



# Chin's Import - Report

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## STYROFOAM PRICE INCREASE STALLS

A lot of talk about a general price increase in the polystyrene foam industry last month raise eyebrows, as three major manufacturers announce price increases ranging from 8-10%, which were due to take effect on October 1<sup>st</sup>. While Dart Container maintained its position on market pricing throughout the past month, it has been confirmed that CKF has withdrawn their anticipated increase. While it has not been confirmed whether other competitors have chosen to follow suit, sagging industry sales may have also played a pivotal role in the decision to withdraw any planned price increases.

## SUGAR PRICING REMAINS STRONG & FIRM

While cane & beet sugar prices have continued to remain strong during the past six weeks, due to news that India & Mexico will begin imports of sugar, conflicting reports from the American Sugar Alliance (ASA) indicate adequate domestic supplies are available. On August 19, 2009, the ASA placed a paid advertisement in the Wall Street Journal (WSJ), implicating that the current shortage is a ploy for food manufacturers to boast profit margins (download the WSJ advertisement at:

[http://www.pulpfusion.com/PulpFusion/UploadFiles/ASA\\_9/ASA\\_LetterAug19\\_WSJ.pdf](http://www.pulpfusion.com/PulpFusion/UploadFiles/ASA_9/ASA_LetterAug19_WSJ.pdf) ) Ironically, with the expected surpluses on 9/30/09, you could give every person in N. America a 5 lb bag of sugar and still have 11 million bags left over (<http://www.enewsbuilder.net/asa> ).

Nonetheless, prices on C & H cane sugar have risen close to \$6 per bag in the past six weeks alone.

With foreign import quotas open for business, we have protected our market pricing by purchasing a small quantity of cane sugar, imported sugar from El Salvador, packed under the *Sweet Pride* brand name. While the product possesses a slightly larger sugar crystal

size, it is currently priced \$4.65/bag less than domestically produced C & H product.

Interestingly, on August 12<sup>th</sup>, the USDA released new data indicating domestic sugar warehouses had 1,252,000 tons of surplus sugar, while the confectionary industry has boasted that their profit margins average more than 30 percent. It will be interesting to see where prices settle during Q4.



## LEE KUM KEE SOY SAUCE BANQUET



Our thanks go out to the many customers who recently attended our recent *Soy Sauce Banquet*, held on 9/21/09 at the Jin Wah Restaurant in Beaverton. The



event attracted 300 guests from throughout the state, focusing on the merits of Lee Kum Kee products, more specifically using *Premium Soy Sauce* as an ingredient in Asian cooking. Guests had an opportunity to dine on a ten course Chinese banquet, while receiving gift bags containing a variety of LKK sauces.

## GOLDEN WEST INTRODUCES ecobox®

With consumer trends driving business towards



more environmentally responsible packaging alternatives, Golden West recently

introduced its new line of white & kraft brown take out boxes. Branded under the *ecobox*® label, currently we will have available only #3 size. Within several more weeks, a #1 & #2 size will be introduced. Samples are currently available, which can be obtained through your sales representative.



## CLOSE OUT SPECIAL

We have made a special close out purchase this month, on a limited quantity of *white dispenser roll towels* packed under the *Windsoft* label. Private label packed by a major well known manufacturer, the product is packed 12 rolls of 350' per case.



## NY "CASH & CARRY" OPERATIONS

### TARGET OF INVESTIGATION

An ABC TV affiliate in the NY area has launched an investigation into the improper transportation of unrefrigerated meats, poultry, eggs, & milk, purchased by customers who frequent "cash & carry" food service operations (<http://abclocal.go.com/wabc/story?section=news/investigators&id=7029998> )

The story has uncovered that often restaurant owners are failing to take the necessary precautions to maintain proper holding temperatures on frozen & refrigerated perishable products, when transporting them in their personal vehicles. At times, it can be up to 4 hours before products are placed back under refrigeration. With summer temperatures sometimes in the 90 degree range, customers should be cautious of the potential for food safety violations.