

THE COOPERATIVE ADVANTAGE

2011 DENIM RUNWAY

TACC HANDS OUT AWARDS

COMMENTATOR VOLUME 43, NO 1 | SUMMER 2011

The Cooperative Advantage

2011 Denim Runway

Cotton Day at the Capitol

Establishing a Tradition with Young Producers

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On the cover...

Historic drought conditions are wreaking havoc on the cotton crops across much of PCCA's service area in 2011. Many producers in Texas, Oklahoma, New Mexico, and parts of Kansas are struggling to make a crop on their irrigated land while virtually all of the dryland cotton acreage in Texas has been abandoned. Photo by Lynette Wilson.

Cooperative Association (PCCA), a cotton marketing cooperative with headquarters at 3301 East 50th Street, Lubbock, Texas. Eligibility to participate in

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Abandoned and desolate, fields remained vacant as cotton seeds planted on many dryland acres across Texas never germinated due to a devastating drought.

Historic Drought Causes Cotton Concerns by Lynette Wilson

In 2011-12, the cotton producing acres in Plains Cotton Cooperative Association's service area were at the epicenter of a once-in-a-generation drought stretching from Arizona to Florida.

Thanks mostly to a La Niña weather pattern, the eight months from October 2010 through May 2011 were the driest eight-month period on record for Texas since record keeping began in 1895, according to the National Oceanic Atmospheric Administration and the National Weather Service (NOAA/NWS).

The overall impact of the drought was staggering across the entire agricultural industry. The severe conditions spawned wildfires that turned grasslands to ash, caused winter wheat yields to plummet in Kansas, Oklahoma and Texas, and forced ranchers across the south to struggle to find feed for their cattle as pastures were parched.

In Texas, the leading cotton producer in the U.S., the crop languished in the heat as government sources classified 59 percent of the cotton crop to be in poor condition or worse in mid-July. Cotton plants across most of the Northern and Central portions of the state were withering under the strain of high temperatures, wind, and no measurable rainfall. Meanwhile, cotton conditions in Southern Texas were mixed as the drought claimed cotton in some areas while underground moisture accumulated from last year's heavy rainfall saved the crop in other locations.

NOAA/NWS explained the seriousness of the situation in July by reporting that in many locations, including West Texas, it would require more than twice the average seasonal precipitation over the next three months to end the historic drought.

For the first time ever, the Texas High Plains was expected to report near 100 percent abandonment of dryland cotton acreage. Some producers shifted water from other crops to cotton, trying to salvage what they could of the 2011 irrigated crop, and made decisions that previous generations never had to face.

As the drought continued and the season progressed, USDA made revisions to its production figures. In the department's July supply/demand report, U.S. crop prospects plunged to 16 million bales after a million-bale cut from the previous month's report. The new figure was down 2.1 million from 2010 despite increased plantings. Abandonment throughout the U.S. Cotton Belt was projected at an all-time high of 30 percent, exceeding the prior record of 27 percent in 1933.

Harvested acres were expected to fall 10 percent from a year ago to 9.6 million, and yields remained projected at 800 pounds per acre compared to 812 pounds the prior year. Some industry analysts said crop conditions at the time of the report would seem to suggest the yield estimate still was overstated.

Domestic mill use was projected at an unchanged 3.8 million bales while beginning stocks rose by 500,000 bales on the month to 2.75 million, and the carryover climbed by a like amount to 3 million bales. USDA cut its U.S. export estimate by 500,000 bales to 14.5 million for 2010-11 and by a million bales to 12 million for 2011-12. The stocks-to-use ratio of 19 percent, though up from the June forecast, still was relatively tight.

Globally, the ending stocks forecast climbed by 2.75 million bales or 5.7 percent from *continued on page* 21...

She COPERATIVE Advantage

The United Nations General Assembly has proclaimed 2012 as the International Year of Cooperatives (IYC). In addition to PCCA, there are numerous cotton-related regional cooperatives throughout our trade territory in Texas, Oklahoma, Kansas and New Mexico that offer their members numerous services and products that lead to what we like to call "The Coop Family" and "The Coop Advantage." These cooperatives have paid out almost \$700 million in dividends into the rural communities they serve in the past 10 years. So, as we approach the International Year of Cooperatives, we are pleased to present a series of stories about cotton cooperatives in our four-state region in this issue of *COM-MENTATOR*.

John Johnson



Texas Agricultural **Cooperative Council** by Britton Barrett

The Texas Agricultural Cooperative Council (TACC) began in 1934 and serves as a voluntary, statewide organization created by Texas cooperatives. It serves as a collective voice, catalyst and clearing house on all cooperative activities in the state of Texas.

TACC's mission is to promote, support and advance the interest and understanding of agricultural, utility and credit cooperatives and their members through legislative and regulatory efforts, education, and public relations.

"Overall TACC is a voice for farmers and a trade association for all coops, and we will continue to work on legislative issues that concern these two groups," explains Tom Engelke, TACC's Executive Vice President.



STANTON DIVISION









FARMERS COOPERATIVE COMPRE

Farmers Cooperative Compress

by Emma C. Matkin www.farmerscompress.com

Centered in the heart of "Cotton Country", the Farmers Cooperative Compress (FCC), with headquarters in Lubbock, Texas, has seen a rich history of innovation, leadership, and member loyalty throughout its 63 years of operation.

Since its creation in 1948, FCC has maintained its profitability and preserved its mission statement of providing efficient, reliable service to the cotton industry from day one.

"FCC has a reputation of giving great service to the cotton industry, and that has added value to our producer-members," said RonHarkey, FCC President and CEO.

"Farmers Cooperative Compress has been blessed with exceptional board leadership, a strong producer and gin base, great gin managers, and outstanding employees," Harkey said. "As we look back on FCC's history, it has been a great story, but we feel our best days are ahead of us."



PYCO Industries | by Lynette Wilson

Proudly celebrating its 75th anniversary this year, PYCO Industries is the largest cottonseed cooperative serving the southern United States. Providing high-quality service to more than 90 member gins, PYCO operates two cottonseed oil mills in Lubbock, Texas.

In order to add more value to its members' cottonseed, the cooperative does not limit itself to simply producing cotton seed oil for cooking. PYCO Industries also markets whole cottonseed and the by-products of cottonseed processing, including cottonseed meal, cottonseed hulls and linters.

"As an effective and powerful competitive force in the oilseed business, PYCO Industries has exerted a significant influence on the prices all farmers received for their products and on services rendered by the industry," Gail Kring, PYCO Industries President said. "This benefited all of the farmers in the area and, through them, the hundreds of communities that depend on their welfare and prosperity."





Producers Cooperative Oil Mill (PCOM) I by Lynette Wilson

www.producerscoop.net

Headquartered in Oklahoma City, Oklahoma, Producers Cooperative Oil Mill (PCOM) has manufactured high quality cottonseed products since 1944. With additional locations in Kennett, Missouri; Osceola, Arkansas; and Covington, Tennessee, PCOM is a recognized leader in the industry, selling cottonseed oil, meal, hulls, linters, and whole cottonseed nationwide.

"PCOM allows us, as farmers, to benefit financially from the biofuel, cooking oil, and protein markets by selling the byproducts of our cottonseed," explained Steven Clay, a cotton producer and PCOM Board Member from Carnegie, Oklahoma. "Probably the largest benefit of PCOM is the consistency the coop provides in the cottonseed market. From year to year there are no guaranteed sales to other industries, like dairies for instance, but PCOM is always there to buy cottonseed from its member gins," he said.



Valley Cooperative Oil Mill (VALCO) | by Lynette Wilson www.valleycoopoilmill.com

Valley Cooperative Oil Mill (VALCO) serves a larger geographic region than any other Texas oil mill. Headquartered in Harlingen, Texas, VALCO's 19 member-gins bring in cottonseed from producers scattered around the Houston, Texas, area to the bottom tip of the Lone Star state.

Although cottonseed oil remains the cooperative's most valuable product, VALCO also processes and sells cottonseed meal, cottonseed hulls, linters, and whole cottonseed. VALCO also began supplying agricultural chemicals to its members in 1962 to provide a reliable supply of quality products, and in 1996, the cooperative completed the construction of a bulk fertilizer storage facility at the Port of Harlingen. Four years ago, as visionary board members believed the process would offer cotton producers an additional profit opportunity when the market was right, VALCO became the first mill with a plant capable of converting cottonseed into bio-diesel.

"I don't think you can get more coop minded than I am," said Don Ocker, a farmer who gins his cotton at Gulf Coast Coop, markets his cotton though PCCA, and serves as a VALCO Board Member. "I feel like I get the most money and the best treatment from the cooperatives I do business with, and I never have to worry about them being able to fulfill their obligations or my expectations," he added.

"As Agriculture Secretary Vilsack recently indicated, never underestimate the American farmer. And if I may add to that: never underestimate what our farmer and utility coops are capable of when the power of one is multiplied by the many."

-Dallas Tonsager, Under Secretary for USDA Rural Development. "The cooperative allows individuals to pool resources to reach economies of size that would not be achievable otherwise. This economic advantage is multiplied in the Southern Plains where cotton producers have access to inputs, ginning, warehousing, cottonseed crushing, marketing, and credit through cooperative entities that they own."

- Ed Smith, Director for Texas AgriLife Extension Service.



Gulf Compress | by Emma C. Matkin

Strong leadership and growth have contributed to the success of a South Texas cooperative warehouse association which, for more than 60 years, has strived to maintain great customer care and quality performance. www.gulfcompress.com

A group of cooperative gins formed Gulf Compress in 1950 to serve the southern region of Texas with the primary goal of providing dependable storage and service for cotton producers. Currently, Gulf Compress has a combined total capacity for about 625,000 bales.

"Our board has been blessed to have a management team that works to keep our customers supplied with clean, dependable, and timely deliveries that add value to their growers and member gins," said Chairman Sam Simmons.

Farmers Cooperative of El Campo | by Emma C. Matkin www.fcec.cc

Along the Texas Gulf Coast, about 90 miles southwest of Houston, is a cooperative that was created to better serve the farmer-members of the area's agricultural community. For almost three decades, Farmers Cooperative of El Campo (FCEC) has been serving Texas farmers with efficient cooperative services, warehouse availability, and even a general store.

FCEC has three warehouses which have a total bale capacity of 30,955. The cooperative also owns two cotton gins to better serve its cotton producers as well as three elevator locations for its grain producers.

"When we established our warehouse division, our goal was to receive our members' cotton on a daily basis and never be late shipping a load of cotton," Jimmy Roppolo, Farmers Cooperative of El Campo General Manager said. "To this date we have accomplished just that."



Triangle Insurance | by Hallie Bertrand

"By fostering democratically governed business structures, cooperatives contribute to their members' financial bottom line and their social well being. In addition, cooperatives promote their communities' collective energy and enhance society's civility. This is the Cooperative Advantage."

-Michael L. Cook, Graduate Institute of Cooperative Leadership (GICL) Board of Trustee member and University of Missouri Professor of Cooperative Leadership

TAYLOR COMPRESS DIVISION OF COTTON GROWERS

Taylor Compress

by Emma C. Matkin

A cotton warehouse located in Taylor, Texas, carries a unique story of transforming from a cotton marketing cooperative to a cotton compress and warehouse over a span of 70 years.

Today, Taylor Compress is a producer-based cooperative, and its current 266 producer-members own the facility debt-free and participate in all of the earnings the warehouse generates.

General Manager Bob Snodgrass has been with Taylor Compress for 20 years and continues to set future goals that will benefit the cooperative plan.

"In the future, my hope for the compress is that it continues to be a producer-owned warehouse that provides our members with a local facility to store their cotton and the benefits associated with such ownership," Snodgrass said.

Snodgrass feels the cooperation between Taylor Compress and Plains Cotton Cooperative Association's (PCCA) Marketing Division, which began in 1996, was a new opportunity for its members which has proven to be beneficial both to the operation of Taylor Compress and its members.

"I think farmers have always benefited from the availability of crop production support provided by various state agencies or commercial firms," Snodgrass said. "Similarly, PCCA provides farmers with much needed marketing support and assistance through its pool and other marketing options."





- The United Nations General Assembly Resolution 64/136 proclaims the year 2012 as the International Year of Cooperatives (IYC).
- The theme is "Cooperative Enterprises Build a Better World."
- Worldwide, more than 800 million people are members of cooperatives.
- More than 29,000 cooperatives operate in every sector of the U.S. economy and in every congressional district; Americans hold more than 350 million coop memberships.
- U.S. cooperatives generate two million jobs and make a substantial contribution to the U.S. economy with annual sales of \$652 billion and possessing assets of \$3 trillion.
- The majority of our country's two million farmers are members of the nearly 3,000 farmer-owned cooperatives. They provide more than 250,000 jobs and annual wages of more than \$8 billion.
- More than 900 rural electric coops deliver electricity to more than 42 million people in 47 states. This makes up 42 percent of the nation's electric distribution lines and covers 75 percent of our country's land mass.
- About 1.2 million rural Americans in 31 states are served by the 260 telephone cooperatives.



Plains Cotton Cooperative Association, AMCOT, the Texas Cotton Association, Lubbock Cotton Exchange, and Plains Cotton Growers hosted 11 textile industry leaders from Turkey on May 13, 2011, as they toured the U.S. Cotton Belt as part of a COTTON USA Special Trade Mission. Grady Martin, PCCA's Director of Sales, spoke to the group about the cotton supply and qualities available through PCCA and AMCOT.

The event, sponsored by the National Cotton Council's (NCC) export promotions arm, Cotton Council International (CCI), was designed to build trade ties between the U.S. cotton industry and textile industry leaders from key Turkish mills.

"These textile executives viewed the advanced state of the U.S. industry and had the opportunity to meet with U.S. cotton exporters and other industry leaders," said CCI President John D. Mitchell. "This was an important opportunity for U.S. cotton because the individual mills on the tour consume a total of more than 570,000 bales with U.S. imports of about 345,000 bales." \bigcirc

Top: Grady Martin, PCCA's Director of Sales, discussed cotton supplies available through PCCA and AMCOT. **Bottom**: Rick King, National Cotton Council Regional Representative (left), accompanied the Turkish textile industry leaders as they visited the Lubbock area.





Left to Right: Sandra Ehler, Kenny Ehler, Jim Blankenship, Sherry Blankenship, Larry Gamble, Lou Gamble, Kim Cooper, Burt Heinrich, Buzz Cooper Lynn Maeker, John Fields, Frank Thompson, Donna Fields, Tommy Woolam.

uzz Cooper, manager of Texas Star Coop Gin, has been in the business for 37 years and was recently named the 2011 Texas Cotton Ginners Association (TCGA) "Ginner of the Year."

Each year, TCGA awards this prestigious honor to an outstanding member. TCGA represents the cotton ginning industry and is a leader regarding numerous legislative and regulatory issues. Research and education to improve gin work environment are other high priorities for the association.

"I am very humbled by this award, and I am very proud of it," said Cooper who also received the Texas Agricultural Cooperative Council (TACC) Ginner of the Year award in 2004.

Cooper grew up in Ralls, Texas, and worked with his father who managed the Ralls Coop Gin. After graduating from Texas Tech University with a degree in agricultural education, Cooper began managing the C&R Gin in Ralls in 1974.

In 1998, Cooper sold his portion of the gin and moved to Union, Texas, to manage the Union Coop Gin. Then in 2004, Union and Wilson Coop Gins merged to create what is now Texas Star Coop Gin with locations in Union and Wilson, Texas. In its best year, the gin's total output was 145,000 bales.

"My dad was a ginner, and my granddad was a farmer so agriculture has been in our family for a long time," Cooper said. "My wife was Miss Rodeo Texas when we met, and my boys always have been involved in rodeos and stock shows. Ag is just all we know."

Cooper and his wife, Kim, have two sons. Bonner earned bachelor's and master's degrees from Texas A&M, and Ross is a senior at A&M. Cooper said he appreciates how much agriculture has influenced his family.

"I appreciate the support from our customers, board and employees so much," Cooper said. "This award is really for them as well. I know we wouldn't be anywhere without them." O

DENIM RUNVAX 2011 Design Contest New Contest, New Designs

By Emma C. Matkin



Pattern Sketching | Photo by Emma Matkin Denim Runway 2011 contestant Juliana Chen works on her pattern.



Denim Draping | Photo by Emma Matkin A Denim Runway 2011 contestant pins her garment during the draping process.

Assembling Hardware | Photo by Emma Matkin Denim Runway 2011 contestant Katherine Gibbs assembles the hardware for her garment with the guidance of American Cotton Growers employees.

Preparing Garment for Judging | Photo by Lynette Wilson Denim Runway 2011 contestant Bea Johnson prepares

Denim Kunway 2011 contestant Bea Johnson prepares her garment for judging.



fter a successful 2010 design contest, Plains Cotton Cooperative Association (PCCA) and co-sponsor, Cotton Council International (CCI), partnered for a second year to present the Denim Runway 2011 Design Contest in collaboration with Texas Tech University's College of Human Sciences Department of Design's Apparel Design and Manufacturing (ADM) program.

The Denim Runway Design Contest started in 2010 as a way for PCCA to build a lasting partnership with the ADM program. The contest originated as a fashion jeans competition featuring designs for men's and women's jeans. Contestants present their garments to a panel of judges and are interviewed on their design inspiration, technique, and style. By participating in the contest, contestants have the opportunity to advance their designs skills and strengthen their speaking and presentation skills.

"Based on the remarkable success of last year's contest and with the consent of the ADM department, we decided to expand it and give the students a 'field-to-fashion' look at the cotton industry and the entire denim apparel supply chain," said PCCA President and CEO Wally Darneille.

In October 2010, students visited a local farm during harvest to learn about cotton production and observe farmers' good environmental stewardship. They also visited a cotton gin and heard presentations about PCCA's cotton marketing programs. In February, they were given a full tour of PCCA's denim mill, American Cotton Growers (ACG) in Littlefield, Texas, to see every step in the production of denim fabric.

For the Denim Runway 2011 Design Contest, the idea to broaden the opportunity and expand the contest came into play. Two new categories were added so more students could be involved. In addition to the fashion jeans competition, a Casual category was added to give contestants an opportunity to design and create anything made with denim fabric other than jeans. The other new category, Cotton Trend Board, encourages students to research and communicate their predictions about trends for cotton fiber and apparel.

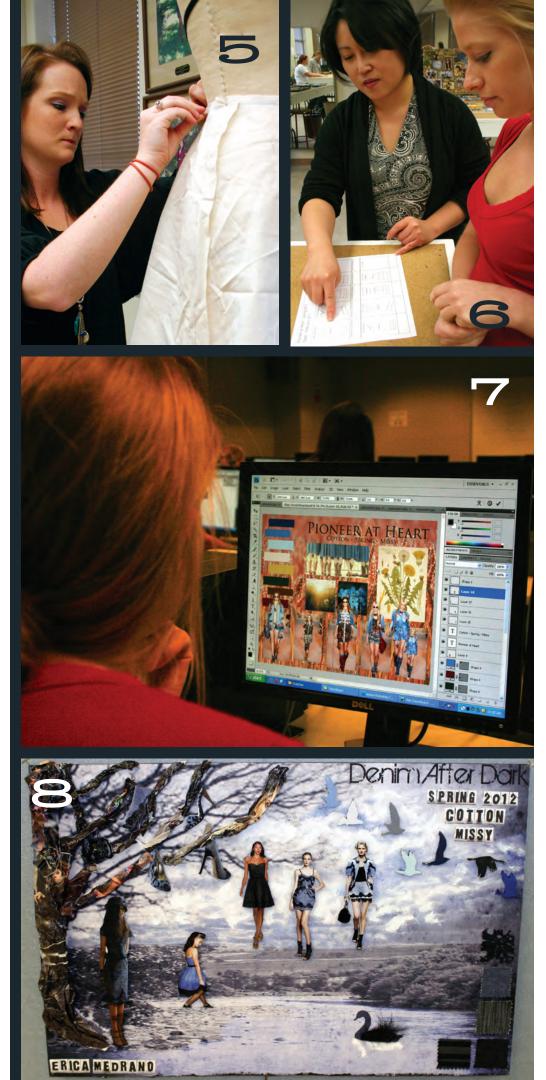
With new opportunities in sight, contestants worked endless hours of preparation, cutting, sewing, and designing to participate in this year's contest. After receiving their denim from ACG to design with for the contest, contestants had a little more than two months to complete their designs. A total of more than 100 entries for the entire contest were submitted for judging on April 14, 2011.

The panel of judges for the men's and women's fashion jeans category consisted of Lindsay and Stephen Spiegelberg, owners of a trendy boutique, Chrome, and popular collegiate store, Red Raider Outfitters in Lubbock. David Collins, assistant executive director for CCI in Washington, D.C., also judged the Fashion Jeans and Casual categories.

"I was really impressed with the designs this year," Collins said. "The talent was exceptional, and the students showed a great deal of creativity," he added. "It really says a lot for the students and the ADM program at Texas Tech."

Lauren Hogan, a senior ADM major from Corpus Christi, Texas, won the men's jeans category, and Lauren McGraw, another senior ADM major from Midlothian, Texas, won the women's jeans category. Hogan and McGraw will receive an expenses-paid trip to PCCA's Denimatrix apparel facility in Guatemala where they will learn about and participate in each process used to create high fashion jeans. In addition, COTTON USA, a CCI program, will provide them an expenses-paid trip to the Colombiamoda apparel sourcing show in Medellin, Colombia.

Along with Collins, the Casual category panel of judges consisted of USDA-NRCS Public Affairs Specialist Quenna Terry, and Vice President of Business Development for the Lubbock Chamber of Commerce Robin Raney who also is a former buyer for an upscale national retailer.



12 commentator >>> summer 2011





Draping | Photo by Emma Matkin Denim Runway 2011 contestant Jessica Crumpler works on her project.



Instruction | Photo by Emma Matkin Director of TTU ADM Program Dr. Shin instructs Denim Runway 2011 contestant Megan Curry.

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Computer Imaging | Photo by Emma Matkin Denim Runway 2011 contestant using computer imaging to work on her design.



Cotton Trend Board | Photo by Lynette Wilson Denim Runway 2011 Design Contest winning Cotton Trend Board design by Erica Medrano.



Casual Category Winner | Photo by Hallie Bertrand Denim Runway 2011 Design Contest Casual Category Winner Megan Curry with PCCA Communications Specialist Emma Matkin and PCCA Director of Public and Legislative Affairs John Johnson.



Cotton Trend Board Winner | Photo by Hallie Bertrand Denim Runway 2011 Design Contest Cotton Trend Board Winner Erica Medrano with Matkin and Johnson.

Fashion Jeans WinnersPhoto by Hallie BertrandDenim Runway 2011 Design Contest, Men's and Women's Fashion JeansWinners, Lauren Hogan and Lauren McGraw, receive their recognition plaquesat the TECHstyle Fashion Show.



"Interacting with the judges provides a realworld experience as the students discuss their design inspirations, marketing and pricing strategies, and construction. Many of the designs showed tremendous ready-to-market potential."

-Robin Raney

"This is a premiere opportunity for apparel design students at Texas Tech to showcase their designs," said Raney. "Interacting with the judges provides a real-world experience as the students discuss their design inspirations, marketing and pricing strategies, and construction," she said. "Many of the designs showed tremendous ready-to-market potential," she added.

Judges for the Cotton Trend Board competition were Kyla Sell of Lubbock, Mark Brown with Texas AgriLife Extension Service, and Andrea Wilson, Vice President/Director of Account Services for The Price Group.

"Denim Runway is a way to engage students in a practical application of the career they're interested in pursuing," Wilson said. "I was amazed at the level of talent, creativity and professionalism coming from such a large number of students."

Megan Curry, a senior ADM major from Dallas, Texas, won the Casual category, and Erica Medrano, a senior ADM major from Houston, Texas, won the Cotton Trend Board category. Both students received cash awards for their winning entries. Cherif Amor, Ph.D., and Chairman of the Department of Design, commented about the contest and its sponsors.

"We are excited to partner with Plains Cotton Cooperative Association and Cotton Council International on this project," Amor said. "We have such talented students in our department, and this competition gives them opportunities beyond their wildest dreams while pedagogically competing for remarkable awards." \bigcirc



Employer of the Year



merican Cotton Growers (ACG) received the South Plains Workforce Solutions' (SPWS) 2011 Employer of the Year award during a ceremony held in Lubbock on April 13. The award originated in 2001 as a way to recognize employers that practice innovative workforce strategies.

"As we began the daunting task of identifying the 2011 Employer of the Year award recipient, American Cotton Growers just seemed to be the obvious choice," said Lisa J. Spears, Workforce Solutions Public Information Officer. "ACG recognizes the importance of investing in its most valuable asset – human capital."

ACG employs more than 500 people in Littlefield making it the largest employer in Lamb County. The company was recognized for the high value it places on its workforce and for providing its employees with a variety of benefits, an employee advancement program that encourages promotions from within, and other incentives. ACG also offers English or Spanish as a Second Language courses which are available to all employees to improve communications.

In addition, ACG partners with Workforce Solutions in the Texas Back to Work program to hire employees who are currently receiving unemployment benefits. This helps decrease the number of unemployment insurance beneficiaries in the region.

"Our people work so hard in this difficult environment and job market to do all we can to put ACG in the best position for success," said Bryan Gregory, PCCA's Vice President of Textile Manufacturing. "This is huge honor, and it is always nice to be recognized among one's peers." \bigcirc

L-R: Workforce Solutions South Plains CEO Martin Aguirre, Texas Workforce Commissioner Representing Employers & TWC Chairman Tom Pauken, American Cotton Growers Director of Human Resources Natalia Moore, Plains Cotton Cooperative Association Vice President of Textile Manufacturing Bryan Gregory, National Association of Workforce Boards Executive Director Ron Painter, and Workforce Solutions South Plains Board Chair Adrienne Cozart.

Cotton Day at the very two years, Texas cotton representatives travel to Austin, Texas, to participate in Cotton Day at the to Low locome into contact with cotton or cotton prod

very two years, Texas cotton representatives travel to Austin, Texas, to participate in Cotton Day at the Capitol. People come into contact with cotton or cotton products on a daily basis, and Cotton Day at the Capitol celebrates all the uses of cotton while informing state leaders about its impact on the Texas economy.

The most recent event took place on April 19, 2011, and was sponsored by Texas Cotton Producers, a statewide organization comprised of nine regional organizations actively representing cotton growers. Attendees included cotton producers, ginners, and allied industry representatives from across the Lone Star State.

The time spent with state legislators is a prime opportunity to share with them the importance of the cotton industry in the Texas economy as well as to serve as an educational opportunity to inform our state leaders of all the uses of cotton.

Gerald Milligan, Lyford Coop Gin Manager, says it is important to keep the communication lines open with the state legislators and most of all to thank them for their support of the agriculture industry.

"Since I have been a part of the Texas Agricultural Cooperative Council (TACC), I have realized the importance of communicating our needs face-to-face with our state legislators," said Milligan. "They care what we have to say, but sometimes they need to be educated about the importance of the cotton business and what it means to producers in their districts. Cotton Day at the Capitol is a great way to share that message," he explained. 🔾





(L to R) Jon Whatley - Smith Gin, Cris Gwinn -PCCA, District 34 State Representative Connie Scott, Cameron Charles – PCCA, and Marvin Beyer - Smith Gin.

(L to R) Clay Grebe – Triangle Insurance, Sam Simmons – Lyford Gin, and Gerald Miligan - Lyford Gin Manager.

Idalou Coop Gin Manager Keith Grayson stopped to gather denim bags donated by American Cotton Growers which contained cotton-related items. The bags were delivered during visits to Texas legislators' offices.

TACC Hands Out Awards BY HALLIE BERTRAND

The Texas Agricultural Cooperative Council (TACC) recently recognized Jerry Multer of Wall Coop Gin as Ginner of the Year for his work and leadership in the cotton industry.

A 1967 graduate of Ballinger High School and a 1971 agricultural economics graduate of Texas A&M University, Multer has always been involved in agriculture.

After a short stint in the U.S. Air Force, Multer began working for the Marshall Production Credit Association in East Texas and two years later transferred within the association to San Angelo, Texas.

Beginning in 1980, Multer served as manager of the Writ Fertilizer operation in Wall, Texas, and built the company into a major chemical and fertilizer operation.

In 1994, he was selected from a long list of applicants to fill the manager position at Wall Coop Gin.

Soon, the gin was renovated into a highly efficient operation. Rather than having three inefficient plants, one gin was shut down and the other two were overhauled. Eventually those two gins were closed and a new, more efficient gin was built. When the rebuilding project started, it was a 15- to 20-bale-per-hour gin and averaged 18,000 to 25,000 bales annually. Today, it is a 32-bale-per-hourgin and averages nearly 53,000 bales annually.

Multer has served many leadership positions in his community and currently serves as Texas Cotton Ginners Association President. He also is a former president of the Texas Agricultural Cooperative Council and serves on PYCO's Executive Board.

"This award was very humbling for me," Multer said. "I try to be really involved in everything about cotton. The industry has evolved, and we've made a lot of changes as a result of that."

Also recognized by TACC was Bruce Simon of Enid, Oklahoma, who received the Distinguished Service Award.

Simon graduated high school in 1972, and he began his 31-year coop career as a loss control representative for Farmland Mutual Insurance Company. In 1979, he went to work for Farmers Cooperative Grain Dealers Association as a service representative.

He then began working for Triangle Insurance Agency, Inc., in 1986 as Director of Marketing. In 1997, Simon was asked to relocate and manage the insurance agency's office in Lubbock, Texas. He returned to his home state in 2001 and became Vice President of Marketing and Agency Operations for Triangle in Enid and held the position until his retirement in April 2010.

During his stint as vice president, Simon was responsible for the overall operations of four agribusiness agencies in a four state area as well as the marketing functions of Triangle in five states. He directed an agency and marketing team and coordinated with agency partners in marketing products offered by Triangle resulting in an increase in sales of property and casualty insurance products from \$3.5 million to more than \$45 million.

"I'm very honored that I was chosen," Simon said. "After being with it for more than 30 years I do believe that Triangle is a very good company, and it has been a pleasure to work with them for so many years."

Also receiving an award from TACC was Cooperator of the Year, Brad Johnson, General Manager of Northeast Texas Farmers Coop in Sulpher Springs, Texas.

Johnson, the oldest of four children and the son of a commodity buyer, graduated from Richardson High School in 1973 and set off to pursue a baseball scholarship at Texas A&M University. He graduated a few years later and married his wife, Kristy, in 1977.

The first 10 years after college, Johnson worked for Cargill then joined the coop community by becoming assistant manager of Sunray Coop in 1988. After seven years there, he landed his first general manager's job with Bee County Coop in Tynan, Texas.

In 2000, the board of Northeast Texas Farmers Coop in Sulpher Springs hired Johnson. During his 10-year tenure, Johnson has built his organization to where it is today with more than 92,000 tons in feed sales annually, covering a 100-mile radius serving more than 5,200 producers, and with average sales of more than \$28 million.

Johnson is a past president of TACC and is on the boards of Triangle Insurance and the Texas Association of Dairymen.

Harold Bryant, Board Chairman said, "If Brad were to move to another job, his absence would be felt at the coop and in the extended community. He has worked diligently for our coop to put us in a position of high consumer confidence and brought us to a place financially where we can take advantage of purchase and expansion opportunities."



L to R: Dr. Tracie Davis, Drew Davis, Lily Davis, Jerry Multer, Trent Gunter, Donna Multer, Gracen Gunter, Melissa Gunter and Trampas Gunter.



Brad and Kirsty Johnson with their daughters and granddaughters. L to R: DeAnna Doles, Madison Doles, Darby Brennan, Brad, Kirsty, Angelica Doles and Danielle Johnson.



The Bruce Simon Family. Front Row L to R: son Brandon, Bruce, his wife Cindy, daughter-inlaw Kacy. Bottom Row L to R: Grandchildren Karter and Avery.

Establishing A TRADITION O with Young Pro

E ducation and communication are keys to success in any organization, therefore, Plains Cotton Cooperative Association held the second annual Young Producers Orientation on March 3, 2011. This new tradition in education for members is an opportunity for PCCA to share valuable cooperative information while providing an experience for both young producers and their spouses from around the region.

The objective of this event is to improve communications with the young members and to allow a view into the daily undertakings, projects and activities of PCCA. The young producers heard directly from PCCA staff about management efforts that affect the members' operations along with the cotton and textile industries.

Presentations for the Orientation came from Dean Church, PCCA's Vice President of Warehousing about the structure and governance of PCCA. A sales presentation along with the outlook for domestic cotton information was given by Director of Sales Grady Martin. Carlos Garcia, Export Sales Manager, gave an informative presentation about the international marketing network and cotton outlook. Sam Hill, Chief Financial Officer, covered a financial recap of PCCA's operations. Information Systems Manager Radene Fuller talked about technology for the future. Jerry Jones of the Denim Sales and Marketing department discussed 'field to fashion'. The afternoon was rounded out with a presentation titled "The Cooperative Advantage" by Wally Darneille, PCCA President and Chief Executive Officer.

Spouses of the young producers were invited to listen to a presentation from Lynette Wilson, PCCA Communication Manager, about the overall structure and format of PCCA and learned about denim trends from American Denimatrix Salesman Jerry Jones. \bigcirc

Arin Bauer Chad Cox **Chris Adkins** Cody Ellison **Curtis Wilde Dane Sanders** Evan Maxwell **Greg Armes** Hunter Stuart Jacob Kalina Jarod Abernathy Jason Poole Jody Howard Joe Posey Joel Swain John Repp John Schoeph Josh Snodgrass Kenneth Buerger **Kevin Ruyle** Marcus Howe Matt Caswell **Nick Pipkin Ryan Mimms** Steve Norman Steve Olson Steven Walker Stuart Posey **Tim McDaniel** Todd Vaverka Vance Smith

La Feria Coop Gin Farmers Coop Gin—Childress Parmer County Cotton Growers **TriCounty Producers Coop** Wall Coop Gin Floydada Coop Gin Farmers Coop Gin—Amherst New Home Coop Gin Longworth Coop Gin Mereta Coop Gin **Cotton Growers Gin** Farmers Coop Assoc—Eldorado Farmers Coop Gin—Ackerly Longworth Coop Gin Terry County Coop Gin Farmers Coop Gin-Carnegie Pleasant Hill Coop Gin Associated Cotton Growers Ericksdahl Coop Gin SKCG Coop Inc. Northwest Cotton Growers Lubbock Cotton Growers Parmer County Cotton Growers Acuff Coop Gin **Close City Coop Gin United Farm Industries** Associated Cotton Growers Longworth Coop Gin Progreso Coop Gin SKCG Coop Inc. Midkiff Farmers Coop Inc.



Young Producers Orientation (YPO) Class of 2011



La Feria, Texas, cotton producer Arin Bauer (middle) visits with Grower Services Clerk Bobbie Burke (left) and PCCA Marketing Communications Area Manager Meredith Wolf (right).



(L to R) PCCA Marketing Communications Area Manager Mike Canale and his wife Angie pose with Vance and Mandie Smith of Ackerly, Texas, at a YPO dinner.



Spouses of the young producers also were invited to listen to presentations. (L to R) Back Row: Ashleigh Mimms, Cindy Olsen, Ashlee Ellison, Mary Norman, Britny Walker, Mandie Smith, Anna Poole. (L to R) Front Row: Shelby Kalina, Dawn Ruyle, Wendy Armes.

SMITH Recognized as **Texas Tech Distinguished Alumnus** by Hallie Bertrand

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exas Tech University's College of Agricultural Sciences and Natural Resources (CASNR) recognized PCCA Board Chairman Eddie Smith as a distinguished alumnus. The Distinguished Alumnus Awards honor alumni who have made significant contributions to society and whose accomplishments and careers have brought distinction to the college and to the professors associated with agriculture and natural resources.

Smith received the award on February 21 at the university's Merket Alumni Center along with five other recipients. Jane Piercy, Director of Development and External Relations at the college, said that the distinguished alumni provide evidence of the effectiveness of the agricultural and natural resources programs at Tech. "The measure of a college's distinction and influence depends greatly upon the achievements of its alumni and the positions they attain in their respective communities and fields of endeavor," Piercy said. "These awards were established to recognize some of our most outstanding alumni."

Smith began farming full time following graduation from Texas Tech in 1973 with a bachelor's degree in agricultural economics. Today, he maintains a cotton, cattle and grain operation near Floydada, Texas, in partnership with his father, Ed, and son, Eric. Aside from his duties at PCCA, Smith is also a past chairman and long-time director of Cotton Incorporated and a past chairman of the National Cotton Council. He is a current delegate to the National Cotton Council where he has served on numerous committees including the council's Environmental Task Force.



HOWARD ALFORD MEMORIAL SCHOLARSHIP RECIPIENTS BY BRITTON BARRETT

With the rising cost of tuition, it is more important than ever to receive scholarships to help pay for college. However, for three Texas Tech students in the College of Agricultural Sciences and Natural Resources, some of the burden has been lifted.

The Howard Alford Memorial Scholarship was endowed in 1974 by PCCA's Board of Directors in memory of the cooperative's former chairman. This honor goes to top Texas Tech students pursuing a degree in agriculture and is based on their high school record, SAT or ACT scores, grade point average, and financial need. The most recent

scholaships were awarded to Jaclyn Roberts, Ashleigh Willems, and Michael Marley for their academic achievements.

Roberts grew up in Brownfield, Texas, and graduated from Brownfield High School in 2010. She recently completed her first year as an Agricultural Communications major at Texas Tech and plans to pursue a career in marketing.

"I chose Texas Tech because it was a perfect fit for me," said Roberts. "I wanted to attend a large university, but the College of Agricultural Sciences and Natural Resources (CASNR) program at Tech still gave me that small-town feel. It balanced both aspects very well, and it made the transition to college much easier because it was close to home."

Ashleigh Willems, a Lubbock native, graduated from Frenship High School and now majors in Food Science at Texas Tech.

"I fell in love with agriculture through activities with my high school FFA chapter," said Willems. "I like how personal the CASNR is at Texas Tech, and they genuinely care if you're doing well and help you prepare for a job in the future." Once Willems graduates, she plans to attend graduate school and would like to work in the poultry industry.

Michael Marley grew up in Plainview, Texas, and has been involved with agriculture all his life. He is a sophomore at Texas Tech and is majoring in Agricultural and Applied Economics. He also plans to attend law school after he graduates. His favorite parts about becoming a Red Raider were the infectious school spirit, school unity, and Red Raider football. All three recipients expressed their gratitude to PCCA and mentioned how the scholarship helps them financially.

"As a full-time student it is hard to find time to work," Roberts said. "Even with a part-time job, my income does not make much of an impact on tuition, so the scholarship has been a great relief to my parents."

"The scholarship has made it easier to balance going to school and working to pay for college," Willems said.

"Since I am on the meat and wool judging teams, it takes up a lot of my time so it's hard for me to get a job. This scholarship makes it easier to pay for college," Marley said. \bigcirc



Despite the moisture of irrigation, much of the cotton on the Texas High Plains is "stressed" due to the extreme conditions resulting from a historic drought and higher than normal temperatures.

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the June figure to 51 million for 2011-12 and by 1.16 million bales or 2.7 percent to 44.4 million bales for 2010-11. World consumption skidded 2.2 million bales to 116.75 million for 2011-12, and production dipped 610,000 bales to 123.16 million. For 2010-11, mill use fell 580,000 bales to 114.93 million, and the crop edged up 270,000 bales to 114.56 million. The projected world stocks-to-use ratio of 44 percent reflected recovery from the extremely tight levels of the two preceding years but still is the third lowest since 1994-95.

Global demand for cotton was lower in late July 2011, but industry observers were optimistic about the return of international buyers as well as the continuation of healthy cotton prices in the upcoming season. Both items were good news to those farmers fortunate enough to produce a cotton crop under the season's extreme weather conditions.

"Demand for cotton has slacked off somewhat due to less demand from consumers in response to higher prices for cotton products, and in response to the slowing of purchases by textile mills because they had yarn sitting unspun in inventory and had to move it out before they would step in and buy again," said an analyst.

"Even with Texas' dismal crop outlook as a result of a severe ongoing drought, there will be an increase in world production and carryover this year, and that will probably keep prices from going back above \$1.25," he said. "But, I think we'll still have ample opportunity to price cotton at \$1 or more."



PCCA PLAINS COTTON COOPERATIVE ASSOCIATION PO BOX 2827 LUBBOCK, TEXAS 79408



Cotton Pickings

NEW DELEGATE BODY REPRESENTATIVES AS OF JUNE 16, 2011

Brian Aycock Bernard Mokry Associated Cotton Growers Coastal Bend Gin

NEW GIN MANAGERS

Zak Nulik Kenny Underwood Derek Matz Jayton

