



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

November 28, 2006

Mr. Bruce Scott Levinson
Center for Regulatory Effectiveness
11 Dupont Circle, N.W.
Suite 700
Washington, DC 20036

Dear Mr. Levinson:

It was a pleasure to meet you on October 11. I appreciate you taking the time to share your concerns regarding our study, "Employment Changes in U.S. Food Manufacturing: The Impact of Sugar Prices."

We carefully considered the points you raised regarding our use of information taken from the Federal Reserve Bank of Dallas 2002 Annual Report which drew from the Institute for International Economics report, "Measuring the Costs of Protection in the United States." After discussing the use of the 2,260 sugar industry jobs maintained by the U.S. sugar program number with the authors of the Institute for International Economics study, we are satisfied that our use of this figure in our study is not misleading. According to the authors and United States Department of Agriculture Economic Research Service studies, the growing and harvesting process for beet and cane industries is now almost entirely mechanical. The authors are satisfied that our use of the 2,260 jobs number is not inconsistent with the conclusions of their study.

Again, it was a pleasure to meet with you. If you have any questions, please do not hesitate to contact me.

Sincerely,

Jeffrey Auspacher for Praveen Dixit

Praveen Dixit
Director, Office of Competition and Economic Analysis
International Trade Administration
U.S. Department of Commerce

CC: Kimberly Ann Elliott and Gary Clyde Hufbauer

