

CALIFORNIA AND HAWAIIAN SUGAR COMPANY

---

HAROLD R. SOMERSET  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

September 13, 1990

Mr. Donald Nelson  
1521 Parkview Avenue  
San Jose, CA 95130

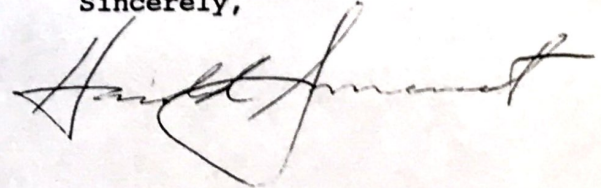
Dear Mr. Nelson:

I have your letter of August 23rd and I quite understand your concern. C&H operates with a small salaried staff; we do not have a Washington lobbyist. Consequently our PAC funds (also relatively small) have almost entirely been contributed to another PAC organization whose aim is to work toward the strengthening of the provisions in the Farm Bill which deal with the domestic sugar industry. In that regard my concern is for the 1,000 C&H employees at work in Contra Costa County and also support of the Hawaiian raw sugar producers and their 6,000 employees who supply C&H with our raw material.

I don't have any information about the contribution to Senator Helms but I can say that it did not come directly from the C&H PAC. It could have come from the PAC organization to whom we contribute, however I don't know. I do disagree with you in the general sense that working with a congressman or senator to achieve a particular legislative result automatically causes you to support all positions that person may take on any issue. I personally don't agree with many of the positions taken by Senator Helms on other issues. I have no doubt that I would also not agree with positions taken by other congressmen and senators who have been supportive of sugar legislation and to whom contributions may have been made. I doubt that it would be possible to get any legislative action taken if a prerequisite were to have all views of all legislators being solicited be consistent with one's own. On the other hand, I can understand why you might consider a contribution to Senator Helms to be an extreme test of that approach.

I do hope that I can keep you as a C&H customer. I think there is no doubt that our products are regarded as being superior and our company responsible and forward thinking.

Sincerely,



1390 WILLOW PASS ROAD • CONCORD, CA 94520  
(415) 356-6015 FAX (415) 356-6037

859