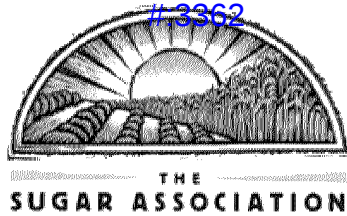


Ex. 10



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September 24, 2008

TO: Sugar Association Ad Hoc Committee on HFCS Position/Approaches
David Berg – Chairman
Jim Simon
Mark Flegenheimer
David Goodlett
Luther Markwart

FROM: Andy Briscoe, President & CEO

RE: Sugar Association – Position on HFCS and possible Approaches to
Respond to Corn Refiners Assn. Ad Campaign

As a follow-up to our discussion and the Sugar Association Board request, an Ad Hoc Committee has been established. It includes 6 persons – David Berg as Chair, Jim Simon, Mark Flegenheimer, David Goodlett, Luther Markwart, and Andy Briscoe. The objective of the Ad Hoc Committee is to: 1) review the Sugar Association's existing HFCS position and discuss possible changes to that existing position. 2) Review possible approaches to respond to the newly released Corn Refiners Association ad campaign and provide a recommendation to the Board for consideration. Time is of the essence. We discussed having a recommendation by the April 2009 Board meeting, but if at all possible, several Board members hoped to have something out to the Board for consideration in the next few months....the sooner the better.

We have all agreed that October 9, at 11 am ET will be our initial conference call. In advance of the call, staff was asked to provide their input, review the pros and cons, and provide samples/drafts of statements, comments, and/or PR materials if applicable.

The 4 approaches to this issue as initially provided by Mark Flegenheimer include:

- 1) Stay the course (do nothing at this point)
- 2) State our position (in press releases, our web site, etc)
- 3) Go after the Corn Refiners with a Cease and Desist letter (attached)

4) Full blown counter attack/initiative to include but not limited all the items included in the Cease and Desist letter – including possible legal action with consumer education support (similar to what we have done with Splenda).

Charlie:

Maintain Present Course	
<i>Pros</i>	<i>Cons</i>
1. Reduced public visibility at critical period of J&J litigation 2. Corn syrup manufacturers' advertising campaign is defensive (no positive HFCS attributes presented; defined in terms of sugar) 3. Scientific community is now speaking against naturalness and healthfulness of HFCS 4. Media is already focused on negative healthfulness of HFCS	1. Increased public visibility at critical period of J&J litigation 2. Analyses of published research and development of public policy comments/documents fail to achieve acknowledgment beyond internal audiences of staff and members
Projected Costs =	
State Sugar Association Position	
<i>Pros</i>	<i>Cons</i>
1. SAI analyses of published research (intellectual property) can be leveraged to differentiate sugar from HFCS (and artificial sweeteners) in the minds of consumers 2. Release of strategically crafted/worded intellectual property increases opportunity for regulators and policymakers to incorporate/acknowledge SAI concepts/positions 3. SAI completed analyses would be expanded to endorse the correctness of the concept that sugar is unique and differs biologically from HFCS 4. Release of strategically crafted/worded intellectual property has the great potential to increase SAI credibility and standing within serious scientific research community (increased opportunity for research funding/input to experiment design/presentations at germane professional society and trade organization meetings/networking with germane professional and trade organizations/writing articles for media publications) 5. Enriched value of SAI participation in nutrition policy coalitions assembled to address issues such as Dietary Guidelines	1. Additional analyses required to enhance validity of completed literature analyses will be slower than expected to ensure preservation of accuracy and 2. Additional analyses might necessitate financial expenditures for external review/oversight
Projected Costs =	

<i>Pros</i>	<i>Cons</i>
	1. Increased public visibility at critical period of J&J litigation 2. CRA will respond aggressively and very publicly since there is "little to no meat on the bones" of the draft letter 3. The media loves controversy and a cease-and-desist letter would fuel stories spotlighting this "food fight" 4. The term "HFCS" is too generic and nonspecific that any comparison to sugar would require such a product-by-product approach (only 58.5% of the reported 2005, 2006 and 2007 HFCS deliveries were HFCS-55) that it would become a boring esoteric exercise readily dismissed/rejected by consumers and those influencing consumers 5. Reported HFCS-55 U.S. deliveries have been declining since 2000 6. Sugar is not disparaged legally by the CRA advertising campaign 7. The potential for SAI credibility to be besmirched must be considered
Projected Costs =	
Counterattack	
<i>Pros</i>	<i>Cons</i>
1. Resurrect positive sugar messages of SPP campaign	1. The potential for SAI credibility to be disbelieved by the scientific community must be considered
Projected Costs =	

HFCS Ad Hoc Committee - Cheryl

1. Stay the course

Pros

- Negative consumer perception has created the need for the Corn Refiners to defend their product. Consumer perceptions are hard to change and there is no evidence that they will be effective.

Cons

- They will convince consumers that sugar is no better than HFCS.
- The Corn Refiners are defining sugar not the sugar industry.
- It may be necessary to distinguish or raise questions about the differences between sugar and HFCS in the Dietary Guidelines debate.

2. State our position

Pros

- State the differences between sugar and HFCS to consumers and the media. Currently, the Corn Refiners spin on sugar is the only message consumers are hearing.
- It may be helpful to develop consumer messages that distinguish sugar from HFCS. Although the examples below are not hard –hitting, they may cause consumers to question the integrity of the Corn Refiners campaign.
 - Sucrose/ sugar occurs in nature and has been around for thousands of years – the process to make HFCS was invented in the 1970's.
 - Corn may be natural but HFCS does not exist in corn.
- Question the existing science. Call for more science that compares sucrose to free fructose and free glucose. The majority of science on this issue compares different ratios of free fructose and free glucose, which is analogous to comparing apples to apples.
- It may be necessary to distinguish or raise questions about the differences between sugar and HFCS in the Dietary Guidelines debate.

Cons

- Further alienation of some in the food industry
- Disapproval by some in academia, which may compel them to speak out in HFCS's defense.
- If we don't handle this correctly we could appear to be defensive

3. Go after Corn Refiners with Cease and Desist

Pros

- None

Cons

- Cons to the grounds put forth in the cease and desist letter:
 1. The issue of whether HFCS is as natural as sugar and honey.
 - Judge Mary Cooper from the US District Court of New Jersey, said it is up to FDA, not the court, to define natural. FDA has chosen not to codify a definition for natural and has provided the Corn Refiners enough wiggle room under FDA's current guidance to continue to say HFCS is natural.
 2. The issue as to whether HFCS is nutritionally equivalent to sugar.
 - They do not say HFCS is nutritionally identical to sugar and there is not a scientific consensus that sugar and HFCS differ significantly nutritionally.
 - Although there is some science and some scientist that believe there is a difference between sucrose and HFCS, there have not been enough studies that directly compare free fructose and free glucose to **sucrose** to definitively declare a difference regarding biological impacts at this time.
 3. Sugar and HFCS have the same caloric value.
 4. Taste
 - HFCS 42 is less sweet than sugar. The majority is glucose which is 80% as sweet as sugar

- HFCS 55 is formulated to be as the same sweetness level as sugar.
 - Approximately 45% glucose – 80% as sweet as sugar
 - Approximately 55% fructose – 120% sweet as sugar
- Fructose products that are sweeter than sugar are not labeled as HFCS but as fructose or crystalline fructose

- Further alienation of the food industry and industry groups will make it even harder to work on common ground issues.
- Potential political fallout from politicians that represent corn growing states.
- Alienation of farmer groups

4. Full Blown Counter Attack

Pros

- A nation wide counter attack in the form of an advertising campaign to promote the positive attributes of sugar and distinguish sugar from HFCS could have a positive outcome. This could possibly be done using magazine advertisement as a first step.

Cons

- Potential for consumer backlash
- Further alienation of the food industry and industry groups will make it even harder to work on common ground issues.
- Potential political fallout from politicians that represent corn growing states.
- An aggressive approach may create an environment where more academics and academic institutions feel compelled to defend HFCS

Melanie - From a PR perspective, here are my thoughts on this issue:

1. Stay the course –

If we stay the course, we still have not defined “disparagement.” While CRA continues to claim we are disparaging HFCS, we have no definition, so how do we refute what they are saying? We must define what is and isn’t disparaging in order to make any statements to the media or other entities.

Copies of all the statements we have developed are attached. The one marked FINAL is the only one we have used.

2. State our position –

Again, we must first define or identify what disparagement is before we can state our position. Once we have a definition or identified what we can and can’t say, then we should have a positive statement posted on our website and a statement that can be sent to the media and others who request our position on the issue. I believe that this approach is still within the parameters set by the beet growers, we simply have a more defined direction.

3. Cease and desist –

From a PR perspective, this would be a losing proposition. The media would perceive it as "the sugar association whining" **again!!** It would garner far more negative coverage for us than anything positive and might impact any efforts to actually get action taken.

4. Full blown counter attack –

The only way this will work from a PR perspective is if it is an industry-wide marketing campaign that touts the benefits of sugar vs. other sweeteners, including HFCS. Otherwise, we are on the defense and right now we are more offense than defense, so I don't believe this is a proper approach PR wise.

Of course, a full blown industry-wide marketing campaign would be my first preference.

Website Review – Disparaging Comments or Statements Regarding Sugar:

For discussion purposes:

There is nothing blatantly disparaging. They show HFCS in a favorable way by making direct comparison between sugar, honey and HFCS.

1. Comparisons of sugar, honey and HFCS make all sweeteners basically the same.
2. Characterization of functional properties of sugar vs. HFCS enhances HFCS's role in the food supply and minimizes sugar's.
3. Sugar comes from domestic and imported sources while the corn in HFCS is grown in America.
4. Description of sugar refining process is loaded with chemical names while the description of the HFCS process makes the process sound more natural.

After our Oct. 9 conference call, staff will take input from all members of the Ad Hoc Committee and refine these 4 approaches and possibly host a second conference call to finalize a recommendation for the Board.

We look forward to a healthy, open discussion during our conference call Oct. 9, 11:00 am ET.