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*Message from Chip Smith, President:*

Hello NSIMA Members;

Happy Holidays Everyone.

I hope that all of our members had a wonderful Thanksgiving weekend. With the sweetener ingredient markets being as quiet as they are, many of this month's articles are focused on "industry news". I hope that you enjoy them.

As always, we wish you all Happy Holidays and a Happy New Year!

Chip Smith, President

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<https://www.sugarpub.com/news/110117-national-sugarbeet-harvest-update>

11/1/2017;

# NATIONAL SUGARBEET HARVEST UPDATE

The USDA National Agricultural Statistics Service ( <https://www.nass.usda.gov/> ) released the sugarbeet crop progress report for week ending Oct. 29th.

Amalgamated Sugar has reached 91% completion as of Oct. 29th. That is up from 67% last week.

Colorado currently sits at 62% harvested, up from 36% the previous week. Last year at this point they were just 48% completed, while the five-year average is 70%.

Michigan is closing in on the halfway point of their harvest. The Wolverine State currently sits at 47% completed, up 10 percentage points from last week, but nearly equal to last year's pace. The five-year average is 53%.

Montana is now past the three-quarters mark. They come in at 78% harvested, up from 64% last week and 59% in 2016. The five-year average is 83%.

North Dakota and Minnesota are near completion of the 2017 sugarbeet harvest. Both states come in at 98% complete this week, ahead of the five-year average of 97% for North Dakota and 95% for Minnesota.

Wyoming is also seeing the light at the end of the tunnel. They currently sit at 86% completed, ahead of last year's mark of 69% and the five-year average of 73%. Last week Wyoming was at 75% completed.

[https://www.foodnavigator-usa.com/Article/2017/11/01/Could-zein-be-a-clean-label-alternative-to-glycerin-in-snacks?utm\\_source=newsletter\\_product&utm\\_medium=email&utm\\_campaign=09-Nov-2017&c=nr4GVAI4KC1sqdPoW49mRjJ6WVsC1SpH&p2=](https://www.foodnavigator-usa.com/Article/2017/11/01/Could-zein-be-a-clean-label-alternative-to-glycerin-in-snacks?utm_source=newsletter_product&utm_medium=email&utm_campaign=09-Nov-2017&c=nr4GVAI4KC1sqdPoW49mRjJ6WVsC1SpH&p2=)

Nov. 01, 2017; By Stephen Daniells, **FOOD**navigator-usa.com

## Could zein be a clean label alternative to glycerin in snacks?

Speaking to FoodNavigator-USA after we ran an article highlighting PepsiCo's search for clean-label alternatives to glycerin, Robert Zeif from Massachusetts-based Flo Chemical Corporation told us that zein (pronounced 'zane') *"ticked all the boxes"* listed by PepsiCo in a request posted on NineSigma's open innovation site NineSights (deadline: December 29,2017). *'Zein will add shelf-life, it will be flexible, it will encapsulate a micronutrient or a taste molecule or a color,"* said Zeif.

### **"Totally natural"**

Zein is the water-insoluble prolamine extracted from corn, that can form odorless, tasteless, clear, hard and almost invisible edible films. It is extracted physically and not chemically from corn, making it "totally natural", said Zeif. *"It is a food ingredient, not an additive,"* he added. Zein is 100% gluten-free. For Flo Chemical, the majority of the business has historically been in the food and pharma sector, but the company has increasingly been eyeing expansion opportunities in food. *'There is a lot more opportunity in food,"* said Zeif. In the food and confection industries, the ingredient is used for coating enriched rice, candies, such as chocolates and jelly beans, dried fruits, nuts, nut meats, and also for the encapsulation of flavors and sweeteners.

While "zein" may not be the most consumer-friendly name, the ingredient can legally be called many things, including 'confectionery glaze', 'protein glaze', 'protein coat', 'vegetable glaze', or 'vegetable coat' (while in the UK, some chocolate manufacturers refer to it as 'maize protein'), he noted.

### **What is PepsiCo looking for?**

As reported recently by FoodNavigator-USA, PepsiCo is seeking an alternative to glycerin that is edible, non-toxic and 'natural', "meaning that the ingredient has not been subject to processing outside of basic processing steps (e.g. heating, cutting, grinding, pasteurizing, freezing, etc.)." Second, it must be 'label friendly,' "meaning that it does not sound like a long chemical on the ingredient list or is familiar & accepted by consumers..." with "line of sight to regulatory compliance and approval," and must not provide nutrients to limit [as defined in the Dietary Guidelines for Americans -ego sodium, saturated fat etc].

### **Technical requirements**

From a technical perspective, it must not react negatively with other ingredients (eg. promote accelerated oxidation, discoloration etc); it must function as a plasticizer in cold-form or baked snack format over an extended shelf-life of up to 12 months; it must lower water activity equivalent to or greater than an equal amount of glycerin; and it should taste *"no worse than glycerin."*

Ideally (but these are not essential), it would also provide some nutritional value beyond calories; serve as a replacement for sweet ingredients contributing less added sugar; cost below or similar to glycerin; and allow for Non-GMO, organic and/or gluten free claims." Zeif told us that all of Flo Chemical's zein is non-GMO, it is also Kosher and Halal compliant. The ingredient 'ticks all of the boxes' - he said. However, it does cost more than glycerin. *"I'd be interest in speaking with the team at PepsiCo, or any food manufacturer looking for a clean label alternative to glycerin,"* said Zeif.

[https://www.confectionerynews.com/Article/2017/11/02/Women-cocoa-farmers-A-long-way-to-go-to-equality?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=02-Nov-2017&c=nr4GVAI4KC2Sn%2B3LzWlhxw6caPoO2DvY&p2=](https://www.confectionerynews.com/Article/2017/11/02/Women-cocoa-farmers-A-long-way-to-go-to-equality?utm_source=newsletter_daily&utm_medium=email&utm_campaign=02-Nov-2017&c=nr4GVAI4KC2Sn%2B3LzWlhxw6caPoO2DvY&p2=)

Nov. 02, 2017; By Oliver Nieburg, Confectionerynews.com

## 'A long way to go' to equality for women cocoa farmers

Female cocoa farmers are key to accelerating cocoa sustainability, but lack the access to finance and land rights that men have, says a new network for women in the cocoa supply chain, which includes Hershey's CEO. The Women in Cocoa and Chocolate Network (WINCC) was setup in May last year. It is open to women working throughout the entire cocoa value chain, including farmers, government representatives and women at chocolate companies and NGOs. The network last week hosted its fourth meeting at Hershey's headquarters in Pennsylvania, US. Seventy women from large multinational chocolate companies, smaller players and traders participated, making it one of the first meetings at a large chocolate company's headquarters to bring competitors together.

### Equal land rights

Boukje Theeuwes, senior program manager at Solidaridad Europe, a Dutch development agency, said: *"There's still a long way to go to create a more equal, balanced situation for women. Women farmers face more challenges because they do not always have equal land rights. They don't have the collateral that men have."* She said the legal systems and culture in Ghana and Cote d'Ivoire put women at a disadvantage. *"When a husband dies, the land will go to his son or the male part of the family,"* said Theeuwes. This means female farmers struggle to secure loans to invest in farms because they lack collateral. *"By investing in women and girls, there's a very clear business case, for example, for higher yields, more profit per hectare, as well as other social benefits,"* said Theeuwes.

A report by the World Bank suggests if women and men in Ghana had equal land rights and tenure security, women's profits per hectare would nearly double. The same report says child nutrition in communities improves when there is a \$10 increase in Ivorian women's income. *"Women see the same impact on improved health and nutrition as a \$110 increase in men's income - that's basically because the money is spent differently,"* said Theeuwes. *"If you want to accelerate transformation to a more sustainable and responsible sector, there's a business case to invest in women,"* she said.

### Women in cocoa: Numbers understated

In Ghana, women make up 25% of the cocoa farming population, according to official statistics. However, Solidaridad claims the true percentage is much higher. *"A lot of the work women do is a bit invisible. They do a lot of work on the farm, but in many countries they cannot own property so they are never registered as a farmer when in fact they actually run the farm"* said Theeuwes. *"Also, once the activities become profitable or involve buying or selling it's typically men that take on those roles. Once women start to generate some profit and income, they basically lose it,"* she continued.

Women own 25% of the cocoa plantations in Cote d'Ivoire and make up approximately 68% of the labor force, according to the African Development Bank. However, they only earn 21 % of the income generated. Theeuwes said women often lack access to finance preventing them from investing in productivity. *"Women need to have equal land rights and tenure security - they need the same access men have to inputs,"* she said.

### Hershey CEO: 'We are making progress'

The WINCC network aims to connect women in the cocoa supply chain and is not an advocacy group. However, its members - including representatives from Solidaridad and Hershey - can lobby as individuals or companies. Michele Buck, CEO of The Hershey Company, said: *"We were pleased to host the WINCC event at our headquarters in Hershey, Pennsylvania. Women play a key role in improving the resilience and sustainability of the cocoa value chain and we are making great progress on this front. Together with women across the cocoa industry, I see our greatest days ahead of us."*

November 7, 2017; American Sugar Alliance [outreach@asanews.org]

## New Video Series to Explore U.S. Sugar Production

As the holiday season kicks off, Americans will be reaching for a staple in their pantries to bake the foods that remind them of friends and family. From pumpkin pie to cookies for Santa, U.S. households have relied on domestic sugar supplies for generations.

But how does that sugar get from the field to the kitchen table? How has its price remained so low for so long? And what challenges could affect the future of U.S. sugar production?

The American Sugar Alliance (ASA) explores these questions in a new “Sugar Shorts” video series. The [first video](#) in the series was released today, and it examines [how sugar is made](#).

“Sugar comes from sugarcane and sugarbeets,” the video explains. “Though the end product is the same, the refining process for the plants is slightly different.”

Viewers are then taken from harvest, to processing facilities and ultimately the grocery store. The complex, multi-step process supports 142,000 jobs across the country, according to ASA.

“Yes, it’s a lot of work but it’s worth it because it keeps America supplied with a with an affordable homegrown staple of the human diet,” the video concludes.

Future installments of the four-part series will examine sugar prices, sugar policy, and the global sugar market, which is largely dominated by foreign subsidies.

“America’s sugar farmers are among the most efficient in the world,” said ASA chairman Luther Markwart. “They produce an essential ingredient at an affordable price, but they couldn’t do it without the help of America’s no-cost sugar policy.”

That policy is currently being discussed as part of the ongoing Farm Bill debate, and some farm policy critics are angling to outsource America’s sugar needs to subsidized foreign industries.

Markwart said the video series is meant to help the public better understand domestic production, the sugar policy debate, and the U.S. jobs and farms at stake if it’s weakened.

The series will be available on [www.sugaralliance.org](http://www.sugaralliance.org) and on ASA’s social media channels.

November 7, 2017; American Sugar Alliance [outreach@asanews.org]

## ‘Sugar Farmer Bankruptcy Bill’ Introduced to Outsource U.S. Sugar Production

Amendments designed to gut no-cost U.S. sugar policy were rejected three times on the Senate floor, two times on the House floor, and twice at the Committee level during the 2014 Farm Bill debate. Now, backers of those defeated amendments are dusting them off for another run. They’ve rebranded it the “Sugar Policy Modernization Act,” even though it recycles much of the failed legislative language used in the past and is designed to rollback policy updates made by lawmakers in 2008. Sugar farmers are taking exception to the proposed bill and its name.

“A better name would be the ‘Sugar Farmer Bankruptcy Bill’ because that’s exactly what it’s designed to do,” explained Galen Lee, president of the American Sugarbeet Growers Association. “Big candy companies have lobbied for decades to outsource production to foreign countries with high subsidies and low labor and environmental standards.”

Unlike foreign sugar industries, U.S. producers do not receive subsidy checks, said Lee, who is a sugar farmer from Idaho. Instead, producers get loans to help cash-flow operations while sugar is stored for customers. Because loans are repaid with interest, sugar policy has operated without taxpayer cost in the 2014 Farm Bill.

Sugar producers would lose access to nonrecourse loans under the proposal by Sens. Jeanne Shaheen (D-NH) and Patrick Toomey (R-PA) and Reps. Virginia Foxx (R-NC) and Danny Davis (D-IL). The bill would also force the U.S. Department of Agriculture to maintain an oversupplied sugar market and keep prices depressed with imports.

Travis Medine, a fifth-generation Louisiana sugarcane grower, is worried the bill would be crippling to current growers and would keep future generations off the farm. “This is serious business, and our livelihoods hang in the balance of the debate,” he said. “We literally have thousands of family farms and manufacturing jobs on the line. Without sugar, communities all across Southern Louisiana would suffer.”

Of course, Congress has had this same debate on several occasions in the past, and in the end, has always sided with American farmers who bolster the country’s food security.

“We’re hopeful that this bill will end up just like all the others designed to enrich candy companies at the expense of America’s family farmers,” Lee concluded. “We provide this country with an affordable domestic supply of an essential ingredient, and we help generate 142,000 jobs at no cost to taxpayers. Most lawmakers don’t want to upend that success story.”

[https://www.beveragedaily.com/Article/2017/11/08/Coca-Cola-portfolio-UK-sugar-tax?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=08-Nov-2017&c=nr4GVAI4KC3wXBAZWXQVvBMRi1r1Gd19&p2=](https://www.beveragedaily.com/Article/2017/11/08/Coca-Cola-portfolio-UK-sugar-tax?utm_source=newsletter_daily&utm_medium=email&utm_campaign=08-Nov-2017&c=nr4GVAI4KC3wXBAZWXQVvBMRi1r1Gd19&p2=)

Nov. 08, 2017: By Rachel Arthur, BeverageDaily.com

## Coca-Cola: 60% of portfolio will fall below UK sugar tax threshold

**Coca-Cola European Partners says that 60% of its portfolio in Great Britain will fall below the threshold of the UK's sugar tax, which is due to be introduced in April.**

The soft drinks industry levy will tax added sugar drinks that contain a total sugar content of 5g or more per 100ml. Coca-Cola European Partners says the new Coca-Cola Zero Sugar brand -its new calorie and sugar free alternative to the classic Coca-Cola -enjoyed 8% growth in the latest quarter across its territories.

### **Retailers will determine final price of drinks**

'While the introduction of [sugar] taxes will clearly be a headwind in 2018, we have been proactively tailoring our portfolio to low and no sugar variants for a number of years,' said Manik H. Jhangiani, CFO, Coca-Cola European Partners, during the company's Q3 2017 earnings call. "We have continued working with The Coca-Cola Company on reformulation, and a lot of top brands that are driving our growth are coming from the sugar-free variants. Importantly, we know our consumers want choice and their taste is very important in beverages. Looking at Great Britain, we expect that approximately 60% of our portfolio will fall below the industry tax threshold when it is introduced in April. That said, the remaining 40% of the portfolio will be subject to tax, notably two brands, Coke Classic and Monster Green." The UK sugar tax will have two tiers: one for beverages with sugar over 5g/100ml and the second for those with sugar over 8g/100ml. Coca-Cola Classic, for example, will fall into the upper band: containing 10.6g sugar per 100ml in the UK.

The company has accelerated support for flavors and low sugar colas and will continue to invest in its core brands such as Diet Coke, Coca-Cola Zero Sugar, Fanta and Sprite, continued Jhangiani. *'We will continue to reformulate across the portfolio ensuring that taste is at parity or better than the recipes that it replaces. And we will also introduce new products and flavors to the market as well. Coca-Cola Zero Sugar, Smartwater and Monster Ultra are excellent examples of where we've had considerable success.'* Coca-Cola's portfolio in Great Britain includes trademark Coca-Cola brands, Glaceau smartwater, Fanta, Sprite, Oasis, Powerade, Minute Maid and HonestTea.

### **Coca-Cola trademark portfolio**

In its quarter ended September 29 2017, the Coca-Cola trademark portfolio declined 4.5% by volume across Coca-Cola European Partners' 13 territories (Great Britain, Belgium, Luxembourg, France, Germany, Iceland, Netherlands, Norway, Portugal, Spain and Sweden).

However, CCEP reports 'strong growth' of 8% from its new Coca-Cola Zero Sugar (also known as Coca-Cola No Sugar in some other markets), the sugar and calorie version of Coke it has been rolling out globally. The beverage has been launched to offer consumers a low calorie drink that comes closer in taste to Coca-Cola Classic.

[https://www.confectionerynews.com/Article/2017/11/08/International-Cocoa-Awards-2017-Little-known-origins-among-winners?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=GIN\\_BASd&c=nr4GVAI4KC12bsHDEfstXgO958BO55fk&p2=](https://www.confectionerynews.com/Article/2017/11/08/International-Cocoa-Awards-2017-Little-known-origins-among-winners?utm_source=newsletter_daily&utm_medium=email&utm_campaign=GIN_BASd&c=nr4GVAI4KC12bsHDEfstXgO958BO55fk&p2=)

Nov. 08, 2017; By Oliver Nieburg, Confectionerynews.com

## International Cocoa Awards 2017: Little-known origins among the winners

**Chocolate samples using cocoa from Dominica, Hawaii, Martinique and Sierra Leone were among the 18 winners of the International Cocoa Awards 2017 and could offer strong prospects for premium chocolate companies, say the event organizers.**

Last week, 18 International Cocoa Award (ICA) winners were celebrated at the Salon du Chocolat in Paris. They were initially selected from 166 cocoa samples submitted by 40 countries under the Cocoa of Excellence Programme (Co Ex).

A panel of sensory experts who are part of the Cocoa of Excellence Technical Committee conducted blind evaluations of cocoa liquor and untempered chocolate from the 166 samples. Fifty of the 166 were shortlisted for the 2017 ICA. These samples were processed into tempered and moulded chocolate -all with the same recipe of 66% cocoa -and were evaluated by a wider panel of 41 chocolate professionals.

**The 18 winners were:**

## Africa & the Indian Ocean

|                |                                                        |
|----------------|--------------------------------------------------------|
| • Ghana        | Simon Marfo - associated to Cocoa Abrabopa Association |
| • Madagascar   | Mava Sa - Ferme D'ottange                              |
| • Sierra Leone | Sahr Bangura - associated to Kasiyatama                |
| • Tanzania     | Kokoa Kamili Limited                                   |

## Asia, Pacific & Australia

|             |                                                              |
|-------------|--------------------------------------------------------------|
| • Australia | Australian Chocolate Pty Ltd                                 |
| • Hawaii    | Jeanne Bennett And Bruce Clements - Nine Fine Mynahs Estates |
| • Hawaii    | University Of Hawaii                                         |
| • India     | Regal plantations                                            |
| • Malaysia  | Teo Chun Hoon, Jerantut Pahang                               |

## Central America & Caribbean

|               |                                                                                                                    |
|---------------|--------------------------------------------------------------------------------------------------------------------|
| • Dominica    | Stewart Paris - Paris Family - associated to North East Cocoa Growers Cooperative                                  |
| • El Salvador | José Eduardo Zacapa Campos, Finca Concepción                                                                       |
| • Guatemala   | Asociación Waxaquib Tzikin                                                                                         |
| • Guatemala   | Mariel Ponce - Kacaou                                                                                              |
| • Martinique  | Kora Bernabe & Elizabeth Pierre-Louis - associated to Valcaco - Association des Producteurs de Cacao de Martinique |

## South America

|           |                                                                       |
|-----------|-----------------------------------------------------------------------|
| • Bolivia | Asociación De Productores De Cacao Del Pueblo Leco Larecaja Chocoleco |
| • Brazil  | Emir De Macedo Gomes Filho, Linhares, Espírito Santo, Povoação,       |
| • Ecuador | Asociacion Quiroga                                                    |
| • Peru    | Cooperativa Agraria APPROCAP Ltda.                                    |

The event -which takes place every two years -is spearheaded by Biodiversity International and Event International.

### A marketing opportunity

Brigitte Laliberte, cocoa genetics scientist at Biodiversity International and coordinator of the International Cocoa Awards, said of the 18 winners: *"They come from all the cocoa regions around the world and illustrate the potential for quality and diversity in cocoa."* She said the winners may prove interesting for bean buyers, traders, processors and chocolate makers. *"Some chocolate companies have already used the CoEx program and ICA labels on their chocolate bars. We are finalizing the terms and conditions for the use of the labels as this is something to be encouraged... Companies have contacted us and are interested in using the label, which is a great outcome."*

Nov 9, 2017; By TOM LUTEY, BillingsGazette.com

## Montana sugar beet harvest near record size

Montana sugar beet farmers have piled up a near-record harvest this fall, enough to keep factories making sugar in Billings and Sidney well into February.

For the second year in a row, Sidney-area farmers have piled a million tons of beets to feed the Sidney Sugars factory near the Montana-North Dakota border. The sugar content was about 17.9 percent.

Sugar beets, irrigated with Yellowstone River water, have been a bright spot in Eastern Montana, where [extreme drought devastated dryland crops](#) this year.

“We got about 31.25 tons to an acre. That gives us just over a million tons. We’re happy about that,” said Duane Peters, agriculture manger for Sidney Sugars.

The sugar industry pumps about \$100 million into the Montana economy annually.

Eastern Montana farmers stopped digging beets Oct. 25, which is a typical finish. But the growers fired up their beet diggers in mid-September to deal with [an expected bumper crop](#). In 2016, a larger-than-normal harvest kept Sidney Sugars processing into March.

Western Sugar Cooperative farmers in southern Montana harvested 36.4 tons per acre, the second largest yield for sugar beet farmers feeding the Western factory in Billings. The sugar count was 17.4 percent.

Farms in south central Montana started out with an exceptionally wet spring, but not the cool temperatures that hurt plant growth. Fair fall weather helped harvest, with [the exception of a few days](#).

“We dealt with some warm and wet weather early on in the harvest, which caused us some delays, but the weather straightened out towards the end of October,” said Randall Jobman, Western’s vice president of agriculture in the northern region. “The beets went into the piles in good shape, and we expect to finish the campaign in mid February.”

In the Lovell, Wyoming, area, sugar beet tons were down to 27.9 and a sugar count of 17.2 percent.

Sugar beets are stored outside in piles where a steady stream of factory-bound trucks are loaded from September through February. Hot days are the big concern for piled beets, which naturally generate heat that can turn to rot if temperatures are too hot. This fall, temperatures were fairly moderate

# Crystal piles record-high tons

MOORHEAD, Minn. — American Crystal Sugar Co. is projecting a stronger initial payment for the 2017 crop than they made last year and made a bit of history by electing their first female factory district board member, officials say. Robert Green, a St. Thomas, N.D., farmer and chairman of the 15-member board for the past six years, attended his last factory district meeting on Nov. 8 in Moorhead, Minn., in advance of the annual meeting on Dec. 7. Green served the maximum of four consecutive three-year terms on the board. The chairman declined to confirm figures from a shareholder letter obtained by Agweek. Those figures say the company's first projecting \$46 per ton for the 2017 crop, minus \$4 per ton for unit retains. On Sept. 18, agstock.com posted its first sale of 65 shares of American Crystal Sugar sold at \$2,725 per share, with standing orders to buy shares at \$2,700. Shares were sold at \$2,700 on Oct. 3; \$2,750 on Oct. 30; and then increased to \$2,800 to \$2,900 per share soon after the sugar beet payment forecast.

## **12M tons**

Green would only say the first estimates are preliminary. "It's a good crop, a sweeter crop, but there is a lot of risk," he says. "I have been quick to tell my neighbors and shareholders that when you take in a 12-million-ton crop, you're trading one risk for another. We are very hopeful for a long, cold winter" so beets will stay frozen and can be processed properly. The co-op board chose not to leave any beets in the field unharvested. He says the crop won't be a record yield, but a record for "total tons" because of the low rate of discarded beets or abandoned because of disease.

The same letter says the 2016 crop payment came out at \$42.45 per ton. The final payment figure is up from the \$38 initially projected last November. The 2016 crop had lower sugar content and a tough harvest in the northern Red River Valley, followed by a record warm period in November 2016. "I think we were very lucky to get what we did out that 2016 crop," Green says. The final payment for 2015 beets was \$49.77 per ton.

## **First woman**

Green noted that Cindy Pulskamp of Hillsboro, N.D., was elected as one of three directors to represent the Hillsboro factory district. Other new board members are Mark Nelson, Grand Forks, N.D., for the East Grand Forks, Minn., district; and Ernie Dusek of Grafton, N.D., for the Drayton, N.D., factory district. Three members were termed-out. Pulskamp, 51, is one of the few board members of farmer-owned processing cooperatives. Co-op business management has seen more females ascending to prominent posts, but the owner-board has traditionally been held by men.

"I've known Cindy for years and know she is very qualified," Green says. He says the gender milestone may be significant but will ultimately "bring something different to the table," and he predicted she will, too. Green says there were good candidates for all races in all five factory districts. He noted that he's known Pulskamp, a former board member of the Red River Sugarbeet Growers Association, and says she'll bring strong experience and perspective to the board. Green says he's happy to be leaving Crystal leadership while the co-op is on a "good path" for the future. Kevin Price, who heads Crystal's government affairs in Washington, D.C., called the election of a female board member a "great development" and one not common in the an industry that is "fairly male dominated."

## **Maxing out**

Green's chairmanship has included changeovers in management and working through labor contracts and disputes, but Green says the most significant change has been the technology. He noted that farmers once thought acceptable yields were in the 18-ton per acre range, while yields have topped 30 tons per acre for the past two years. American Crystal once had a goal of farmers producing 6,100 pounds of recoverable sugar per acre, but now the average is over 10,300 pounds of sugar per acre. "That's how good this industry has been," Green says. He says if his wheat yields had increased the same amount he'd be growing 120-bushel-per-acre crops.

Nov. 13, 2017; By Elaine Watson, FOODnavigator-usa.com

# Where next for natural sweeteners? In conversation with Layn USA

**Monk fruit is still more expensive than stevia, but significant progress is being made on tackling the pricing and regulatory issues that have historically held the market back, says Layn Corp, a leading supplier of monk fruit and stevia based natural sweeteners.**

Monk fruit extract prices have fallen by 30% in the past three years, while breeding programs to enable twice a-year [as opposed to once-a-year] harvests and increase the percentage of Mogroside V -the sweet component in the fruit, could bring prices down another 40% in five years, Layn USA president Elaine Yu said. "Over the past five years, we have increased the percentage of MogV from 0.3% to 0.5%, which might not sound like a lot, but it's almost doubling what's there. We hope over the next five years to double the percentage again to get to 1%," which could be game-changing from a cost perspective, she said, coupled with other initiatives Layn is developing, including improved freezing capabilities and storage capacity, enabling it to store monk fruit for longer before processing.

By expanding cultivation of monk fruit -which currently only grows in one region of China (Guilin) -to neighboring provinces with a similar environment and climate, Layn has also addressed concerns that too much supply is concentrated in too small an area, she said. *"Pilot programs have been conducted, and validated that the fruit quality and yield in these other regions are similar to that in Guilin."* On the regulatory front, an application has also been filed to secure approval to sell the sweetener in Europe, she added.

## **Consumers want to see stevia leaf extract on the label**

When it comes to stevia, Layn has also been developing varieties with higher percentages of the minor glycosides Reb (, D and M, said Yu. *'We're able to do enzymatic conversation to get to these glycosides, and we're also looking at fermentation, but we're definitely leaning more towards natural selection from the leaf, because I think most consumers want to see 'stevia leaf extract' on the label, not 'steviol glycosides.'* Our fermentation project is still in its early stages because if that is the way the industry goes we want to have those options available as well, there should be a market for both. In 2016, Layn contracted and purchased approximately 40% of the raw monkfruit available to the global high intensity sweeteners market. This is more than double the second largest monkfruit extractor."

## **Growth opportunities**

From a regional perspective, Layn sees growth opportunities in multiple markets, particularly in Latin America, where the company has recently been developing a new stevia growing region (in Guatemala), from which commercial quantities of stevia leaf extract will be available in Q3, 2018, she said. *"In China, there's only one harvest a year, whereas in central America, you can have multiple harvests a year. We will also be offering organic options."* When it comes to sweetness, she said, every country is different, but there is a definite trend in Latin America to have sweeter-tasting formulations. *"It's so fascinating how each market has a different taste profile. In Latin America, they want things even sweeter than they are in the US, where things already seem much too sweet for me as I come from China where things generally are not as sweet. In Latin American markets, people are also accustomed to the taste of cane sugar, not high fructose corn syrup or artificial sweeteners, and that's the taste they expect when they use natural sweeteners. Take Coca-Cola in Mexico and Coca-Cola in the US, it has a different formula and sweetness profile. From a cost perspective, though there are advantages as they are comparing everything with sugar, not with sucralose, for example, so you can actually make savings by cutting down on sugar and using stevia."*

Around 70% of **Layn Corp's** revenues are derived from natural sweeteners and flavors targeting the food and beverage industry, with the remaining 30% derived from botanical extracts (eg. Olive leaf, magnolia bark, grape seed etc) targeting the dietary supplements, nutraceuticals, cosmetics and pharma industries.

### **The sweeteners and flavors portfolio includes:**

- Monk fruit extract
- Luo han fruit concentrate
- Stevia leaf extract
- \* Glucosyl steviol glycosides (classified by FEMA as natural flavors)
- Sweet blackberry leaf extract (which masks bitterness and enhances sweetness)
- NHDC -neohesperidin dihydrochalcone (citrus derived flavor enhancer)
- Phloretin (apple extract)
- Proprietary blends of Reb-A and monk fruit extract

### **The formulation challenge**

The challenge with stevia has always been that there is not a one size fits all solution, she said, with different approaches required for every application, even within the same category (eg beverages) whether it's cola, flavored water, protein beverages, lemonade and so on. *"That's why working with natural sweeteners is so fascinating and so demanding."*

### **We're increasingly dealing directly with food and beverage manufacturers**

Based in Guangxi Province, China, where it has recently significantly expanded its manufacturing capabilities, Layn has recently opened a global innovation center in Shanghai, and has offices all over the world, in Europe, North America and Latin America, said Yu.

*'We started out as a botanical extraction business in the mid-1990s as we were located in a part of China with a lot of natural resources -monkfruit, sweet blackberry leaf, ginkgo biloba and so on -with focus on dietary supplements, but now we're evolving from a multi-product dietary ingredients company to a natural sweetener and flavor company targeting the food and beverage industry. 'We're also vertically integrated; we supply farmers with our seeds and seedlings, train them in our standardized cultivation process, and monitor everything, from water usage to pesticide use.'*

While Layn has a strategic relationship with Cargill (it has been supplying Cargill with stevia for several years), it is now *'increasingly dealing directly with food and beverage manufacturers,'* said Yu. *"I think people like the fact that we are not just a stevia company, we also have monkfruit and we have flavor enhancers and taste modulators and applications experts that can work with our clients to deliver customized solutions around the world."*

November 16, 2017; American Sugar Alliance [outreach@asanews.org]

## Second Installment in Video Series Explores U.S. Sugar Prices

Food manufacturers spent just 33.5 cents for a pound of sugar in October and have paid under 30 cents for most of the past year, according to data recently released by the U.S. Department of Agriculture (USDA). That puts prices well below the 38 cents per pound that producers received back in 1980, and it is creating tough economic conditions for sugar farmers and workers alike.

What candy companies and other food manufacturers pay for this key ingredient will be at the heart of the upcoming debate over America's no-cost sugar policy, and producers want to make sure that lawmakers have a better understanding of the current price environment. That's why the American Sugar Alliance (ASA) today [released an educational video](#) on the topic.

Current U.S. sugar prices are "a lot lower than the 41 cents that the International Sugar Organization says consumers in other developed countries pay," the video explains. "Those low prices have taken a toll. Sixty-five sugar factories have closed since 1980, leaving thousands unemployed."

Confectioners are currently lobbying Congress to send sugar producers' prices even lower and are pushing legislation that would force the USDA to keep the U.S. market oversupplied with subsidized imports.

Meanwhile, food makers and grocers are boosting profits by absorbing sugar savings and charging grocery shoppers more for sweet treats. ASA's video notes that the average price of a candy bar has climbed from 35 cents to \$1.49 since 1985.

"So why hasn't sugar done the same?" the video asks. "American farmers get a lot of the credit – they're among the world's most efficient. America's no-cost sugar policy has a lot to do with it, too."

That policy is built on loans that producers repay with interest instead of subsidy checks, and sugar farmers want to make sure that members of Congress rebuff attempts by farm critics to eliminate those loans and outsource the country's sugar production to subsidized, foreign industries.

The video is the second in a multi-part series airing on ASA's website and social media channels. It is available at [www.sugaralliance.org](http://www.sugaralliance.org).

<https://www.ers.usda.gov/publications/pub-details/?pubid=85767>

## **Sugar and Sweeteners Outlook: November 2017**

by Michael J. McConnell

The Sugar and Sweeteners Outlook for November reviews the sugar and sweetener market conditions for the United States and Mexico based on changes to the November WASDE. It also has a Special Article highlighting the market balances of the beet sugar and cane sugar sectors.

**Keywords:** Sugar, sugarcane, sugarbeets, trade, sugar imports, high corn fructose syrup, Mexico, NAFTA

### **In this publication...**

- [Sugar and Sweeteners Outlook: November 2017](https://www.ers.usda.gov/publications/pub-details/?pubid=85767)

<http://www.world-grain.com/news/news%20home/LexisNexisArticle.aspx?articleid=2818912233&e=penner@bex.net>

Nov. 17, 2017; PRNewswire

## Global corn oil market is projected cross \$7.2 billion by 2022

NEW YORK, Nov. 17, 2017 /PRNewswire/ -- Global Corn Oil Market By Type (Edible Corn Oil Vs. Non-Edible Corn Oil), By End Use (Biodiesel, Retail, Soap Making, Food Services, Pharmaceutical & Others), By Distribution Channel, By Region, Competition Forecast & Opportunities, 2012 – 2022. Use of corn oil as a feedstock for biodiesel production as well as in various other products such as soaps, pharmaceuticals, paints, insecticides, etc., is also fueling the demand for corn oil globally.

According to 'Global Corn Oil Market By Type, By End Use, By Distribution Channel, By Region, Competition Forecast & Opportunities, 2012 – 2022', Global corn oil market is projected cross \$7.2 billion by 2022. Growth is anticipated on account of increasing health concerns due to growing incidences of lifestyle diseases such as diabetes, blood pressure, heart problems, etc., rising awareness among consumers regarding health benefits of corn oil and surging per capita spending on healthy and organic oils, globally.

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November 18, 2017; by [David Ljunggren](#), [Anthony Esposito](#), **REUTERS**

## 'No fireworks' at NAFTA talks, but few signs of progress

MEXICO CITY (Reuters) - Negotiations in Mexico to update NAFTA have not made much progress on tough U.S. demands that could sink the 1994 trade pact, but the current round of talks are progressing with civility, some participants said on Saturday. Officials from the United States, Canada and Mexico are meeting in Mexico City for the fifth of seven planned rounds to update the North American Free Trade Agreement, from which U.S. President Donald Trump has threatened to withdraw. Time is running short to seal a deal by the deadline of end-March 2018. Officials say next year's Mexican presidential election means talks after that date will not be possible.

The U.S. administration has made demands that the other members say are unacceptable, such as a five-year "sunset" clause and tightening so-called rules of origin to boost the North American content of autos. "It is very slow moving but there are no fireworks," said a Canadian source with knowledge of the talks, adding there had "not been much conversation at all" on the more contentious U.S. proposals. Within hours of the latest round of talks formally starting on Friday, Canada was complaining about inflexibility by the United States. Officials have so far discussed other issues such as labor, gender, intellectual property, energy and telecommunications but it is too soon to say whether there will be any breakthroughs this round, added a source familiar with the talks.

"The work is moving forward," Mexican deputy economy minister Juan Carlos Baker told reporters, adding that the three countries had prioritized technical work in Mexico City. But he said negotiators were aware that much work lay ahead and "we have to double our efforts. The atmosphere is good, the atmosphere is one of work," Baker added.

The mood was calmer than the tense scenes during last month's round in Arlington, Virginia, where tough U.S. demands were revealed. Still, the negotiations have passed the halfway point of an initial schedule with few clear signs of process. Mexican officials hope chapters on telecommunications and e-commerce will be concluded by the end of business on Tuesday, but there has been no indication of this yet. Although negotiators are scheduled to discuss rules of origin every day, the source said detailed talks on boosting North American content would not be held before the end of the round on Tuesday.

Canada and Mexico say the new rules of origin are unworkable and would damage the highly-integrated auto industry. "I hope the United States understands there are things ... that Mexico won't accept, and (I hope) the negotiating process becomes more rational," Moises Kalach, head of the international negotiating arm of Mexico's CCE business lobby, told Reuters.

On Friday, the U.S. Trade Representative's office revised its official objectives to conform to its current demands. The move prompted U.S. Senator Ron Wyden, the top Democrat on the Senate Finance Committee, to remove a "hold" he had put in place to block confirmation of two Trump administration nominees for deputy USTR positions, a Wyden aide said. Wyden had complained the trade office was keeping members of Congress "in the dark".

[https://www.beveragedaily.com/Article/2017/11/20/Coca-Cola-seeks-to-revamp-beverage-portfolio-with-100-stevia-soda-launch?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=21-Nov-2017&c=nr4GVAI4KC13kf8eJyG%2Fg%2F67Qf8Dwre8&p2=](https://www.beveragedaily.com/Article/2017/11/20/Coca-Cola-seeks-to-revamp-beverage-portfolio-with-100-stevia-soda-launch?utm_source=newsletter_daily&utm_medium=email&utm_campaign=21-Nov-2017&c=nr4GVAI4KC13kf8eJyG%2Fg%2F67Qf8Dwre8&p2=)

Nov. 20, 2017; By Mary Ellen Shoup, BeverageDaily.com

## Coca-Cola to launch soda sweetened solely by stevia

**Coca-Cola will pilot a new Coca-Cola drink sweetened solely with stevia, it announced during its investor day at its Atlanta, Georgia, headquarters.**

'Coca-Cola Stevia No Sugar' will be 100% sweetened with a sweetener derived from the stevia leaf, promising a flavor profile closer to sugar without a bitter aftertaste due to the specific steviol glycoside used in the formulation. The new product will be rolled out in the first half of 2018 in "a to-be-announced market outside the United States," the company said. While Coca-Cola is already using stevia in Coca-Cola Life, it is blended with cane sugar. This results in around 35% fewer calories than Coca-Cola Classic. Coca-Cola Stevia No Sugar, however, will be sweetened with stevia alone.

### Revamping beverage portfolio

CEO James Quincey said the company is looking to renovate its portfolio through new product launches as well as "bolt-on acquisitions" such as its purchase of premium water brand Topo Chico last month. Part of its new product launch strategy is to become more agile and cut down product development cycles, which has held the company back in the past, according to Quincey. *"It [new product launches] took a long time and you did relatively few of them, and you bet big on whether it would work or not,"* Quincey said during the presentation. *"The future is not going to work like that. We must be much more agile, get things to market quicker, maybe smaller, test, learn ... Speed and not waiting for everything is one of the things we've been trying to do."*

### 'Clean, sugar-like sweetness'

For "Coca-Cola Stevia No Sugar": the company has worked with Pure Circle on a joint development and supply agreement for Reb M -a steviol glycoside that imparts a "a clean, sugar-like sweetness" compared to previous forms of stevia used by the company. *"Facing global pressure on sugar and obesity, the beverage industry has long sought a naturally-sourced zero-calorie sweetener that tastes great in carbonated soft drinks, including colas,"* Pure Circle CEO, Maga Malsagov, said in an email sent to employees. *"We are pleased that Coke will start testing this [Coca-Cola Stevia No Sugar] new product next year."*

[https://www.confectionerynews.com/Article/2017/11/21/Mondelez-under-fire-as-plaintiff-s-bar-turns-up-the-heat-on-sugar-in-belVita?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=22-Nov-2017&c=nr4GVAI4KC2Xk2MUUrv5JqOux5kyL3Fc&p2=](https://www.confectionerynews.com/Article/2017/11/21/Mondelez-under-fire-as-plaintiff-s-bar-turns-up-the-heat-on-sugar-in-belVita?utm_source=newsletter_daily&utm_medium=email&utm_campaign=22-Nov-2017&c=nr4GVAI4KC2Xk2MUUrv5JqOux5kyL3Fc&p2=)

Nov. 21, 2017; By Elaine Watson, Confectionerynews.com

## Mondelez under fire as plaintiff's bar turns up the heat on sugar

**There are multiple holes in a new proposed class action complaint filed vs Mondelez over sugar levels in its belVita range, say attorneys. However, the recent shift away from fat to sugar as public enemy #1 has clearly emboldened the plaintiff's bar.**

In a lawsuit\* -filed in the southern district of California by the same team of attorneys that has sued Kellogg, Post, and General Mills over sugar levels in their breakfast cereals -plaintiffs Patrick McMorrow and Marco Ohlin accuse Mondelez of targeting belVita products towards consumers interested in health and nutrition when they are in fact high in sugar -excessive amounts of which, they claim, are linked to everything from heart disease and type 2 diabetes, to cancers, cognitive decline and liver disease. There is no specific regulation that disqualifies firms from implying or stating a product that products are healthy or nutritious based on sugar content (conditions of use for the nutrient content claim 'healthy' focus on fat and sodium and don't mention sugar, while 'nutritious' is not defined in law).

However, the plaintiffs argue that federal regulations enshrined in California state law require that labels are not *"false or misleading,"* and allege violations of California's false advertising and unfair competition laws, and the Consumers Legal Remedies Act. Consumers, they argue, are encouraged to eat belVita products as *"part of a balanced breakfast"* for *"nutritious steady energy all morning,"* claims which they argue deceptive *"because they are incompatible with the dangers of the excessive sugar consumption to which the products contribute."* While Mondelez does not describe the biscuits as 'healthy' 'low sugar' or good for you on the label, the products are *"designed to appeal to health-conscious consumers,"* says the complaint.

### **belVita products have less sugar than other breakfast foods (juice, cereal, yogurt)**

So how much sugar is in belVita products, and is it accurate to describe them -as the plaintiffs do -as 'high-sugar'? The products at issue contain 8-14g added sugar per serving, which is between 32% and 56% of the daily added sugar maximum level recommended by the American Heart Association for women, and between 21 % and 37% of the maximum level recommended for men (the AHA recommends that added sugars account for a maximum of 5% of energy intake, although this figure has not been adopted in the US dietary guidelines).

To put this in perspective, however, many other breakfast products contain more sugar. Yogurts, for example, typically contain 12-18g sugar per serving, while a small [8oz] glass of Tropicana Original 100% orange juice has 22g sugar.

In the cereal aisle, meanwhile, Raisin Bran Crunch contains 199 of sugar per 53g serving, and Honey Nut Cheerios the best-selling cereal in the US -contain 9g of sugar per 28g serving.

The FDA, meanwhile, does not define 'high' or 'low sugar, and only sets conditions of use for 'reduced/less/lower sugar' claims, which belVita is not making.

### **Attorney: 'We can expect to see more of sugar-related cases'**

So what do attorneys make of the case? Keri Borders, a partner at law firm Mayer Brown told FoodNavigator-USA that sugar is a hot area for litigation right now, even though the sugar levels in the products cited in the lawsuit are lower than those in many other products that people might consume for breakfast. In this case, while there are no hard claims on pack, the belVita packaging does describe the products as 'nutritious,' an ill-defined term that plaintiff's attorneys see as a code-word for healthy and fertile ground for false advertising lawsuits, she added. *'The claims in the earlier complaints [against the cereal companies] were narrowed but they survived the motion to dismiss stage so it's not surprising that he [attorney Jack Fitzgerald, who is behind these suits] has taken this same theory and applied it to another type of product, and I expect he'll probably take it into other categories as well. "It's hard to defend yourself when plaintiffs' attorneys manipulate what you say to cobble together a theory of liability. In order to get past the pleading stage you only really have to establish that it's somewhat plausible that your claims could possibly be misleading."*

### **Plaintiffs face an uphill battle**

Adam Fox, a partner at law firm Squire Patton Boggs, however, said the plaintiffs faced an uphill battle, adding: *"Like many other lawsuits of this sort this one does not strike me as a particularly strong on the merits and I would expect it to face serious challenges to certification as a class action."* He added: *"Having reviewed the complaint, this strikes me as yet another general assault on caloric sweeteners- whatever the source-based on the notion that when they are over-consumed they may be associated with a variety of negative health consequences."* Although the pleading is filled with numerous citations to (and excerpts from) a wide range of publications, little attention seems to have been given to anything other than whether those many quotations could be strung together to create a pseudo-scientific screed. Whether the complaint's citations are rigorously performed epidemiologic studies, mere case reports or opinion pieces, or even accounts of experimental animal evidence, they are all treated by the plaintiffs as having equal weight and being relevant to claims of deception levied against the defendant. *"This is somewhat astonishing because the defendant is not claimed to be using its labels or advertising to encourage the over-consumption of anything. Indeed, the complaint never confronts the reality that over-consumption, or consumption more generally, is an individualized matter, and may be driven by a wide range of factors, including taste, price, size, texture, and numerous other considerations besides nutritional quality-and even the last of those may have varied perspectives."*

### **The letter and the spirit of the law**

Mondelez did not respond to requests for comment. However, in motions to dismiss similar lawsuits filed by the same attorneys in 2016, defendants Kellogg, Post and General Mills said their labels complied with both the letter and the spirit of the law, and noted that there is no federal regulation that disqualifies firms from describing a product as 'healthy,' or 'nutritious' based on its sugar content. \*The case is: Patrick McMorrow and Marco Ohlin et al v Mondelez International, 3:17-cv-02327 filed on November 16,2017 in the southern district of California, by the law offices of Jack Fitzgerald PC and Paul K. Joseph Pc.

[https://www.beveragedaily.com/Article/2017/11/27/Are-healthy-soft-drinks-actually-worse-for-teens-teeth?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=27-Nov-2017&c=nr4GVAI4KC1SC3L8SOXBx6SX9GxoWql7&p2=](https://www.beveragedaily.com/Article/2017/11/27/Are-healthy-soft-drinks-actually-worse-for-teens-teeth?utm_source=newsletter_daily&utm_medium=email&utm_campaign=27-Nov-2017&c=nr4GVAI4KC1SC3L8SOXBx6SX9GxoWql7&p2=)

Nov. 27, 2017; By Gary Scattergood, Beveragedaily.com

## Are 'healthy' soft drinks actually worse for teens' teeth?

**Sports drinks, diet soft drinks and flavored water appear to be more closely linked to dental problems and obesity in teens than traditional soft drinks, according to surprising new research.**

Investigators in Australia found that frequent toothache was more common among the 50% of teens who drink at least one cup of sugary drink per day, and that the link was strongest for flavored water, energy and diet soft drinks. The findings of cross-sectional health survey of 3,671 adolescents was undertaken by academics at the University of Sydney and published in the *Australian and New Zealand Journal of Public Health*. It showed that adolescents' sugar-sweetened beverage (SSB) intake was more consistently associated with negative oral health impacts than unhealthy weight status, and that these associations differed according to the type of the drink consumed. *'Key finding was that the new generation of diet soft drinks, sports drinks and flavored water showed higher associations than traditional soft drinks,'* they wrote. *"Consumption was associated with oral health impacts. Reductions in the frequency and volume of these beverages could have significant impact on adolescents' oral health, and potentially influence weight status."*

### Two cups too many?

The prevalence of oral health problems was highest among drinkers of diet soft drinks (17-19%) and lowest among fruit juice drinkers (5-8%). More than half (54%) of adolescents reported drinking a range of SSBs, and the research found that higher consumption of more than two cups a day was associated with higher odds of negative oral health impacts. The academics said more studies were needed to understand the association and related factors between diet soft drink consumption and oral health problems. *'While it was not clear why the odds of oral health impacts were four-to five-fold higher among adolescents drinking more than one cup daily of diet soft drinks, future research could explore whether adolescents who drink dietary drinks have prolonged exposure to other sugary foods, (e.g. sucking confectionery) and more research into the effect of artificial sweeteners (e.g. saccharin, aspartame) on adolescents' oral health is required,'* wrote the researchers.

They added the clear and consistent associations between diet, sports drinks and flavored water and oral health problems is of particular concern because they are *"marketed and promoted as an alternative beverage choice for adolescents and adolescents perceive these beverages as healthy."*

### Study limitations

*In relation to obesity, around 30% of adolescents in the study who drank more than one cup of SSB daily were overweight. "However, the prevalence was higher among adolescents drinking the newer generations of SSBs, specifically sport and energy drinks and flavored water. The prevalence of abdominal obesity was also higher among adolescents consuming these newer generation SSBs compared with other SSBs,"* stated the researchers. The researchers acknowledged some weaknesses to the study because in the data came from a population health survey, which was largely self-reported. Furthermore, clinical dental examinations for oral health were not feasible. *"However, the oral health questions are a validated measure of the social impacts of oral health issues used in other dental surveys, and they correlate strongly with the presence of dental caries, the main oral disease affecting adolescents,"* they concluded.

Source: *Australian and New Zealand Journal of Public Health*, doi: 10.1111/1753-6405.12749

"Association between adolescents' consumption of total and different types of sugar-sweetened beverages with oral health impacts and weight status" Authors: Louise L. Hardy, *et al.*

11/27/2017; By Amy Reid, [sugarpub.com](http://www.sugarpub.com)

# How genetically engineered sugar beets affect the farmer, the factory, and you

You could say sugar-beet sugar runs through the blood of Luke Adams. "I grew up a sugar beet farmer," Adams said. "My parents grew sugar beets, so I'm second generation sugar beet farmer, third generation farmer here in Idaho. He said he has seen the changes in growing firsthand, from irrigation to GPS harvesting. It's all helped his job get easier. But nothing has helped quite like the genetically modified seed. Adams said growers are spraying less herbicide, using less water and diesel, and they have better soil. On top of all that they have a lot more beets. Before genetically modified seeds, growers would yield anywhere from 25 to 30 tons of beets per acre. Now it's closer to 45 tons per acre. "Still with real high sugar content," Adams said.

This technology hasn't just changed life for the grower but for the researcher. Don Morishita is another expert on sugar beets, or rather an expert on their number one threat. He's a weed scientist at the University of Idaho, and he was brought on in 1990 to help growers with their biggest issue. "At that time the sugar beet growers considered weeds as their number one pest problem," Morishita said. He saw the transition from conventional sugar beets to GMO sugar beets, and he confirmed what the grower said: It changed everything. "They went from having to spend an inordinate amount of time and effort and resources controlling weeds in sugar beets to it becoming very simple for them," he said. This means his job has changed a little, but there's still plenty to do. He said there's still potential for issue with GMO crops in that a seed being resistant to one herbicide means that's the one farmers rely on, and that could alter the types of weeds we see. That means farmers need to be careful with their weed control, but consumers don't need to be scared about eating the crop - especially with sugar beets. When those beets are processed that sugar is extracted from the beet roots ... that whole processing destroys any of the DNA of the GMO that's in those beets," Morishita said. Even if the beets weren't processed, Morishita cited a study (<http://ift.tt/2a43n4U>) by the National Academies of Sciences, Engineering and Medicine that failed to find substantiated evidence of a difference in risks of GMO crops and conventionally grown crops. Sugar beet processing happens at Amalgamated Sugar. It's one of the Magic Valley's largest employers, and it's the only place southern Idaho sugar beets go. The company said their end product is molecularly identical to any other refined sugar, and Morishita agrees. If you put it under a microscope, you wouldn't be able to tell which sugar molecule is from a conventional sugar beet, a GMO sugar beet or a sugar cane.

Amalgamated Sugar said that doesn't seem to matter to some companies that have stopped buying their sugar in favor of non-GMO cane sugar. "I would say that there is a growing percentage of companies that are shifting in that direction," said Jessica McAnally, the communications specialist for the company. It has impacted Amalgamated Sugar. Not to the point where it's hurting us drastically, but it's alarming. It's hard for McAnally to not take this personally. Not only does she work for Amalgamated Sugar, but she comes from a long line of sugar beet farmers. She said the choice to switch to genetically engineered seeds was not easy. It was a decision that no grower took lightly. It's important to remember that farmers are mothers, fathers, grandfathers, grandmothers," she said. "Why would they make these choices to grow this crop if it's going to be detrimental to their land, their livelihood or their families?"

If the market demands it, Luke Adams said he'd go back to conventional sugar beets, but he'd be a minority. He said most growers wouldn't. "It's just part of our way of life," he said, "but it would be a significant challenge to basically go back and take steps backwards as far as our sustainability, our efficiency, and it would be a really difficult thing to do as a farm." Instead he's working to educate, inviting people to ask him questions about how GMOs have impacted him and how that impacts the consumer. "Then when they go to the grocery store, they know if they reach for a bag of white satin sugar, they know that we are looking out for the consumer and would only produce a safe healthy product," he said.

[https://www.beveragedaily.com/Article/2017/11/28/High-intensity-sweeteners-industry-to-show-2.3-CAGR?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=28-Nov-2017&c=nr4GVAI4KC1HGbjFLP2oZlIMuYtAKT2q&p2=](https://www.beveragedaily.com/Article/2017/11/28/High-intensity-sweeteners-industry-to-show-2.3-CAGR?utm_source=newsletter_daily&utm_medium=email&utm_campaign=28-Nov-2017&c=nr4GVAI4KC1HGbjFLP2oZlIMuYtAKT2q&p2=)

Nov. 28, 2017; By Ravi Chawat, Allied Market Research, BeverageDaily.com

## High intensity sweeteners industry to show 2.3% CAGR

**The demand for healthy and natural products has led to the adoption of plant-based sweeteners such as stevia and monk fruit, with these natural sweeteners offering 200 to 300 times the sweetening power of processed sugar. In this guest article, Ravi Chawat of Allied Market Research looks at three beverage manufacturers who are exploring the potential of natural high intensity sweeteners.**

High intensity sweeteners can be found across sectors such as beverages, bakery, confectionery, dairy and dietary products, thanks to their low calorie content and high sweetening power.

### **Back to our roots**

From the era of our ape-like ancestors to the fully evolved human, sugar has been an important part of our diets. Apes found their daily dose of energy from the natural sweeteners obtained from fruits and plants. After centuries of technological advancements and innovations, the 'smart' human is going back to his roots -literally. With a rise in the number of people suffering from diabetes and obesity, finding healthy substitutes for the calorie loaded ingredient, sugar, has become the need of the hour.

According to analysis carried out by Allied Market Research, the global high-intensity sweeteners market is all set to reach \$2,134m by 2023, from its value of \$1,807m in 2016. The high-intensity sweeteners industry is expected to exhibit a compound annual growth rate of 2.3% in 2017-2023. High-intensity sweeteners are sugar substitutes with a lower calorie content and are required in lesser quantities as compared to other sweetening agents. The low-calorie value allows everyone, including diabetics, to consume sweets without having to worry about their sugar levels. Leading manufacturers, ranging from the biggest soda manufacturers, Coca-Cola and PepsiCo, to the prominent names in the other sectors such as Heinz Ketchup, Danone, and Nestle are gradually adopting natural, plant-based alternatives to sugar such as stevia and monk fruit.

### **Stevia: Discovery and growth over 1,500 years**

The stevia plant, which can be processed into a zero-calorie sweetener, has been in use for more than 1,500 years. Stevia, a shrub-like herb was discovered by the Gurani Indians, natives of Paraguay, who knew about the numerous advantages the plant had to offer. They used stevia to sweeten their bitter tea-drink as well as their medicinal tonics. Later, in the early 1900s, Dr. Moises Santiago Bertoni's discovery of the live plant led to its cultivation on a wider scale. The year 1931 led to the rediscovery of the plant by two chemists, in France. It was during this period that Japan imposed stringent laws and regulations on the use and consumption of artificial sweeteners. With this revolutionary event in the history of sweeteners, Japan became the first country to commercialize the use of stevia.

[https://www.confectionerynews.com/Article/2017/11/28/Fake-cooperatives-Cocoa-farmer-groups-warn-of-sham-fair-trade-co-ops?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=29-Nov-2017&c=nr4GVAI4KC2ysOwW3DFINPogS1tZOY%2Bw&p2=](https://www.confectionerynews.com/Article/2017/11/28/Fake-cooperatives-Cocoa-farmer-groups-warn-of-sham-fair-trade-co-ops?utm_source=newsletter_daily&utm_medium=email&utm_campaign=29-Nov-2017&c=nr4GVAI4KC2ysOwW3DFINPogS1tZOY%2Bw&p2=)

Nov. 28, 2017: By Oliver Nieburg, Confectionerynews.com

## 'Fake cooperatives': Farmer groups warn of sham fair trade co-ops in cocoa

**Cocoa producer organizations fear there is a growing number of so-called 'fake cooperatives', which are beholden to chocolate companies and cocoa traders that provide financial assistance.**

Groups allege chocolate firms, occasionally through traders or middlemen, cluster smallholder farmers in West Africa and Latin America to create what are legal cooperatives.

But they contend these co-ops are sometimes setup to benefit companies rather than farmer members, which can lead to exploitation of fair trade and organic certifications. Fairtrade International rules dictate only cooperatives democratically overseen by farmer members via free and fair elections with equal voting rights for members can be certified Fairtrade. Leading cocoa certification program UTZ's Code of Conduct does not mention democratic elections, but says certified cooperatives and groups must follow 'control points' guaranteeing certain access to training and inputs. But there are allegedly some cooperatives working closely with cocoa traders or chocolate companies flaunting certification rules.

### **Cooperatives or buying agents?**

Sako Warren, executive secretary of the World Cocoa Farmers Organization (WCFO) -a trade body for smallholders and organized groups of cocoa farmers -alleged many cooperatives in Africa and Latin America today are more like licensed buying agents. *'They are not actually cooperative-oriented by members and farmers. They are buying agents established by one of the chocolate companies. 'When you have for instance in Cote d'Ivoire 20 co-operatives you're not going to find two that are farmer driven,'* he alleged.

### **Grouping farmers**

Major chocolate companies are rapidly expanding their sustainable cocoa sourcing programs, typically via fair trade certified cooperatives. They do so in a global cocoa market made up of 90-95% smallholder farmers -often living in remote rural areas -who are not part of a cooperative or organized group. The chocolate industry therefore helps to support cohorts of farmers to become organized groups to disseminate its sustainability programs. Farmer trade bodies are often supportive of these programs, but fear companies will subtly govern farmer groups for their best interests rather than for those of farmer members.

### **We buy from cooperatives**

Warren described cooperatives as individual farmers coming together of their own free will to improve their production and livelihood. *"But what we have in most producing countries especially in West Central Africa is cooperatives put in place by one of the chocolate companies so they can say to people 'we buy from cooperatives'."* He alleged this was leading to 'real' farmer-driven cooperatives being neglected by the chocolate industry. "Most of the time you see these groups are being created in communities that are not too far from Abidjan or Accra where they [chocolate companies and traders] have the means of shipping. And that's where we have a very small number of farmers," added Warren. He said chocolate companies should encourage the grouping of the 90-95% of smallholders so they are well trained and sensitized on child labor. But he said companies should do so in partnership with credible farmer organizations or established 'real cooperatives', so it is done independently for the benefit of farmers. *"Farmers must be independent producers and should be treated as entrepreneurs. Cocoa farmers are not just cocoa farmers they are businessmen and women,"* he said. "The downstream cocoa market is highly consolidated, and the fact that the production base is largely unorganized has resulted in a substantial imbalance of negotiating power."

International Trade Center in 'The State of Sustainable Markets 2017' report, published June 23, 2017

- Three processors account for more than 40% of global cocoa processing
- Cocoa farmers typically receive just 6.6% of the value of a \$1 chocolate bar, while processors take 7.6%, chocolate manufacturers receive 35.2% and retail & taxes take 44.2%. (Cocoa Barometer 2015)

### **WCF: Developing co-ops is critical to sustainable sector**

Richard Scobey, president of the World Cocoa Foundation (WCF), an industry-led body on cocoa sustainability whose members include Mars, Nestle and Ferrero, said the industry is very focused on investing in the development and strengthening of farmer organizations. *"We really believe cooperatives and other forms of association are critical for delivering agricultural and financial services more effectively and efficiently to farmers."* "Most importantly, they help build a governance structure in the sector in which farmers have more voice and bargaining power."

However, Scobey said: *"There is a problem particularly in Cote d'Ivoire of what's called 'paper cooperatives'."* According to Scobey, some recent reports by environmental and social NGOs have flagged examples where cooperatives exist on paper but do not provide any meaningful services to farmers or involve them in governance their main function is to buy and sell cocoa, often sourced from protected forest areas. *"This is not of interest to any of the cocoa and chocolate companies or the long-term sustain ability of the sector -we are not involved directly in supporting those,"* he said. He said the Cocoa and Forests Initiative, a joint effort from the chocolate industry and Ivorian and Ghanaian governments to tackle cocoa-driven deforestation may diminish the power of these paper cooperatives. Signatories to the initiative -such as Mars, Barry Callebaut and Cargill pledge not to source from certain protected areas in West Africa.

### **A call for stricter regulation**

A cooperative member in Peru, who prefers to remain anonymous, said companies are motivated to have an interest in cooperatives to leverage growing demand for fair trade and organic chocolate. He suggested a legally appointed authority in origin countries should check and confirm cooperatives operate independently and democratically. Fairtrade and FLOCERT must be stricter in controlling and applying its rules, he added. *"Fairtrade should realize that failing in this control will result sooner or later in a Fairtrade scandal in the consumer markets,"* he said. Ecovia Intelligence said earlier this year sustainable chocolate is at high risk of fraud. The research firm estimates one in 10 foods across all food and drink categories are adulterated or mislabeled with confectionery containing fair trade or organic cocoa and sugar carry among the highest risk categories.

### **FLOCERT: Fake co-ops 'a known risk'**

FLOCERT told us producer organizations can become Fairtrade certified if they comply with the Fairtrade Standard for Small Producer Organizations standards and the additional requirements of its Cocoa Standard. "In order to be eligible for Fairtrade certification, farmers are required to organize democratically in cooperatives, so they can have stronger bargaining power and shared projects," Eva Wiegand, senior marketing & communications officer at FLOCERT told us. She said this meant the members' General Assembly is the highest decision maker of the cooperative, there are equal voting rights for members and the board is chosen in free and fair democratic elections. 'The practice of what is being described as fake cooperatives' is a known risk in some parts of the cocoa sector. FLOCERT operates a rigorous certification system which does not tolerate these set ups. She said FLOCERT checks for functioning democratic structures and transparent administration within certified co-ops via "regular audits".

### **UTZ 'aware fraud is an issue'**

UTZ has decertified more than 10 cooperatives in Cote d'Ivoire so far in 2017, but only one for producing no track record of an internal management system after an audit. UTZ said this co-op was not linked to a chocolate company or trader. Britta Wyss Bisang, UTZ program director, told us: *"UTZ is aware that fraud is an issue in the cocoa sector in Cote d'Ivoire and we have been taking action to prevent it and address it."* She said UTZ had tripled its own shadow audits between 2015 and 2016 and increased them by 40% in 2017 compared to 2016. *"In addition to these UTZ audits, the certification bodies (which carry out the yearly audits) also carry out surprise audits,"* she said, adding UTZ is continuously monitoring and reviewing its systems. In Cote d'Ivoire, UTZ is currently assessing existing cooperative professionalization initiatives, and analyzing their efficiency. *'This will allow us to further assess how farmers benefit and how farmer's voices are taken into consideration. The assessment will help ensure support from UTZ and others that strengthens cooperatives to better meet the needs of their members/'*said Wyss Bisang.

[http://www.world-grain.com/articles/news\\_home/World\\_Grain\\_News/2017/11/US\\_remains\\_at\\_loggerheads\\_with.aspx?ID={A0D4409F-4C41-4F1C-9497-1B563078847A}&e=penner@bex.net&cck=1](http://www.world-grain.com/articles/news_home/World_Grain_News/2017/11/US_remains_at_loggerheads_with.aspx?ID={A0D4409F-4C41-4F1C-9497-1B563078847A}&e=penner@bex.net&cck=1)

November 29, 2017; by Jay Sjerven, **WORLD-GRAIN.com**

## U.S. remains at loggerheads with NAFTA partners

WASHINGTON, D.C., U.S. — The fifth round of negotiations over updating the North American Free Trade Agreement (NAFTA) concluded Nov. 21 in Mexico City. The three nations' chief negotiators sat this one out as no significant breakthroughs seemed likely, and none, in fact, occurred. Progress was noted on some non-contentious issues, but the United States remained at loggerheads with its NAFTA partners Mexico and Canada on key issues that the Trump administration asserted were key to a necessary "rebalancing" of the 23-year-old treaty.

U.S. Trade Representative Robert Lighthizer, in a statement issued after the conclusion of the round, said, "While we have made progress on some of our efforts to modernize NAFTA, I remain concerned about the lack of headway. Thus far, we have seen no evidence that Canada or Mexico are willing to seriously engage on provisions that will lead to a rebalanced agreement. Absent rebalancing, we will not reach a satisfactory result. "A rebalanced, updated NAFTA will promote greater prosperity for American workers, farmers, ranchers and businesses and strengthen the North American region as a whole. Our teams will be meeting again next month in Washington. I hope our partners will come to the table in a serious way so we can see meaningful progress before the end of the year."

Chrystia Freeland, Canadian foreign minister, gave a sharp response to Lighthizer's assertion Canada and Mexico weren't negotiating in good faith. "We very strongly reject any suggestion that Canada is not approaching the negotiations with goodwill or in the spirit of compromise," Freeland said. "A spirit of goodwill, though, does not necessitate accepting extreme proposals. One could say that it is the partner who puts extreme proposals on the table that is not negotiating with as much goodwill as one might like."

Negotiators indicated they achieved some progress in agreeing to updated provisions on digital trade, telecommunications, customs procedures and health and safety standards for food. But there was no agreement on key Trump administration proposals, including changes to provisions related to rules of origin of automobiles and trucks and a sunset clause that would see NAFTA expire if the parties don't agree each five years to renew it. The Trump administration has proposed raising to 85% from the current 62.5% the minimum amount of parts that must be made in one of the three partner countries in order for a vehicle to qualify for tariff-free treatment under NAFTA. Additionally, the Trump administration wants Canada and Mexico to agree that 50% of the content of an automobile must be from the United States.

Freeland said the proposal that half the content of an automobile be from the United States remained a non-starter. "We are very clear about the national content idea. That is not something Canada can accept," Freeland told the editorial board of *The Toronto Star*. "It is an unprecedented proposal." At the same time, Freeland indicated Canada may be willing to talk about the level of regional content required to take advantage of preferential tariff treatment under NAFTA. "That is an area where we are talking and are prepared to talk," Freeland told *Star* editors.

Also opposing the rules of origin proposals were North American automakers, each of which maintains operations in all three NAFTA countries in what have become highly integrated manufacturing networks. Leaders of the "Big Three" U.S. automakers, including Mary Barra, chairman and CEO of General Motors Co.; Sergio Marchionne, CEO of Fiat Chrysler; and Joseph Hinrichs, executive vice-president and president of global operations at Ford Motor Co., met with Vice-President Mike Pence, Ambassador Lighthizer and Gary Cohn, director of the National Economic Council, in Washington, D.C., U.S., Sept. 27 to press their case for continuing NAFTA and not pursuing the changes to the rules of origins as proposed.

At the Mexico City talks, with regard to the proposed sunset clause, Mexico, supported, by Canada, suggested NAFTA be reviewed every five years but not automatically expire. Mexico also rejected the U.S. demand that would permit new seasonal restrictions on imports of Mexican produce, and Canada pushed back against the Trump administration's efforts to eliminate certain supply management practices in the Canadian agriculture sector, primarily dairy.

The sixth round of negotiations was scheduled for Jan. 23-28, 2018, in Montreal. In the meantime, lower-level negotiators will continue their work in intersessional meetings in Washington, D.C., in December.

[https://www.confectionerynews.com/Article/2017/11/29/Omega-Ingredients-creates-100-natural-vanilla-alternative?utm\\_source=newsletter\\_daily&utm\\_medium=email&utm\\_campaign=29-Nov-2017&c=nr4GVAI4KC1pYBO7qliHYorbEorN2gSB&p2=](https://www.confectionerynews.com/Article/2017/11/29/Omega-Ingredients-creates-100-natural-vanilla-alternative?utm_source=newsletter_daily&utm_medium=email&utm_campaign=29-Nov-2017&c=nr4GVAI4KC1pYBO7qliHYorbEorN2gSB&p2=)

Nov. 29, 2017: By Jenny Eagle, **Confectionery**news.com

## Omega Ingredients creates 100% natural vanilla alternative

**Omega Ingredients has developed a 100% natural vanilla flavor alternative and extract to counter soaring prices amid the global vanilla crisis.**

It claims the natural vanilla is deeper and richer in flavor with no chemical aftertaste and is high in antioxidants and can be used in baking applications, dairy, ice cream, beverages and confectionery.

### **'Clean label' descriptions**

According to Steve Pearce, biochemist and co-founder, Omega, customers are avoiding artificial flavorings in favor of all-natural ingredients in their food. However, the price of vanilla has surged due to bad weather in Madagascar (where over 80% of the world's vanilla supply is produced). Pearce says Omega works with real vanilla beans to develop its natural vanilla extract which means it can produce 'clean label descriptions' on pack for example, saying its product contains "100% natural vanilla extract" or "Natural Vanilla Flavor".

According to the Financial Times, vanilla bean prices have soared to more than \$600 a kilogram, up from around \$100 a kg in 2015, leading many companies to look for alternatives to acquiring their own beans. Cyclone Enawo, displaced almost 500,000 people when it hit the island off Africa's east coast in March and underlines the risks of buyers being overly dependent on a leading country for a commodity. Indonesia, Mexico, Papua New Guinea and the Comoros islands, are also suppliers, but have not been able to make up for the decline. Vanilla pod producers are responding to higher prices by planting more but, given the time it takes for a plant to grow, output will not increase immediately.

### **Rollercoaster flavor business**

Daphna Havkin-Frenkel, director of research and development, Bakto Flavors, said the rollercoaster flavor business has turned into a casino-like market. *"Bean quality is going down and prices are going up at an alarming rate. If vanilla is to remain the most popular and widely used flavor, this situation will have to change,"* she said in an article for The World of Food Ingredients (March 2016). *"These are the reasons why the industry is looking for alternatives to natural vanilla, predominantly vanillin from natural sources and natural flavor from other natural sources which taste similar to vanilla."*