



NEWS RELEASE

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USDA ANNOUNCES 2003 CROP SUGAR MARKETING ALLOTMENTS AND ALLOCATIONS

WASHINGTON, Sept. 30, 2003 -- The U.S. Department of Agriculture today announced the cane and beet sugar marketing allotments and company allocations for the 2003 crop (FY 2004). On August 13, USDA established an overall allotment quantity (OAQ) of 8.550 million short tons (STRV). Today's announcement follows the requirements of the 2002 Farm Bill to allocate the OAQ to cane producing states and both cane and beet sugar processors.

In making today's announcement, USDA is allocating 96.5 percent of the 8.550 million ton OAQ. USDA cited continued uncertainties surrounding total sugar use and beet and cane production forecasts as reasons for the partial allocation.

New market information became available in the September 11, 2003 USDA World Agricultural Supply and Demand Estimates (WASDE) report. Revisions to both 2002 and 2003 total sugar use and to 2003 production resulted in the following FY2004 supply/use forecast:

	(000 STRV)
◆ Carry-in stocks	1,691
◆ Production	8,812
◆ Imports	1,584
◆ Total Use	10,075
◆ Ending Stocks	2,012

The forecast ending stocks of 2.012 million STRV result in an ending stocks-to-use ratio of 20.0 percent in the absence of marketing allotments and a free stocks-to-use ratio of 17.4 percent with the previously announced OAQ. This latter ratio, up from 15.1 percent when the OAQ was established, is the result of a change in the WASDE report's forecast of total use and beginning stocks in FY 2004. Because this change occurred after the issuance of the initial FY 2004 OAQ, USDA is allocating only 96.5 percent of the OAQ at this time. This produces a free stocks-to-use ratio closer to levels associated with a more balanced market.

USDA will closely monitor stocks, consumption, imports, and all other program variables on an ongoing basis and will release the remaining 300,000 tons of the OAQ if market conditions

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COMPANY ALLOCATIONS

An OAQ of 8.550 million STRV resulted in the following allocations to the sugar sectors:

	(000 STRV)
◆ Beet Sugar	4,647
◆ Cane Sugar	3,903

Today’s allocation of 96.5 percent results in allocations of 4.484 million STRV and 3.766 million STRV for the beet and cane sectors, respectively.

As specified in USDA regulations, cane state allotments and processor allocations are established by assigning weights of 25 percent, 25 percent and 50 percent, respectively, to the three-factor criteria: past marketings; processing capacity; and ability to market. Because Puerto Rico forecast zero production for the 2003 crop, its FY 2004 allotment is reassigned to all other cane processors based on their respective share of the cane allotment.

Proportionate shares relative to the acreage of sugarcane that may be harvested in Louisiana for sugar or seed has been calculated at 84.2 percent of each farm’s sugarcane acreage base.

USDA allocated the beet sector allotment as directed by statute to each processor based on their share of domestic beet sugar production during the 1998 through 2000 crop years.

These actions apply to all domestic sugar marketed for human consumption in the United States from Oct. 1, 2003, through Sept. 30, 2004.

The 2003-crop sugar marketing allotments and allocations are as follows:

FY 2004 OVERALL BEET/CANE ALLOTMENTS AND ALLOCATIONS			
	Initial Allocation	Reassignment of Puerto Rican Allotment to the Cane Sector	Beginning FY04 Allotments/ Allocations
	(short tons, raw value)		
Beet Sugar	4,646,925		4,646,925
Cane Sugar	3,903,075		3,903,075
TOTAL OAQ	8,550,000		8,550,000
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Allotment Available to Beet	4,483,875		4,483,875
Allotment Available to Cane	3,766,125		3,766,125
	8,250,000		8,250,000

BEET PROCESSORS' MARKETING ALLOCATIONS:			
Amalgamated Sugar Co.	934,192		934,192
American Crystal Sugar Co.	1,724,154		1,724,154
Holly Sugar Corp.	300,842		300,842
Michigan Sugar Co.	286,462		286,462
Minn-Dak Farmers Co-op.	279,737		279,737
Monitor Sugar Co.	164,149		164,149
So. Minn Beet Sugar Co-op.	288,049		288,049
Western Sugar Co.	446,473		446,473
Wyoming Sugar Co.	59,816		59,816
TOTAL BEET SUGAR	4,483,875		4,483,875
STATE CANE SUGAR ALLOTMENTS:			
Florida	1,874,073	3,013	1,877,086
Louisiana	1,409,688	2,266	1,411,954
Texas	157,364	253	157,617
Hawaii	318,956	513	319,468
Puerto Rico	6,044	-6,044	0
TOTAL CANE SUGAR	3,766,125	0	3,766,125
CANE PROCESSORS' MARKETING ALLOCATIONS:			
Florida			
Atlantic Sugar Assoc.	148,913	239	149,152
Growers Co-op. of FL	339,889	546	340,435
Okeelanta Corp.	381,313	613	381,926
Osceola Farms Co.	228,853	368	229,221
U.S. Sugar Corp.	775,105	1,246	776,351
TOTAL	1,874,073	3,013	1,877,086
Louisiana			
Alma Plantation	75,769	122	75,891
Caire & Graugnard	3,298	5	3,303
Cajun Sugar Co-op.	100,634	162	100,796
Cora-Texas Mfg. Co.	126,600	204	126,803
Harry Laws & Co.	60,112	97	60,208
Iberia Sugar Co-op.	68,038	109	68,147
Jeanerette Sugar Co.	65,742	106	65,848
Lafourche Sugars Corp.	72,547	117	72,663
Louisiana Sugarcane Co-op.	87,483	141	87,624
Lula Westfield, LLC	158,570	255	158,825
M.A. Patout & Sons	389,558	626	390,185
St. Mary Sugar Co-op.	95,719	154	95,873
So. Louisiana Sugars Co-op.	105,619	170	105,789

TOTAL	1,409,688	2,266	1,411,954
Texas			
Rio Grande Valley	157,364	253	157,617
Hawaii			
Gay & Robinson, Inc.	68,143	110	68,252
Hawaiian Commercial & Sugar Company	250,813	403	251,216
TOTAL	318,956	513	319,468
Puerto Rico			
Agraso	3,876	-3,876	0
Roig	2,169	-2,169	0
TOTAL	6,044	-6,044	0

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