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## American Crystal to close operations at Sidney Sugars beet sugar factory

SIDNEY, MONTANA – February 6, 2023 – At the close of 2023 acreage contracting, the growers of the Montana-Dakota Beet Growers Association showed there is no longer adequate interest in growing sugar beets to sustain operations at Sidney Sugars Incorporated. Association members and all employees of the beet sugar factory were informed today that plant closure procedures will begin on April 14, 2023.

Due to an ongoing insufficient supply of sugar beets from the local growers, it has become financially unsustainable to continue operating the nearly 100-year-old business. In the 1990s, contracts for sugar beets with the local growers had reached as many as 45,000 acres.

"Last year there were only 18,400 acres contracted. The year before that, 30,774. With only 19,500 acres of sugar beets offered in the region for this coming spring, the Sidney operation is simply unprofitable," said Steve Rosenau, American Crystal Sugar Company Vice President of Agriculture and Chief Operating Officer of Sidney Sugars, Inc.

While processing of the 2022 crop was completed in December, cleanup work will continue in the factory until April. Warehouse operations will continue through the summer. The factory has typically employed a total of 300 employees. "Employees will receive severance packages and we have provided a number of resources to assist them with job searches, including offering opportunities to join other American Crystal factories in the Red River Valley," said Rosenau.

In October 2002, American Crystal Sugar Company, headquartered in Moorhead, Minnesota, purchased the Holly Sugar Corporation factory from Imperial Sugar Company and named it Sidney Sugars Incorporated. "We have had a mutually beneficial partnership up to this point in time, and sugar beets have been a stable rotational crop for the region," Rosenau reflected. "Sidney farmers have consistently delivered some of the highest quality sugar beet crops and received some of the strongest beet payments in the industry during their span with American Crystal." Growers receive all final payments in November this year.

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## About American Crystal Sugar Company

American Crystal Sugar Company is an agricultural cooperative owned by 2,650 shareholder-entities in the Red River Valley involved in the growing and processing of sugarbeets. American Crystal is the largest beet sugar producer in the United States. American Crystal operates sugar factories at East Grand Forks, Crookston, and Moorhead in Minnesota, and Drayton and Hillsboro in North Dakota. Its corporate headquarters and technical services center are located in Moorhead.