The first extra payment for sugarbeets in 11 years was announced today by the Northern Ohio Sugar Company to add to the record high returns already paid for the 1973 beet crop.

The extra payment will average $2.00 per ton.

It will be mailed on July 2 to 700 growers who produced beets last year for Northern Ohio Sugar near Fremont and Findlay and in southeastern Michigan.

The unusual summer payment was announced in Fremont by Robert N. Sanborn, area agricultural director for Northern Ohio Sugar. He said it will bring total average returns for the 1973 crop to $24.15 per ton, up $9.04 per ton, or 62 percent higher than the average for all returns for the 1972 crop. The figures include Sugar Act compliance payments financed by a federal tax on the sugar industry.

Sanborn said the July 2 payment will be made to increase grower returns as net proceeds from sugar sales are increasing. He explained that, under their unique participating contract, growers share in the net sales of sugar and beet by-products throughout the marketing year ending Sept. 30.

Ordinarily, growers receive three payments for their crop—in the fall, in the spring, and a final settlement in October based on the results of the entire marketing year.

Sanborn noted that individual payments will vary according to the sugar content of the grower's beets.
The extra payment will add up to $605,000, making the total disbursement for the 1973 crop to date $7.3 million.

Sanborn pointed out that the record-breaking returns for the 1973 crop could not be considered windfall profits for beet growers because this year they must absorb much higher costs for fuel, labor, fertilizer, machinery and other farm materials. At the same time, he added, returns from alternative crops had also increased.

Sanborn said higher sugar prices were largely the result of world-wide low inventories and strong demand.