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Michigan Sugar Company marks halfway point of 2018-2019 slicing campaign

Cooperative seeing uptick in daily production of this year's 4.6 million-ton crop

BAY CITY – As Michigan Sugar Company's grower-owners from the East, Central and West districts convene at their annual district meetings this month, the Bay City-based cooperative has reached the halfway point of its 2018-2019 sugarbeet processing campaign.

As of this week, about 2.44 million tons of sugarbeets have been sliced at the company's factories in Bay City, Caro, Croswell and Sebewaing. About 2.16 million tons remain to be sliced.

This year, roughly 157,000 acres of sugarbeets were harvested yielding about 4.6 million tons, according to Michigan Sugar Company's Executive Vice President **Jim Ruhlman**.

"Permanent piling began on Oct. 22, under ideal storage conditions," Ruhlman said. "The majority of the crop went into the pile clean and at a near perfect temperature."

Ruhlman continued by pointing out some of the challenges faced by the company and its growers this season.

"Leafspot disease, coupled with drought-like growing conditions mid-summer, played a bigger role in the development of our crop than we had hoped," he said. "While the company average yield was a respectable 29.3 tons per acre, the sugar content in our crop was significantly less than our average – 16.2 percent vs. 18.2 percent."

The factories, however, are seeing increased productivity.

"Our factories are running well from a throughput standpoint," Ruhlman said. "An increase of almost 1,700 tons per day has been recognized when compared to last year's rates."

A portion of that success can be attributed to Michigan Sugar Company's Croswell factory, where average daily slice has increased from about 3,900 tons per day last year to more than 4,400 tons per day this year.

Michigan Sugar Company began this year's campaign following robust activities at its factories over the summer. The company invested about \$17.1 million of new capital at its four factories, including \$12.2

million dedicated to upgrading the Croswell factory as part of an effort to increase sugarbeet slicing capacity by 50 percent – from 4,000 tons per day to 6,000 tons per day. The work in Croswell included installation of new juice storage tanks, beet slicers and juice filtration equipment. It marked the third year of upgrades as part of a five-year, \$65 million plan.

Ruhlman said he expects this year's sugarbeet slicing campaign to wrap up by mid-March.

Westway Feed Products Joint Venture

Meanwhile, Michigan Sugar Company officials are also pleased by the startup of the new Westway Feed Products facility in Saginaw County's Carrollton Township, where Michigan Sugar maintains a packaging and warehouse facility.

Ground for the \$1 million, 3,700-square-foot facility was broken in February and Westway began deliveries of its liquid livestock feed this fall.

As part of the joint venture, Westway Feed Products of Tomball, Texas, uses Michigan Sugar-produced molasses as a key ingredient in liquid feed products. Partnership funding from the Michigan Department of Agriculture and Rural Development helped to make the project a reality.

Greg McLean, Director of Strategic Development for Westway Feed Products, said the Carrollton Township location was ripe for investment.

“Our new facility in Carrollton Township has everything we need to be successful as a liquid feed business – it's close to the interstate, close to dairy and beef production, and close to molasses produced by sugarbeet farmers throughout the region,” McLean said. “This project is a win-win-win for the regional economy. It will benefit local livestock producers, local sugarbeet producers, and allow our company and Michigan Sugar Company to spark additional economic growth.”

Community Impact

As part of its ongoing commitment to the region, Michigan Sugar Company was proud this year to once again partner with the United Way of Bay County to help distribute 22,800 pounds of white granulated sugar to 57 food pantries in Arenac, Bay, Midland, Saginaw and Tuscola counties.

The distribution took place Thursday, Oct. 25, in Bay City. **Hidden Harvest**, a food rescue and redistribution agency based in Saginaw, helped transport donations to several of its food pantries.

“We were very pleased to once again distribute sugar to our local food pantries with the knowledge that our product will continue on into the hands of those who need it most,” said **Rob Clark**, Director of Communications and Community Relations for Michigan Sugar. “Michigan Sugar Company's employees and our approximately 900 grower-owners are committed to giving back to our communities and this distribution is just one way to do that.”

Clark said Michigan Sugar Company annually donates about 85,000 pounds of sugar to charitable causes throughout Michigan.

“The United Way sugar distribution is certainly a significant piece of that,” he said. “And this year, we increased our distribution amount with each participating agency receiving 400 pounds of white granulated sugar.”

Public Factory Tours

As part of another community outreach initiative to better educate the public about its operations, Michigan Sugar Company is once again offering public tours of its Bay City factory, giving participants a behind-the-scenes look at how sugarbeets are sliced, how the sugar is extracted and how the packaging and warehouse facilities operate. There also are tasting stations along the way.

The public tour program was started in 2017 under the direction of **Elizabeth Taylor**, Agriculture Communications Coordinator for Michigan Sugar Company.

“We have been so thrilled about the success of our expanded tour program for the Bay City factory,” said Taylor, who noted 735 guests took part in 82 tours during the inaugural year. “Interest in touring was even higher than we expected and the feedback from attendees was overwhelmingly positive. We’re seeing equal interest and excitement this year.”

Upcoming tour dates and times are as follows:

- Noon, Monday, Dec. 17, 2018.
- 10 a.m. Friday, Dec. 21, 2018.
- Noon, Wednesday, Jan. 9, 2019.

Additional tours will be added at a later date. The public can register for tours online at michigansugar.com/factory-tours. The guided tours last about 60 minutes and all those who take part leave with a special 2-pound bag of Michigan Sugar Company’s white granulated Pioneer Sugar.

About Michigan Sugar Company

Michigan Sugar Company was founded in 1906 when six smaller sugar companies merged their operations. In 2002, Michigan Sugar Company became a grower-owned cooperative and in 2004 merged with Monitor Sugar Company to form the company that exists today.

Michigan Sugar Company is headquartered in Bay City and has sugarbeet processing facilities in Bay City, Caro, Croswell and Sebawaing, Michigan. The company’s nearly 900 grower-owners plant and harvest up to 160,000 acres of sugarbeets each year in 20 Michigan counties, as well as Ontario, Canada. Those beets are turned into about 1.3 billion pounds of sugar annually.

The sugar is sold to industrial, commercial and retail customers under the Pioneer and Big Chief brands.

Michigan Sugar Company has 930 year-round employees and an additional 1,100 seasonal workers making it the No. 1 employer in Huron County, the No. 2 employer in Bay and Sanilac counties and the No. 3 employer in Tuscola County.

Michigan Sugar’s annual payroll is about \$65 million and its annual local economic impact is about \$500 million.

Michigan Sugar Company is the third largest of nine sugarbeet processing companies in the United States and Michigan is one of 10 states where sugarbeets are grown in the country.

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