

For Immediate Release

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The Coalition for Sugar Reform Applauds U.S. Reps. Pitts and Davis for Introduction of Bipartisan Legislation: “The Free Market Sugar Act”

Tim Jones of Just Born, Inc. Sheds Light on How the Current Sugar Policy Affects Small Businesses and Sugar-using Companies

(Washington, DC) April 6, 2011 – The Coalition for Sugar Reform today commended Rep. Joe Pitts (R-PA) and Rep. Danny Davis (D-IL) for their leadership to reform U.S. sugar policy with their introduction of the Free Market Sugar Act. The bipartisan legislation – which will benefit America’s economy, its trade relations, its fiscal condition, and the environment – demonstrates growing Congressional support for reforming an outdated and costly policy that kills jobs, picks winners and losers in the marketplace, increases the deficit, and elevates food prices.

“The current U.S. sugar policy puts sugar-using companies at a severe disadvantage. We are forced to pay artificially inflated prices that seriously hamper our ability to be profitable and to invest back into our business,” said Tim Jones, Senior Manager, Procurement and Supply Chain Operations, Just Born, Inc. “That kind of investment is vital to an economy that is trying desperately to recover, to add jobs, and to fuel spending that helps other businesses survive and thrive.”

Impact on American Jobs

An estimated 112,000 jobs were lost in U.S. sugar-using industries between 1997 and 2009, and the U.S. Department of Commerce has stated that a chief culprit in job loss for such industries is U.S. sugar policy. In fact, the Commerce Department estimated that for every sugar growing job saved through high U.S. sugar prices, approximately three manufacturing jobs are lost. Reps. Pitts and Davis’ home states of Pennsylvania and Illinois employ thousands of workers in sugar-using industries each year. In 2007 alone, Pennsylvania employed more than 40,000 workers in confectionary and other food and beverage manufacturing jobs, and Illinois employed nearly 34,000 employees in those industries.

“American consumers and manufacturers have been harmed by the current sugar program for much too long,” said Larry Graham, Chairman of the Coalition for Sugar Reform and President of the National Confectioners Association. “We applaud U.S. Reps. Pitts and Davis for their vision and support to reform an archaic sugar policy that has led to the loss of thousands of American jobs and costs consumers and manufacturers billions of dollars each year. This legislation will help bring an end to unnecessary and wasteful federal government intrusion.”

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Introduced today in the House, the Free Market Sugar Act would repeal the sugar price support program and marketing allotments for sugar. This bill would also eliminate the Feedstock Flexibility Program – which the Congressional Budget Office (CBO) estimates will cost approximately \$1 billion over the next 10 years – and would require the government to ensure a robust and competitive sugar processing industry, and an adequate supply of sugar at reasonable prices in this country.

The Free Market Sugar Act is the latest reform legislation to be introduced this year. In March, Sen. Richard Lugar of Indiana introduced the Free Sugar Act, which called for comprehensive reform by repealing the mandatory loan program to sugar processors, prohibiting further price supports, and eliminating federal mandates and quota controls. Additionally, Sen. Jeanne Shaheen (D-NH), Sen. Mark Kirk (R-IL), and Sen. Richard Durbin (D-IL) introduced The SUGAR Act in January, which would phase out many of the job-killing features of the current sugar program, including marketing allotments that restrict domestic sugar production, and import restraints that make it difficult for food and beverage manufacturers to make use of much-needed international supplies of sugar.

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The Coalition for Sugar Reform represents consumer, trade, and commerce groups, manufacturing associations, and food and beverage companies that use sugar (including confectioners, bakers, cereal manufacturers, beverage makers and dairy companies), as well as the trade associations for these industries.