

Sugar from Mexico, Invs. Nos. 701-TA-1 and 734-TA-1 (Review)

Hearing Presentation for Petitioners
Imperial Sugar Company and AmCane Sugar LLC

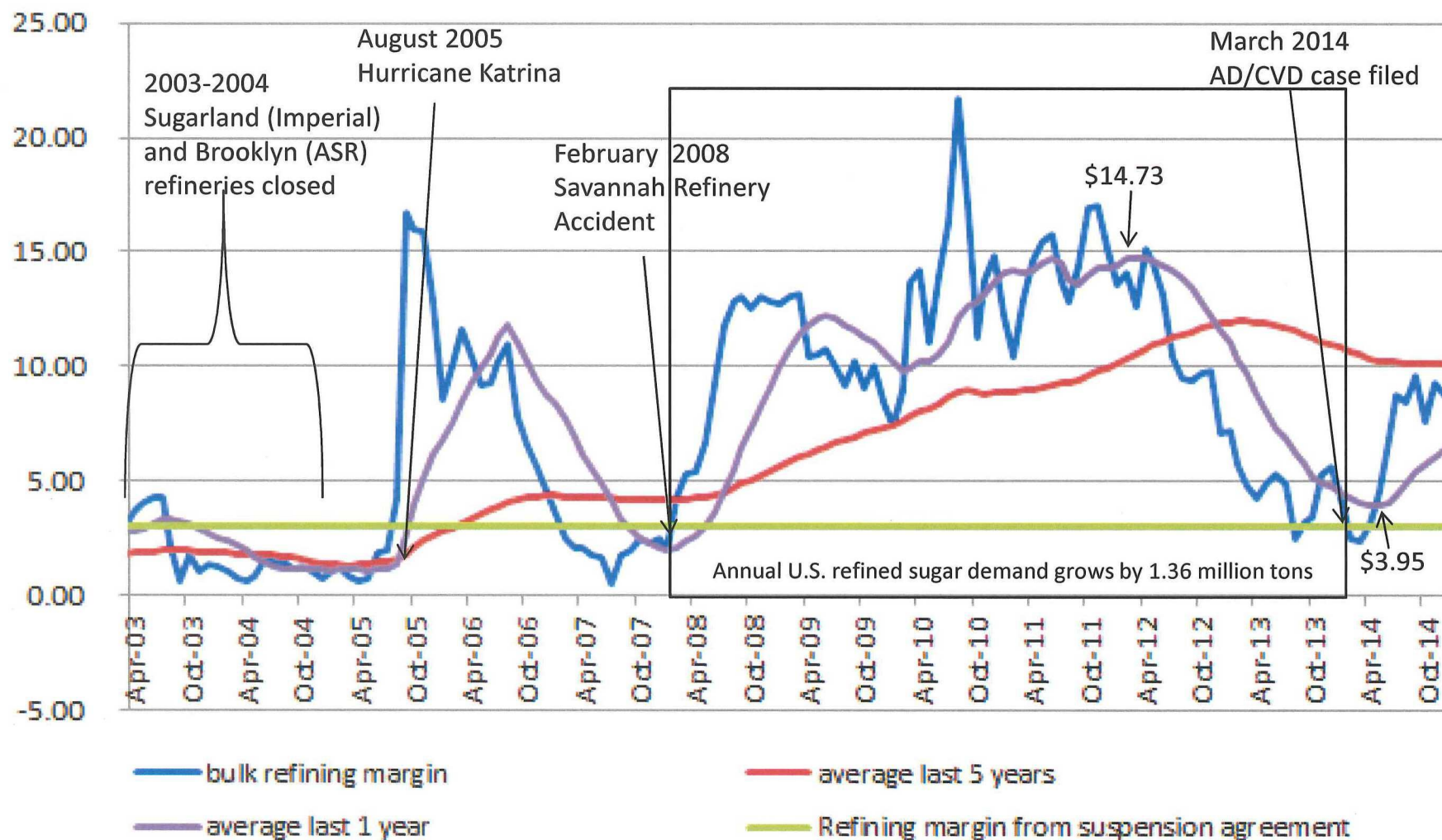
White & Case LLP

TradeWins LLC

Injury Found in Preliminary Determinations Continues

Cause	Injurious Effect	Eliminated?
Volume of Imports ↑	1) COGS/revenue squeeze	1) <u>NO</u>
Price of Imports ↓	2) Capacity utilization ↓	2) <u>NO</u>
	3) Underselling	3) <u>NO</u>
	4) Long-term contract overhang	4) <u>NO</u>

U.S. Bulk Refining Margin



Brian F. O'Malley, President & CEO, Domino Foods, Inc.

“During {the 2013} crop cycle, imports from Mexico flooded into the U.S. market over two million tons at very depressed price levels. ... Refined prices from Mexico were so low that we were not able to achieve a margin that would cover variable costs, even at raw sugar prices that were at USDA loan rates. ... We didn't feel the full economic impact of these low prices during the fiscal 2013 crop cycle, due to the way large customers forward-cover their business. The full impact is being felt now, and will persist well into the 2015 cycle, and also into the 2016 cycle as well.”

John D. Greenwald, Counsel for American Sugar Coalition

“I hope the government-to-government effort succeeds in curing continuing injury far into the future, but it will do nothing about the present injury and it will do nothing about the injury that has already been locked into contracts for future delivery. So on that score while we welcome it, we encourage it, it doesn't answer, it does not cure the injury that you must assess by reason of subject imports.”

Cost Calculation from Paul Farmer Affidavit With Bagging and Transportation Added

Raw sugar - - Mexico to United States

(US\$ cents per pound)

Ex Mill	22.25				
Transport to port & loading	1.20				
Ocean freight and discharge	2.25				
Delivered to east coast port	25.70	This equates to the #16 market at 24.69 basis 96 degrees.			
Refining loss	0.77	3.0% weight loss via shrinkage.			
Refining cost	6.00	Estimated midpoint of industry range.			
Cost ex refinery	32.47				
Bagging Cost	3.50				
Transportation to:	New York	Atlanta	Los Angeles	Chicago	Dallas
	4.25	1.75	5.75	2.75	4.25
Delivered Cost	40.22	37.72	41.72	38.72	40.22

Refined sugar -- Mexico to United States

(US\$ cents per pound)

Ex Mill	26.00				
Handling to rail point	1.00				
Rail to:	New York	Atlanta	Los Angeles	Chicago	Dallas
	6.00	6.00	6.00	5.50	4.00
Delivered Cost	33.00	33.00	33.00	32.50	31.00