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Vice President

Infrastructure, Legal and Regulatory Policy

July 10, 2012

The Honorable Frank Lucas  
Chairman  
Committee on Agriculture  
1301 Longworth House Office Building  
Washington, DC 20515

The Honorable Collin Peterson  
Ranking Member  
Committee on Agriculture  
1301 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Lucas and Ranking Member Peterson:

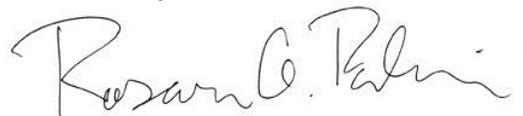
The National Association of Manufacturers (NAM), the largest industrial trade association and the voice for 12 million men and women who make things in America, urges you to support an amendment offered by Rep. Bob Goodlatte (R-VA) that would reform the U.S. sugar program when the Committee considers H.R. 6083, the Federal Agriculture Reform and Risk Management Act of 2012.

Through price supports and trade restrictions to reduce supply, the U.S. sugar program creates an artificially high domestic price for sugar that harms the global competitiveness of U.S. food manufacturers. Several studies highlight the harm the sugar program has on the U.S. economy. In a November 2011 report, Iowa State University economists estimated the sugar program annually costs consumers as much as \$3.5 billion a year and sacrifices 20,000 manufacturing jobs. The Department of Commerce found in 2006 that, for every sugar job saved by current policy, three manufacturing jobs are lost.

The Goodlatte amendment would eliminate some of the most egregious aspects of current sugar subsidies, especially those added in the 2008 Farm Bill, which drive up costs for food manufacturers and harms their global competitiveness. The amendment does not repeal the sugar program. It would rescind higher price support levels, alleviate trade restrictions that limit the supply of sugar to domestic users and eliminate a requirement that the government buy surplus sugar and sell it to ethanol companies at a loss. The amendment would provide common-sense reform to reduce government-imposed costs on both manufacturers and consumers.

Reducing the structural cost burden on U.S. manufacturers is essential to their ability to compete and create jobs. By reforming the sugar program, the Goodlatte amendment would improve the competitiveness of U.S. food manufacturers and protect the nearly 650,000 employees in sugar-using industries. We urge you to support the Goodlatte amendment.

Sincerely,



cc: Members of the Committee on Agriculture, U.S. House of Representatives

*Leading Innovation. Creating Opportunity. Pursuing Progress.*