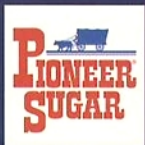


MICHIGAN SUGAR COMPANY

Working Together to Make Our Company Grow



Locally Grown. Locally Owned.



Pioneer Sugar

A Quality Product

Dependable Service

It's the Pioneer Way

The commitment by Michigan Sugar Company's grower-owners to raise top quality sugarbeets, combined with the dedication of the employees to efficiently produce Pioneer Sugar, has been key to the Company's success.



SUGARBEETS IN MICHIGAN

Michigan farmers experimented with growing sugarbeets as early as 1839. In 1884, Saginaw printer,



Joseph Seaman, rekindled the idea of raising

sugarbeets and sent seeds from Germany to be tested. Dr. Robert Kedzie, a chemistry professor at what is now Michigan State University, initiated the state-wide testing using Seaman's seeds, distributing 1,500 pounds of beet seed to farmers across the state.



His efforts to promote sugarbeet farming earned him the title "Father of Michigan's Sugar Industry."



The sugarbeet industry has spanned several generations, surviving two World Wars, the Great Depression and the 100-year-flood of the 1980s and remains strong today.

MICHIGAN SUGAR COMPANY

Michigan Sugar Company has been producing "all natural" Pioneer Sugar since it was formed in 1906, when six sugarbeet processing companies merged. On February 12, 2002, nearly 1,000 sugarbeet growers formed a cooperative and purchased Michigan Sugar Company from Imperial Sugar.



MICHIGAN SUGAR COMPANY

DID YOU KNOW?

- Each job in the sugar industry creates 2.3 jobs in support industries.
- Michigan Sugar Company employs 350 year-round and 1,000 seasonal employees.
- Michigan Sugar Company is the largest beet sugar processor east of the Mississippi River and is the only American-owned beet sugar processor in the State of Michigan.



- Over two million tons of sugarbeets are processed at the company each year, producing over 1/2 billion pounds of sugar under the trusted Pioneer Sugar brand name.
- Michigan Sugar Company annually donates approximately 60,000 pounds of sugar to non-profit organizations.

Working Together to Make Our Company Grow

1. PLANTING AND GROWING BEETS

Farmers in Michigan, Ohio and Ontario plant sugarbeet seeds in rich soil in the early spring of each year. Rain, sunshine and fertilizer help the seeds develop into enormous sugarbeets with large, white roots.



2. HARVESTING AND DELIVERY

Late in the fall, the sugarbeet harvest begins. The giant leaves are removed by a topping machine before the harvester goes through the fields lifting sugarbeets from the earth. Large trucks drive beside the harvester catching the beets. The trucks deliver the sugarbeets to Michigan Sugar Company.

3. WASHING AND SLICING

Beets are washed and sliced into pieces called cossettes which resemble shoestring potatoes.



4. DIFFUSION AND PURIFYING

The cossettes are mixed with hot water. The water draws the sugar out of the cossettes, creating liquid sugar. Filters and natural cleaners (milk of lime and carbon dioxide) remove impurities.

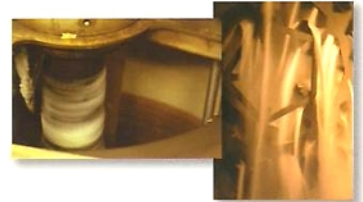


5. EVAPORATING AND CRYSTALLIZING

The purified liquid sugar is boiled to remove the water. As it boils, the liquid thickens and sugar crystals form.

6. SEPARATION AND GRANULATION

The crystallized sugar is spun around at high speeds in a centrifuge machine, removing the molasses that did not crystallize. The damp sugar then tumbles through hot, filtered air to dry.



7. PACKAGING AND DISTRIBUTION

The sugar is packaged in Pioneer Sugar bags and sealed. Bags with 2, 5 and 10 pounds of sugar are delivered to grocery stores in Michigan, Ohio, Indiana and other nearby states. Some of the sugar is packaged in larger bags, holding 25, 50 or 100 pounds of sugar. This sugar is delivered to food processors to make delicious foods, such as cereal, yogurt, cookies and more.



The company operates
sugarbeet processing
factories in Caro,
Carrollton, Croswell



and Sebawaing, Michigan, along with two packaging
and distribution facilities in Fremont and Findlay, Ohio.
The Caro factory is the oldest operating sugarbeet
factory in the United States.

MICHIGAN SUGAR COMPANY

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Saginaw, Michigan 48604
(989) 799-7300

www.michigansugar.com

MANUFACTURERS COUPON NO EXPIRATION DATE

25¢ off 5 lb. bag

Retailer: Pioneer Sugar will redeem this coupon in accordance with our redemption policy, available to you upon request. Cash value 1/20 of 1 cent. Void where prohibited by law. Redeem coupon to: Pioneer Sugar, P. O. Box 880728, El Paso, Texas 88588-0728. Pioneer Sugar and designs are registered in the United States Patent and Trademark Office licensed to Michigan Sugar Company.



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