



**For Immediate Release**

## **U.S. Commerce Department Sued By CSC Sugar**

### ***Allegations of Off The Record Communications Should Scuttle U.S.-Mexico Sugar Agreement***

**New Canaan, CT.** – (January 23, 2019) – CSC Sugar LLC has filed a brief in the U.S Court of International Trade in New York arguing that the U.S. Department of Commerce’s failure to keep and make public records of meetings with outside parties, as required by law, in the negotiations of a U.S.-Mexican trade pact on sugar should void the entire agreement.

The 30-page brief refers to meetings, phone calls, and other off-the-record, or ex parte, communications that occurred with Secretary Wilbur Ross and other senior Commerce Department officials over a period beginning in June 2016 and continuing through June 2017.

Among those alleged to have engaged in these private communications with Commerce Department leaders were executives of the U.S.’s largest sugar refiners, whose century-old refineries benefited from a key change ushered in by the July 2017 agreement between the U.S. and Mexico to suspend the anti-dumping and countervailing duties implemented against the importation of Mexican sugar.

Subsequently, according to CSC Sugar’s brief, the Commerce Department moved in June 2017 to alter the definition of “refined sugar” to include a lower purity level – moving from 99.5% to 99.2% – as well as other changes in shipping requirements. This change applied only to Mexico, and not to other countries which have sugar quotas with the U.S. The result of these changes was to give a competitive advantage to one segment of the U.S. domestic sugar industry (the U.S. refiners of cane sugar) at the expense of CSC Sugar and others for whom costs escalate when lower purity sugar must be processed.

On June 1, 2018, the Court of International Trade [found](#) that “there exists a sufficiently reasonable basis to believe the [Commerce Department’s] record is incomplete,” and ordered them to provide additional information by July 11, 2018 by “filing with the court the record of any ex parte meeting.” The CSC Sugar brief alleges that, while the Commerce Department has provided some information – and, in some cases, confirmed that ex parte communications occurred – they also “admitted that, because of the time elapsed since the meetings, [the Department] could no longer ‘summarize the information that was presented or discussed during meetings and phone calls.’”

In turn, CSC argues that this inability to provide a full record – which violates federal law that require full disclosure of such information and frustrates the Court’s ability to exercise its review authority – was substantially prejudicial, and should render the underlying U.S.-Mexico sugar trade agreement invalid.

[A copy of CSC Sugar’s January 2019 filing is available here.](#)

[A copy of CSC Sugar’s September 2017 complaint is available here.](#)

#### **About CSC Sugar**

CSC Sugar (CSC) is a key refiner and trader of raw and refined sugar in the U.S. Based in New Canaan, CT., with refineries located across the country, the company is an essential ingredient provider to the food manufacturing industry. For more, please see [www.cscsugar.com](http://www.cscsugar.com).

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