

# Sucro sees room to grow at Lackawanna sugar refinery

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Sucro Sourcing in Lackawanna

Business First

Sucro Sourcing's rapid growth in Hamilton, Ontario, shows what could happen at the company's new refinery in Lackawanna.

The Florida-based company entered the manufacturing side of the sugar industry in 2019 when it opened in Hamilton. In the beginning, the company sold about 30,000 tons of sugar annually out of that plant, but last year, that number doubled, according to Don Hill, chairman of the board of directors for the company.

This year, he expects that refinery will sell 130,000 tons.

"The business in Canada has been phenomenally successful," Hill said. "We built it in 2019, and we've already outgrown that site."

The company took that into consideration [when it built in Lackawanna](#) and is starting out with a much larger site stateside to avoid outgrowing it too fast.

"The confidence that we build on our success in Canada allowed us to start bigger in Lackawanna," Hill said. "We made sure we're not starting too low or modestly."

Sucro also recently announced a new million-ton refinery set to be built in Southern Ontario by 2025. The company will need about 30 acres of land to make it work.

"That's the problem, we built a very modest facility to begin with, not

knowing how successful it would be," Hill said. "We've hit the limit in terms of what we can produce there."

The \$21 million Lackawanna refinery, which opened in November at the former Bethlehem Steel site, has the potential capacity of 350,000 tons. But it will likely take up to three years to bring the plant to that level.

"Nothing of this complexity works exactly the way you want it to with day one," Hill said. "It takes time to prove you can run at that capacity. You can't have too many sales without the production, and you can't have too much production without the sales. So, it's a bit of a back and forth process to build that up."

The local site opened last year and has about 35 employees. Hill said he expects that number will grow to about 100 by the end of the year.

Hill said the big suppliers and refineries in the sugar industry have been consolidating, limiting supply availability. Meanwhile, sugar demand and consumption have grown with the population in the last two decades, he said.

"Most people think that sugar consumption is actually on decline, but that's not the truth," Hill said.

The U.S. is also a big importer of sugar, so Sucro saw an opportunity to "help build a domestic supply chain."

"Within that very tight supply environment customers are very happy to see increased competition and increased supply," Hill said. "There are some major local customers in Buffalo that have been very supportive of Sucro, and we look forward to working with them very closely."