

News Release

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USDA ANNOUNCES SUGARCANE AND SUGAR BEET PROCESSOR ALLOCATIONS

WASHINGTON, March 22, 2006 -- The U.S. Department of Agriculture's Commodity Credit Corporation (CCC) today announced the allocation of the Feb. 2, 2006, Overall Allotment Quantity (OAQ) increase for cane-producing states, sugarcane processors and sugar beet processors. CCC also announced the allocation of the 225,000 ton OAQ increase to cane producers, previously published Sept. 29, 2005.

The Beet Sector

CCC announced an OAQ increase of 525,000 short tons, raw value (STRV) on Feb. 2, 2006, then distributed the beet sector share (46.35 percent) to all beet processors based on historic fixed shares. CCC also reassigned the Pacific Northwest Sugar Company's allocation held in reserve, 129,096 STRV, to the American Crystal Sugar Company, consistent with the decision and order issued by USDA's Judicial Officer on March 3, 2006. This allocation of the fiscal year (FY) 2006 beet sugar marketing allotment had been held in reserve pending the Judicial Officer's decision.

CCC compared new processor allocation levels to the latest company supply forecasts to reassign allocations from companies with marketing allocation surplus to companies with inadequate allocation. After company reassignments, CCC determined that the beet sector would still be unable to fill 242,000 STRV of its OAQ sector increase, so this amount was reassigned to imports.

The Cane Sector

On Aug. 19, 2005, USDA announced the initial OAQ of 8,600,000 STRV. An expected 120,000 STRV of cane supply shortfall was reassigned to imports. Cane processors received the allocation for the balance (3,805,900 STRV) of the cane sector allotment.

Since then, the FY 2006 OAQ increased 225,000 STRV on Sept. 30, 2005, and 525,000 on Feb. 2, 2006. These two OAQ changes increase the cane sector allotment by 342,375 tons. The increase in the cane sector allotment, coupled with expectations of a cane sector shortfall, resulted in three more reassignments from the cane sector to imports totaling 984,000 STRV. USDA today announced cane state allotments and cane processors allocations to incorporate all changes.

After determining that Hawaii and Puerto Rico would be unable to use any of the OAQ sector increase, USDA allocated the entire cane sector allotment to the Mainland cane states (Florida, Louisiana, Texas) based on fixed cane state shares. USDA allocated cane state increases to processors within each state based on fixed processor shares. All sugarcane processors had sugar marketing allocations greater than their total supply. In aggregate, USDA concludes that the cane sector will not be able to fill 984,000 STRV of its allotment, an amount now reassigned to imports.

FY 2006 cane state allotments and sugarcane and sugar beet processor allocations are located below.

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FY 2006 OVERALL BEET/CANE ALLOTMENTS AND ALLOCATIONS					
Distribution	Allotments/ Allocations as of 12/2/06	Increase in OAQ on 2/2/06	Reassignment of PNW Reserve 3/3/06	Reassignment on 3/3/06	Allotments/ Allocations as of 3/3/06
Beet Sugar	4,796,388	285,338	0	-242,000	4,839,725
Cane Sugar	3,182,613	239,663	0	-258,000	3,164,275
Total Imports	<u>846,000</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>1,346,000</u>
TOTAL OAQ	8,825,000	525,000	0	0	9,350,000
BEET PROCESSORS' MARKETING ALLOCATIONS:					
Amalgamated Sugar Co.	999,303	59,449	0	99,264	1,158,015
American Crystal Sugar Co.	1,715,584	110,046	129,096	-223,608	1,731,118
Michigan Sugar Co.	482,017	28,675	0	-43,662	467,030
Minn-Dak Farmers Co-op.	299,233	17,801	0	-37,797	279,237
So. Minn Beet Sugar Co-op.	629,936	37,475	0	10,346	677,756
Western Sugar Co.	477,233	28,085	0	-32,271	473,047
Wyoming Sugar Co.	63,985	3,806	0	-14,271	53,521
<u>PNW Allocation Held in Reserve</u>	<u>129,096</u>	<u>0</u>	<u>-129,096</u>	<u>0</u>	<u>0</u>
TOTAL BEET SUGAR	4,796,388	285,338	0	-242,000	4,839,725

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FY 2006 OVERALL CANE ALLOTMENTS AND ALLOCATIONS				
Distribution	FY 2006 Allotments as of 8/19/05	Total Change From OAQ Increases 1/	Total Change From Reassignments 2/	New Allotments Allocations
Cane Sugar	3,805,900	342,375	-984,000	3,164,275
STATE CANE SUGAR ALLOTMENTS:				
Florida	1,908,516	184,019	-646,742	1,445,792
Louisiana	1,447,785	142,359	-317,090	1,273,054
Texas	180,000	15,997	-15,572	180,425
Hawaii	269,599	0	-4,596	265,003
<u>Puerto Rico</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL CANE SUGAR	3,805,900	342,375	-984,000	3,164,275
CANE PROCESSORS' MARKETING ALLOCATIONS:				
Florida				
Florida Crystals	792,262	75,765	-360,906	507,121
Growers Co-op. of FL	324,343	33,102	-92,316	265,129
<u>U.S. Sugar Corp.</u>	<u>791,911</u>	<u>75,151</u>	<u>-193,520</u>	<u>673,542</u>
TOTAL	1,908,516	184,019	-646,742	1,445,792
Louisiana				
Alma Plantation	155,960	13,551	-38,208	131,302
Cajun Sugar Co-op.	146,915	14,395	-36,683	124,626
Cora-Texas Mfg. Co.	140,000	13,223	-222	153,001
Lafourche Sugars Corp.	89,804	7,754	-24,483	73,075
Louisiana Sugarcane Co-op.	94,696	10,946	-11,606	94,036
Lula Westfield, LLC	175,393	16,811	-23,985	168,219
M.A. Patout & Sons	415,959	39,994	-110,757	345,197
St. Mary Sugar Co-op.	130,962	14,500	-39,211	106,250
<u>So. Louisiana Sugars Co-op.</u>	<u>98,096</u>	<u>11,186</u>	<u>-31,935</u>	<u>77,347</u>
TOTAL	1,447,785	142,359	-317,090	1,273,054
Texas				
Rio Grande Valley	180,000	15,997	-15,572	180,425
Hawaii				
Gay & Robinson, Inc.	54,699	0	-61	54,638
<u>Hawaiian Commercial & Sugar Company</u>	<u>214,900</u>	<u>0</u>	<u>-4,535</u>	<u>210,366</u>
TOTAL	269,599	0	-4,596	265,003
1/ Equals 45.65 percent of 225,000 and 525,000 OAQ increases of 9/30/05 and 2/2/06, respectively.				
2/ Equals the sum of 276,000, 450,000 and 258,000 reassignments of 9/30/05, 12/2/05 and 2/2/06, respectively.				