



Amalgamated Sugar

Pure. Sweet. Grower-Owned.

**STATE OF IDAHO JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE
COMMITTEE
FISCAL YEARS 2016 AND 2017**

**By: Duane R. Grant, Chairman
The Amalgamated Sugar Company LLC**

AMALGAMATED SUGAR

Company Background

- Grower owned and operated by Snake River Sugar Company
- 120 year history
- 780 Grower Members
- 182,000 acres of sugarbeets
- 7 million tons of sugarbeets
- 21.6 million hundredweight of production (2.16 billion pounds)
- Second largest domestic beet sugar producer
- 12% of nation's sugar supply
- Three operating factories (Paul, Twin Falls, Nampa)
- \$750m to \$900m in revenue

Industry Specific Questions

1. Percentage of Idaho Gross State Product contributed by sugarbeet industry: 1.7% (\$1,060,580,790 of \$64 billion)
 2. Forecast for growth in regional sugarbeet industry:
 - State FY 2015 (7/1/14 to 6/30/15) vs State FY 2016 (7/1/15 to 6/30/16)
 - Acres harvested increased 2.4% (177,742 to 182,123)
 - Tons of sugarbeets produced increased 5.0% (6,638,758 to 6,968,435)
 - Sugar produced increased 11.6% (19,411,916 cwt to 21,664,000 cwt (est))
 - Total sales revenue projected to increase 19.7% (\$750 million to \$898 million) due primarily to increases in production and sugar price
 3. Growth during State FY 2017 (7/1/16 to 6/30/17):
 - Company estimates that key economic factors will remain consistent with State FY 2016.
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Industry Specific Questions

4. Current state of regional sugarbeet industry:

- Strong/poised.
- Mexican sugar now regulated.
- Board of Directors has made key investments in capital and employees/talent.
- Significant biotechnology advantages are being realized.
- Member returns are steady.

5. Employment Information

	Calendar Year	Calendar Year
	2014	2015
Payroll:	\$57.5 million	\$63.8 million
Number of Employees:	1634	1663

Industry Specific Questions

6. Tax Information – Calendar Year 2015

Employee Income Tax Withheld	\$4 million (est)
Sales Tax	\$250,000 (est)
Member Income Tax on Beet Payments	\$1.35 million (est)

7. Impact on other Idaho businesses:

- Additional value to the Idaho economy estimated at \$87.5 million in 2011 (University of Idaho: The Role of Agricultural Processing in Idaho's Economy: Status and Potential (Bulletin 866)).

8. Other companies moving into or out of Idaho?

9. Consolidation of regional sugarbeet industry unlikely.