

# SWEETENER USERS ASSOCIATION

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## **Sweetener User Highlights Negative Impacts of Mexican Sugar Suspension Agreements**

*Says Agreements Make U.S. Sugar Market Even Worse Than Before for American Manufacturers*

Washington, DC (August 3, 2015) – Today, Greg Breunig, Vice President of Operations at Clasen Quality Coatings, Inc., spoke at the 32<sup>nd</sup> International Sweetener Symposium in Santa Ana Pueblo, New Mexico, on behalf of the [Sweetener Users Association](#). During his presentation, Breunig discussed the many consequences of the suspension agreements in the trade cases brought against Mexican sugar imports and how these agreements are affecting the already tight U.S. sugar market.

“The suspension agreements have had a similar impact as Hurricane Katrina, the Imperial explosion and tight supply policies of 2009 and 2010 – a big price increase and a wide gap between U.S. raw and refined prices,” Breunig explained. “But the problems with the suspension agreements don’t end with high prices and tight supplies. For example, Mexico may retaliate and act to cripple our U.S. re-export program, further harming cane refiners.”

Breunig presented his views during a panel discussion, titled “U.S. Sugar Policy: Back on an Even Keel?,” alongside Barbara Fecso, Director of Dairy and Sweeteners Analysis, Farm Service Agency, U.S. Department of Agriculture; Jack Roney, Director of Economics and Policy Analysis, American Sugar Alliance; and James Johnson, President, United States Beet Sugar Association (moderator).

“The dominant factors in the U.S. sugar market for the foreseeable future are the suspension agreements with Mexico, and this has implications, including the fact that sugar-user interests are basically ignored since we’re not parties to the suspension agreements,” Breunig said. “The U.S. Department of Agriculture could operate U.S. sugar policy in some ways independent of the suspension agreements to address supply concerns, but the question is, will USDA do that? In the meantime, sugar-users are left with uncertainty as they make business decisions.”

Since 1957, Clasen Quality Coatings, Inc. has made confectionery coatings, chocolate and fillings, including milk, dark, white, yogurt, peanut, colored and flavored formulations. The company has locations in Madison, Watertown and Middletown, Wisconsin.

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