

ASA CHAIRMAN JACK PETTUS
ASA Virtual Meeting held August 3, 2021

Thank you for joining us today. As Chairman of the American Sugar Alliance, it is my honor to welcome you to ASA's second virtual annual board meeting. As you know, our industry was supposed to be gathering in Napa Valley right now. We had to make the decision to cancel the International Sweetener Symposium several months ago. With our members' safety in mind, we made the best decision we could with the information available, and that decision also removed a mountain of financial exposure in this era of uncertainty. While this is the second year that COVID prevented us from meeting in-person, we hope this webinar will update you on many issues that are important to your own lives and livelihoods. So, thank you for joining us.

The theme of this virtual meeting is "Emerging Stronger than Ever, Preparing for the New Normal." IF the last two years have taught us anything, it's that we can all be incredibly proud of how well our industry adapted to the COVID-induced market disruptions, and how our industry continues to adapt to this new normal. So, we'd like to spend the next couple of hours sharing the important work our industry has been doing during this turbulent period, how we are operating in this new normal, and how we are preparing for the future to make our industry even stronger. You'll hear from several of ASA's staff and consultants who will address how the industry and the market have fared through waves of pandemic, how our political leaders are dealing with agricultural issues, how trade negotiations are proceeding, how ASA has responded from a public relations standpoint, and what our future agenda holds. We also have several VIP guest speakers who will provide you with seasoned "boots on the ground" perspectives including former Chairman of the House Agriculture Committee Collin Peterson, two people from USDA who have the critical responsibility of managing the sugar program, and the highly respected agricultural policy analyst Jim Wiesemeyer. And we'll wrap up our meeting with a special tribute to Jack Roney, ASA's director of economics and policy analysis who will be retiring from the industry after over four decades of service. So, get ready for a lightning speed analysis of markets, program management, politics, trade, and PR. Also, If you would like to submit questions for our panelists, you'll see a Q&A option at the bottom of your screen. Just click on the Q&A icon and type in your question. We have a very limited amount of time but we'll try to get to a few questions for each speaker. We've also enabled the Chat function, also located at the bottom of your screen, so you can chat with your colleagues.

But before I jump into the program, I'd like to first introduce the ASA Executive Committee Members, as well as the new slate of officers.

- I'm Jack Pettus. I represent the Louisiana sugar industry as the Vice President of Government Relations of the American Sugar Cane League. I've also had the honor to serve as the Chairman of the American Sugar Alliance for the last two years. But today's meeting marks the end of my term. So, I'll be passing the baton to ... Luther Markwart.
- Luther represents America's 10,000 sugarbeet farmers in 11 states. He is the Executive Vice President of the American Sugarbeet Growers Association.
- ASA's incoming Vice Chairman is Ryan Weston, who represents the Florida and Texas sugar growers, and their mills and refineries across the U.S. Ryan is the CEO of Florida Sugar Cane League and the Washington Representative of the Rio Grande Valley Sugar Growers.
- And ASA's incoming Secretary/Treasurer is Cassie Blawdow. Cassie is the President of U.S. Beet Sugar Association, representing the 9 beet sugar cooperatives which operate 22 factories in 11 states.

To provide you with a brief “Chairman’s Report on the State of the Alliance,” I should note that I will be ending my third and most consequential term as Chairman of the American Sugar Alliance. I formally assumed the position as the pandemic began. Our first order of business was to learn how to conduct day-to-day business on a virtual platform. My first monthly board meeting as Chair was our first ASA meeting to be done completely on Zoom.

While enmeshed in Covid chaos like the rest of the world, we adapted quickly to the challenges and opportunities that emerged during the sudden shift to a virtual workplace. We remained engaged with lawmakers and leaders in the executive branch throughout the crisis and throughout the elections -- and their aftermath. We developed and promoted new information resources highlighting the sustainability efforts of American sugar producers. We’ve helped build an incredibly broad and diverse coalition of interests supporting the development of voluntary, incentive-based programs to reward farmers for their efforts to limit the release of carbon and other greenhouse gases on the farm.

We planned and then negotiated the cancellation of two symposiums, produced two virtual annual meetings instead, and successfully launched a 2-week, industry-wide virtual fly-in earlier this year where we were able to hold over 300 visits with Congressional staff and Members of Congress. We maintained a brisk pace of events to educate Members of Congress on the importance on US sugar policy to our communities and to state & regional economies.

After eighteen months of trying to keep up with ASA Executive Director Vickie Myers and her do-it-all sidekick, Laura Gouge, I am more in awe than ever! They are incredibly talented individuals who work seamlessly and ceaselessly to foster and promote your interests throughout the year. Like every other meeting, they are currently doing all the hard work behind the scenes to make sure this annual meeting is informative and timely. After two missed years, I can only imagine the symposium they will be planning for you in Seattle next year.

As I mentioned earlier, at the end of this month, our great friend Jack Roney is poised to begin the next chapter of his life. We wish him health and happiness. Jack has prepared Dr. Rob Johansson well for the unenviable task of filling his shoes as ASA’s Explainomist. Rob has been a great addition and he brings incredible talents to ASA’s never-ending efforts to foster and promote the interests of America’s sugar producers. I know that Rob is eager to learn the nuts and bolts of our industry. Educate him so that he can better represent you. Share your perspectives so that his advocacy will be more nuanced and better informed.

Finally, we have added a number of new faces to the Zoom screen over these past 18 months. I commend you for identifying and hiring an incredible group of individuals to engage in the political arena on your behalf. They are all invaluable additions to the DC team.

OK, now let’s turn to our program. I’m going to quickly set the stage with a 40,000 foot overview of what our industry has encountered during the last year, and then I’ll turn it over to our speakers who will provide you with in-depth presentations covering their respective areas of expertise.

Today’s program theme, “Emerging Stronger than Ever, Preparing for the New Normal” is very fitting. The past year and a half have been a time of extraordinary challenges for our sugar producers and for the nation. As we emerge from the pandemic, we grieve our losses but look forward to less turbulent times. In the resilient U.S. sugar industry, we can be grateful to have overcome the dual hurdles of last year’s weather-ravaged harvest and a dramatic pandemic-induced shift in demand. The weather has improved and the market has stabilized, but challenges remain. We learned valuable lessons during COVID. The whole country has a new

appreciation for the importance of ensuring strong supply chains, and the U.S. sugar industry certainly proved to be resilient. Thanks to the hard work, investments, sacrifices and spectacular leadership within the farms, companies and cooperatives represented here today, our industry quickly adapted to these unprecedented market demands. As we look ahead, the industry must now be ready to manage post-pandemic logistical problems and rising input costs. We must continue to strengthen our supply chain management, and to mitigate damage from weather events.

Turning to the legislative front, we've confronted a new agenda from a new Administration and a new Congress with razor-thin majorities – legislative challenges abound! Last month, we fought off legislative attacks on sugar policy in House appropriations. Last week, the latest anti-sugar legislation from our old friends Foxx/Shahen & Toomey was introduced and we made sure our champions were ready. This week, Senate approps is marking up its ag package and we're working with our champions in case Sen Shahen attacks.

We're already ramping up for the 2023 Farm Bill, making sure we have updated info for our champions, and we're preparing for a re-start to trade negotiations. We continue to defend the Suspension Agreements to ensure an orderly market, as well as monitoring the market to identify and expose potential circumvention schemes. And we are prepared for continued attacks on sugar consumption. So while we are stronger than ever, we remain vigilant and dedicated to ensure the industry remains strong and prepared for the future. We'd like to thank each of you for your dedicated efforts, important investments, and your many sacrifices that enabled our industry to weather COVID, face this new normal, and prepare for the future.

Closing Remarks:

I'd like to thank all of our talented speakers for their very thoughtful and insightful presentations. While we were able to present a thorough program, the compressed time didn't allow for a lot of questions. But if you have any further questions or have any needed follow-up, please reach out to the ASA staff by sending your questions to info@sugaralliance.org. Or you can reach out to any of the staff directly. We'll be sending you a follow-up email that will contain a link to the presentations, in case you'd like to review the information and analysis you've heard today. At the end of the meeting, we'll show a slide with more information about how to contact us.

Now, I'd like to hand over the gavel to in-coming Chairman Luther Markwart. Luther, I know the industry is in good hands with you serving as ASA Chairman this next year as we continue to adapt to this new normal and prepare for the many challenges ahead, including the Farm Bill. Luther has led us through several Farm Bills and we appreciate you steering the ship in the lead-up to the next one. Luther ... the floor is yours.