary" demand for his fruit by processors, he said.

Apples fetch the highest prices when they're unflawed and can be sold fresh. Marred product is taken up by the makers of juice, sauce and cut products such as fresh or frozen apple slices.

Weather conditions in Michigan were so bad this year, Buhr said whatever apple output wasn't wrecked there came in badly flawed, making his lesser damaged apples more desirable. He's done a brisk business with processors needing fresh slices to make "apple fries" for McDonald's and Burger King, he said.

According to Allen, agriculture remains the top-grossing industry in New York, and apples still have an impact on the economy. As of 2006, New York was the No. 2 apple producer nationwide; and Niagara County was the fourth-highest producing county in the state.

Perhaps surprisingly, in about a decade, growers' fortunes appear to have gone from sagging to dismal to promising again.

Where the talk in 2000 was about Chinese imports and free-trade-as-industry-killer, today growers are focused on positives. Among other things, they see healthy-eating and local-eating marketing initiatives paying off.

"Overall, the industry is healthy again. We're producing better fruit and more variety of fruit," Allen said. "The buy local message is getting through. By far, it's the consumer buzzword of this season. It's overtaking 'organic,' in fact."

Innovation, technology and marketing together have done much to lift the industry locally, Gasport grower Kent Schwab said. Development of new varieties creates public excitement for the harvest; and better storage methods prolong the fresh-apple season, giving customers a reason to return to places like Schwab's Farm Market past October.

"The apple industry has taken a turn for the better the last few years," Schwab said. "Honey Crisp (a newer apple) is so much better than any other apple you've tasted. That's really helped a lot."

Schwab said his 70-acre orchard suffered some hail damage in one summer storm, but ultimately, thanks to ideal growing conditions afterward, the apples are bigger, and there are more of them, than last year.

<http://www.freep.com/article/20081109/NEWS06/81108067/1008/NEWS>

Nov. 09, 2008; *The Detroit Free Press*

## Michigan beet farmers grow too much of a good thing

A record crop of Michigan sugar beets has led Michigan Sugar Co. to stop taking deliveries from farmers.

Mark Flegenheimer, the company's president and chief executive officer, tells the Bay City Times that growers were asked to volunteer to leave their beets in the field rather than take them to processing plants.

The state's fall beet crop was 4.2 million tons — 25% larger than the previous record, set in 2006, he told the paper.

But some farmers, concerned about completing their harvest, are angry. "We want these beets turned into sugar — not fertilizer," said Charles Bauer, 54, a farmer in Saginaw County.

November 10, 2008 By Damien Cave, **The New York Times**

## Florida and U.S. Sugar Revamp Everglades Deal

MIAMI — Gov. [Charlie Crist](#) and the United States Sugar Corporation are close to an agreement that would scale back the state's ambitious purchase of the company to gain a wide swath of land for [Everglades](#) restoration, environmental groups close to the negotiations said Monday.

Under the revised plan, expected to be announced Tuesday in Miami, the company would keep its sugar mill, rail lines and other assets, while the state would acquire most of the company's 187,000 acres.

That would be a step down from the initial \$1.75 billion offer that [Florida](#) made in June to buy all of U.S. Sugar and put the company out of business. No final price has been announced, but the financial pressures of the economic downturn appear to have pushed both sides toward less ambitious terms.

"Every company in America is worth less today than it was in June," said Kirk Fordham, chief executive of the Everglades Foundation. "This simplifies the deal. It makes it easier to swallow from a financial standpoint, and it's less complicated."

Many environmental groups said they were still waiting for the final details. It was unclear how much of U.S. Sugar's land would be included in the sale, how it would be paid for and whether the company would be leasing back its land for several years, which had been part of the original proposal.

Officials in the governor's office did not return calls seeking comment. Just before 6 p.m., they said a news conference would be held Tuesday at the former home of Marjory Stoneman Douglas, who was known as the patron saint of the Everglades.

The South Florida Water Management District, the state agency in charge of the acquisition, declined to elaborate on the deal. In a statement, the agency said, "We've made significant progress to date and we're working hard to keep options open."

A purchase of U.S. Sugar's land, which lies south of Lake Okeechobee, would be the state's largest acquisition of property for the Everglades, dubbed the river of grass. It would please environmentalists who had worried that complications over the company's other assets would scuttle the deal or make it too expensive.

Lisa Interlandi, a lawyer with the Everglades Law Center, said "the key for restoration purposes always has been the land."

Eric Draper, deputy and policy director of Audubon of Florida, said on Monday afternoon that he was "pretty certain that the proposal is limited to land, not assets, which is a pretty significant accomplishment."

Mr. Fordham agreed. "If Governor Crist is able to successfully negotiate a deal with U.S. Sugar in the midst of this economic crisis," he said, "it will be a masterstroke that skeptics never thought he could pull off."

<http://www.fergusfallsjournal.com/news/2008/nov/11/regional-beet-harvest-ending-today/>

November 11, 2008; By Tom Hintgen, The Daily Journal

## Regional beet harvest ending today

It's not a happy day for many sugarbeet growers in western Otter Tail County and Wilkin County which includes the Foxhome-Breckenridge area. Due to wet conditions, with the beet harvest ending today, approximately 30,000 acres of beets will be left, unharvested, in the fields.

"What we're getting this week are beets with too much mud, a product that we're unable to process," said Mike Metzger, agriculturist with Wahpeton-based Minn-Dak Farmers Cooperative.

Metzger said this is worst harvest scenario in the eight years he's been employed by Minn-Dak.

"Too much rain and too much cold is the bottom line," Metzger said. "You feel badly for many sugarbeet growers. It just depends on location. Some farmers were able to harvest most if not all of their sugarbeet crops. For others, they're experiencing really tough losses."

On a statewide basis, despite widespread rain across the last week, Minnesota farmers made steady progress in the corn harvests. This was evident Monday afternoon at the Rothsay Farmers Elevator where truckloads of harvested corn were delivered.

The corn harvest advanced 21 percentage points during the week. As of Sunday, 75 percent of Minnesota's corn crop was harvested, compared with 95 percent last year and a five-year average of 90 percent.

Harvesting of sunflowers was 70 percent complete, compared with 94 percent last year and 86 percent average.

November 11, 2008; BY GREG NELSON, The Mid-Michigan Morning Sun

## Mixed results from harvest

The harvest season has brought about some mixed results for area farmers. Yields for corn and soybeans have ranged from poor to excellent, depending on what part of mid-Michigan you are talking about. Virtually all of the soybeans have been harvested but the recent damp weather has hampered the corn crop.

Earlier this summer Gratiot County growers were anticipating excellent yields due to the nearly perfect weather. However, that changed as the season went on.

"In June the crops looked very good compared to the rest of the Midwest that had excessive rain," county Michigan State University Extension Director Dan Rossman said. "But then in July and August it was very dry. Isabella and Clinton counties received more precipitation and their yields have been very, very good. "Here the yields are really variable. Some have been fairly good but it's disappointing compared to what it could have been."

In Isabella County things are a bit different. "We're actually doing quite well here," county MSU Extension Director Paul Gross said. "We still have a lot of corn standing because it's still wet. Due to the price of natural gas and drying costs farmers are letting it dry naturally." Growers in the middle and southern part of the county have experienced much better yields than those in the northern portion, he added.

"I've had some growers in the north say it's their worst harvest ever but some in the south say it's their best," Gross said. "Fortunately this summer the lower half of Isabella County had some timely rain throughout the growing season and farmers there are seeing very good yields. For the most part they are pleased."

Gratiot County growers, who raise about 80,000 acres of both corn and soybeans, have also had wide-ranging results. "For corn, where farmers took the toughest off for silage, we have had yields of below 100 bushels an acre to 180-plus," Rossman said. "Those on the perimeter of the county have even been over 200 bushels an acre. We get an average of about 150 in a normal year." "For soybeans 35 to 40 bushels an acre has been about average but we have ranged anywhere from 20 to 60 bushels an acre. There has been tremendous variability in the fields, even within the same field."

Isabella County farmers grow about 40,000 acres of corn and 46,000 acres of soybeans annually. "Overall yields for corn range from 120 bushels an acre to over 200," Gross said. "Our normal average is between 145 and 150 bushels an acre countywide. "For soybeans we've had average to above average yields. They're running between 40 and 42 bushels an acre."

Farmers are also dealing with a "volatile market" for their crops, Rossman explained. "In the early spring and summer prices were very high," he said. "But in the last couple of months they have really dropped. Corn is about half what it was earlier in the year and the price of soybeans is about two-thirds or less from what it was then."

Sugar beet growers have also nearly completed their harvest with yields of between 22 and 24 tons an acre, which is slightly above average, according to Michigan Sugar Company officials. The grower-owned cooperative contracts about 20,000 acres of the crop in Gratiot, Isabella and Montcalm counties, and operates sugar beet receiving stations in Gratiot County's Wheeler and Arcada townships.

Good yields for all crops were important for farmers this season because things could be even tougher next year, Rossman said. "The biggest concern is the cost of inputs, how much it costs to put the crops into the ground," he explained. "Next year seed, fertilizer and other (products) will be at an all-time high. There will be a tremendous amount (financial) risk involved."

November 11, 2008; The Associated Press

## Sugar beet cooperatives say fields too muddy

*WAHPETON, N.D. - Thousands of acres of sugar beets likely will be left in fields too muddy to harvest, spokesmen for the Red River Valley's two major beet cooperatives say.*

"We've got extremely wet soil conditions right now," Greg Richards, the agricultural strategy development manager for American Crystal Sugar Co., said Tuesday.

The worst conditions are east of the Hillsboro and Moorhead, Minn., factories, he said.

"If they take their equipment out, they just get stuck," he said.

Richards estimated the Moorhead-based cooperative has harvested 98 percent of its approximately 420,000 acres of sugar beets, with about 12,000 acres of beets left in the ground.

In southeastern North Dakota, Minn-Dak Farmers Cooperative spokeswoman Susan Johnson called it the worst sugar beet harvest in decades. She estimated up to 20 percent of Minn-Dak's sugar beets will not be harvested.

Grower members of the Wahpeton-based co-op had hoped to harvest 108,000 acres this year.

Johnson, who has worked at the co-op for 30 years, said this year had been shaping up to be one of the best before the heavy rain put an end to the harvest.

"We have never been in this situation," Johnson said. "To my knowledge and recollection since I've been here, this has been the toughest harvest we've had."

She hopes the co-op's members can get help from crop insurance.

Richards said cold temperatures froze much of the root tissue of the beets.

"It's at the point where if we harvest anything else, it's going to be minimal because we can't store frozen beets very long," he said. "We don't want to put mud into our storage piles, either."

American Crystal told its 3,000 members in September that they might have to destroy some beets in the field because the crop might be too large to process before beets spoiled in piles. Richards said that was not needed.

The National Weather Service has recorded 11.79 inches of moisture in Grand Forks since Sept. 1, what it considers the fall period. That is about one-third of an inch above the record set in 1957.

At Fargo, precipitation since Sept. 1 totals a record 10.65 inches, topping the 10.25 inches set in 1977.

So far, it's the sixth wettest year on record at Fargo and the 11th wettest year at Grand Forks.

## Bumper beet crop has farmers seeing green

Ask beet farmers to identify the late-fall odor hanging over Billings and they'll say it's the smell of money emanating from the stacks of the South Side sugar refinery. This year, it smells like Fort Knox.

In small farming towns across southeast Montana, outside storage piles of sugar beets are deep and wide. The rising mound outside the Western Sugar Cooperative refinery casts a formidable shadow northward almost to Sugar Avenue. It was a good year for sugar beets.

Cooperative members, on average, pulled 27.4 tons of beets out of every acre planted. Locally, the co-op plants about 27,000 acres of beets a year. The estimated sugar content of the beets is 17 percent.

In Lovell, Wyo., farmers were pulling 24.4 tons of beets out of every acre. The sugar content of the beets was 17.16 percent.

"Both areas are above average in tonnage and sugar," said Randall Jobman, the co-op's North Country agricultural manager. "It's a good time to be in the sugar beet business, and we got the beets out of the ground." Western had a little harvesting to be done in Emblem, Wyo., where a few weather hiccups kept farmers out of the field. Beet harvests in broad swaths of Wyoming and Montana were halted in mid-October when wet, early snow - in some cases more than two feet - blanketed fields. Besides delaying the harvest, the snow didn't affect the crops, Jobman said.

Likewise, beet farmers in Sidney and those in Wyoming growing for Wyoming Sugar Co. had good years. "We had a tremendous crop," said Cal Jones, CEO of Wyoming Sugar Co. "We had records in yields, 26 tons per acre, and content, 17.5 percent." Wyoming Sugar collected slightly less than 10,000 acres of beets from Washakie, Big Horn and Fremont counties.

In far Eastern Montana, the Montana-Dakota Beet Growers Association harvested 24.6 tons per acre and had the highest sugar content in the region, 18.17 percent, said Terry Cayko, association spokesman. Growers were on contract for about 15,000 acres this year, sparking concern that American Crystal Sugar wouldn't keep the Sidney refinery running in future years if more acres weren't locked in. Cayko said more than 19,000 acres are under contract for 2009. He expected the acreage to reach 21,000 to 22,000 before long.

Producers everywhere were pleased with their crops, given that cold spring temperatures stunted early beet growth. In Western's case, farmers in some areas of Nebraska were forced to replant after late frosts, rain washouts and hail.

This was the first year that farmers planted beets genetically modified to resist the powerful herbicide Roundup, which allowed growers to skip more frequent sprayings with a less-effective herbicide cocktail. Weed control is considered one of the biggest challenges to growing sugar beets.

The old herbicide mix was applied five or six times a growing season. In comparison, Roundup was applied two or three times this season. Farmers said the plants benefited from being left alone. And without the competition from weeds, the beets came out of the ground healthier.

In Billings, the beet refinery will operate seven days a week through the beginning of February, processing as many beets as possible before the piles spoil.

11/17/2008; by Mikkel Pates, Grand Forks Agweek

## Is another bust in farming a sure thing?

FARGO, N.D. — “Things are seldom as good as they say it is in the newspaper — and almost never as bad,” Mikkel Pates says to friends at least once a month for the past 20 years, often over a “nice cup of tea.”

It may be warped for writers to start out columns by quoting themselves. I hope you’ll forgive me for taking this liberty.

My inspiration comes from the British dramatist and critic George Bernard Shaw, whose quote — “I often quote myself. It adds spice to the conversation.” — is famous with high school debaters.

I’m relating my quote to the agricultural economy and the premature reports of another farm crisis on the order of the early 1980s. The rhetoric regarding the health of the farm economy has flipped faster than a famous radio talk show host can switch political parties.

I agree; it’s a fact that commodity prices trends have undergone a stunning — breathtaking — change.

But I’m going to stick my neck out and say I don’t think the aggregate effect will be as bad as the current headlines.

Let’s look at 2008 crop returns and then look ahead to 2009.

Returns from 2008 will depend on many things. How much did the farmer sell in advance? How much did the farmer buy in advance? How much was the farmer able to harvest before the devastating rains and then the snow? How will insurance work?

Pointy-pencil lenders and agribusiness people are scratching their heads about just what will be the impact of the unharvested sugar beets, corn and soybeans, now anguishing in the muck. People at the top of our agribusinesses are just now beginning to ferret out the answers for themselves.

True, farmers in the southern Red River Valley are in the most difficult straits. I’m told of beet farmers who have harvested only 10 percent to 20 percent of their contracted acres.

Officials at Minn-Dak Farmers Cooperative of Wahpeton, N.D., declined to speculate what will happen with crop insurance in regard to the beets. Crop insurance executives aren’t much help. Surely Minn-Dak would like more beets to efficiently run its plant. It’s probably optimal to get the average of 20 tons of beets and is pushing the limits at 25 tons. If beets brought in so far would calculate at some 18 tons an acre — despite those left in the field — it’s still a sub-par result.

Which entity exerts has a bigger influence on what farmers will do? The farmer-owned co-op? The crop insurance companies? I’m betting farmers will succeed in doing what’s best for them individually.

As for the other crops, sources I talk to think farmers probably will wrestle with the corn crop for several months, despite the fact that corn doesn’t stand forever.

The zero-out date for soybeans is Dec. 10. It remains to be seen how crop insurance companies will deal with it. Generally speaking, farmers will need to demonstrate a reasonable effort to bring the crop in.

We'll find out what "reasonable" effort is.

Corn farmers probably can come out on the crop revenue coverage for the 2008 crop, but standing crop in the field, or corn stubble presents new problems for next year's crop — especially corn following corn. And then there will be decisions about prevent-planting insurance.

Input costs probably will decline. Fuel and fertilizer prices have moderated. Land rent should be tempered by the current headlines of doom and gloom. Meantime, I hope stressed-out farmer friends can take a deep breath.

Farming in the "Double Jeopardy" phase at high commodity prices wasn't always fun, either, even when it's lucrative.

Not every logical and reasoned decision can be a winner when Mother Nature is in the game.

I'm thinking crop prices will recover from harvest levels, like they most always do. Come March and April, farmers will have a different attitude and will be anxious to go at it again.

<http://money.cnn.com/news/newsfeeds/articles/apwire/f205bce24b3679832374eab09b78347c.htm>

November 17, 2008: Money.cnn.com

## McNeil, Sugar Association settle Splenda suit

NEW YORK (Associated Press) - The marketers of Splenda said Monday they have settled a lawsuit filed by the Sugar Association over advertising claims that the sweetener contains sugar.

Details of the settlement reached in U.S. District Court for the central District of California were not released.

McNeil Nutritionals LLC said in a news release terms will be kept confidential and it, along with the group of U.S. sugar manufacturers, will make no other comments about terms of the settlement.

McNeil, which is based in Fort Washington and is a unit of Johnson & Johnson, markets Splenda for its manufacturer, London-based Tate & Lyle PLC.

The Sugar Association sued McNeil in 2004 over the marketing of the sweetener. The group questioned advertising with the slogan, "Made from sugar, so it tastes like sugar."

Splenda, the brand name for the ingredient sucralose, contains no sugar and is instead sweetened with a synthetic compound through a complex chemical process. McNeil maintains that the product starts with sugar, which is then converted to a no-calorie sweetener.

McNeil countersued in 2005, citing false advertising and deceptive trade practices against the Sugar Association, its members and others.

<http://www.marketwatch.com/news/story/US-Sugar-Explore-Building-100/story.aspx?guid=%7B7B08CF60-AE4E-464D-A23D-D234AC5D1DBE%7D>

Nov. 17, 2008; MarketWatch.com

## U.S. Sugar to Explore Building 100 Million Gallon Coskata Ethanol Facility

CLEWISTON, Fla., Nov 17, 2008 /PRNewswire via COMTEX/ -- U.S. Sugar Corp. today announced that it has entered into an agreement with Coskata, Inc of Warrenville, IL to explore building a 100 million gallon per year cellulosic ethanol facility in Clewiston, Florida. The facility would be the world's largest second generation ethanol facility. It would convert left-over sugar cane material into ethanol, and would help Florida meet its aggressive second generation ethanol mandate set by Governor Charlie Crist.

"We are very excited to be formally negotiating with Coskata to deploy their industry leading conversion technology," said U.S. Sugar's Sr. Vice President of Public Affairs Robert Coker. "We see this technology as a perfect complement to our existing sugar mill, not to mention a win for the environment, the farming community and for our employees."

The non-food based ethanol could reduce greenhouse gasses by as much as 96% versus conventional gasoline. U.S. Sugar plans to collect cane leaves from the field versus burning them, as well as utilize excess bagasse from the mill. The Coskata technology, which is able to convert almost any renewable material, is expected to produce fuel ethanol with manufacturing costs of around \$1 per gallon. As the State of Florida takes some of the US Sugar lands out of production for the Everglades restoration project, the Coskata technology is flexible enough to also use fast growing energy crops and waste materials to make the environmentally superior fuel.

As part of the agreement, U.S. Sugar will be submitting an application to the Florida Energy Office for a financial match to their contribution for early engineering on this project. In addition, US Sugar plans to work with the US Department of Agriculture to secure some of the loan guarantee monies that have been set aside specifically for the production of non-food based biofuels.

### About U.S. Sugar

Founded in 1931, United States Sugar Corporation is one of America's premier privately held agribusiness companies. The Company is the country's largest producer of sugar cane and refined cane sugar and is one of Florida's major producers of oranges and orange juice products. With state-of-the-art technology for both sugar manufacturing and citrus processing, U.S. Sugar practices the most efficient and progressive farming techniques available in the world. In addition to its principal businesses of sugar and citrus, U.S. Sugar also owns a short line railroad, the South Central Florida Express.

### About Coskata

Coskata is a biology-based renewable energy company that is commercializing technology to produce biofuels from a wide variety of feedstocks. Using proprietary microorganisms and transformative bioreactor designs, the company will produce ethanol for under US\$1.00 per gallon almost anywhere in the world. Founded in 2006 by leading renewable energy investors and entrepreneurs, including Khosla Ventures, Advanced Technology Ventures, and GreatPoint Ventures, Coskata has compiled a strong IP portfolio of patents, trade secrets, know-how and assembled a first-class team for the development and commercialization of its compelling syngas-to-ethanol process technology. For more information, please visit [www.coskata.com](http://www.coskata.com).

SOURCE U.S. Sugar Corp.

November 19, 2008; THE PALM BEACH POST

## U.S. Sugar land not worth cost, adviser reports

PALM BEACH, FL -- The state's proposal to buy U.S. Sugar's farming empire was supposed to contain a safeguard: An outside expert would issue a "fairness opinion" to tell taxpayers if they were getting a square deal. In fact, Florida may be poised to pay more than \$400 million too much in its proposed \$1.34 billion deal for U.S. Sugar Corp.'s farmlands, based on a letter from a state-hired financial adviser.

The findings from the New York-based firm Duff & Phelps showed no signs of derailing the deal, which Gov. Charlie Crist has called essential to rescuing the Everglades. State water managers have said they could vote on a land-only contract with U.S. Sugar by December, based on appraisals that largely agree with the proposed price.

Andrew Capitman, Duff & Phelps' managing director, estimated in the letter that a "fair" price would be at or below \$1.3 billion, but only if the deal included the entirety of U.S. Sugar's assets: mill, railroad, land and all. For U.S. Sugar's land alone, Capitman said he had a "comfort level" with a price around \$930 million.

Under the state's proposed deal, taxpayers would shell out \$1.34 billion just for U.S. Sugar's farmland: about 181,000 acres. An earlier proposal for a total buyout of the company, including buildings and equipment, would have come to \$1.75 billion. Capitman lists more than 35 years of experience in corporate finance in the U.S. and abroad. His firm was hired by the South Florida Water Management District, which made his letter public Tuesday.

A U.S. Sugar executive immediately dismissed Capitman's findings. The opinion assumes the state is buying the entire company, argued Robert Coker, U.S. Sugar senior vice president, who said the latest land-only deal makes the estimate moot. "It's completely irrelevant in my opinion," Coker said.

Water managers noted that state-hired appraisers have valued the entire company at \$1.7 billion to \$1.9 billion, and the land by itself at \$1.3 billion to \$1.34 billion.

Capitman's report "is not an appraisal and does not provide a conclusion about the value of the acquisition relative to its public purpose," the district said in a statement late Tuesday. It said such fairness opinions are used to place a value on ongoing businesses, typically in mergers or acquisitions.

Eric Buermann, water district board chairman, said he will focus more on the appraisals "because this is now a land purchase." "There are no assets," said Buermann, a Miami lawyer appointed by Crist. "We're not buying an ongoing business."

In the letter, Capitman said his opinion is based on U.S. Sugar's recent financial performance and projections. For example, while an appraisal might consider the value of land based on what could be built on it, the fairness opinion considers its current use: sugar farming.

Coker said the letter was based on U.S. Sugar's 2007 performance, when it was still investing in its new mill and reeling from hurricane damage to its crops. "Those people that are out here that oppose this deal - you will probably see them waving this around," he said. The state, Coker added, "is paying exactly what the real estate is worth in today's environment."

In contrast, Capitman's one-page letter says the firm's projections "provide every benefit of the doubt" regarding U.S. Sugar's ability to return to historic profit levels, among other factors.

Nov 19, 2008; By Alice Massimi, WSAV.com

## Imperial Sugar Breaks Ground for Final Building

Imperial Sugar is one step closer to being back up and running at full capacity. The facility exploded last February, killing 14 people. Planning to rebuild since the day after the explosion, today they broke ground for the new packaging building.

C.E.O. John Sheptor says despite the current status of the economy, Imperial Sugar is moving forward.

"Our investors are optimistic about the company. Our share price has gone up 40 percent over the last two months while the market has gone south," points out a confident Sheptor.

News Three's Alice Massimi was at today's groundbreaking and has more.

With their heads bowed employees of Imperial Sugar prayed for the lives lost. "Today is a beautiful day. I know they are smiling down on us because I shed tears today," says Beverly O'Neal, an employee at the plant for 22 years.

Never forgetting the horrific night of February the Seventh this group is now looking on to the future. Standing on what many think of as hallowed land, they broke ground for the final structure. Amidst smiling and clapping it's evident the employees spirits are high.

"I am grateful! I am grateful that we are rebuilding. I am grateful that I still have a job and I'm grateful that I still have my sugar Imperial Family," says Deloris Miller also an employee at the plant.

"I was here the night of the explosion. To be here today still alive and mourning the ones that are gone but here to help rebuild, its very exciting," says Demond Reddick. Taking part in this momentous occasion Demond served as a source of strength for many throughout the past ten months. "We need to go ahead and do what we need to do to stand firm and help the company get past this," he recalls the words he had for fellow employees in the weeks following the explosion.

Cynthia Hamilton says she always had hope. "It's hard to explain. I am just so excited. I am happy, I am nervous. It is just a feeling of glee. I'm very grateful," says employee Hamilton.

Grateful that out of tragedy will rise the promise of new beginnings, Imperial Sugar plans on shipping out their first customer order for liquid sugar tomorrow. They hope to be back up to full speed by next summer.

Nov. 20, 2008; [www.ExpansionManagement.com](http://www.ExpansionManagement.com)

## Louisiana Sugar Refinery Project Applies for Post-Katrina Funding

RESERVE, La. — Three companies joining forces to build a sugar refinery here have applied for government financing, authorized in the wake of Hurricane Katrina, to help with construction costs.

Cargill Inc., cane-marketing cooperative Sugar Growers & Refiners Inc. and Imperial Sugar are building a state-of-the-art refinery on the campus of Cargill's Terre Haute Marine Facility in Reserve. The venture is being touted as the largest sugar refinery in the nation.

Nine mills will provide their entire raw sugar production, about 800,000 tons per year, to the new refinery. Cargill will market and distribute the refined sugar products to food and beverage customers.

Commercial production at the facility is expected to begin in early 2010 and employ about 120 fulltime workers.

St. James Parish gave Cargill-SUGAR-Imperial approval and support for Gulf Opportunity (GO) Zone Bonds financing last month, according to the Wall Street Journal.

GO-Zone bonds are low-interest, tax-exempt loans that Louisiana, Mississippi and Alabama can use for reconstruction projects. They were authorized by President Bush in December 2005 after Katrina struck the three states. Louisiana was allocated more than half of the nearly \$15 billion in GO-Zone money.