

FIELD & FIBER

A Plains Cotton Cooperative Association Publication

Volume 52, Issue 2

Fall/Winter 2022

Put it in Your Toolbox

Wallace Brothers Farms

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A Year to Stay on Base

**Ingenious Industry: Ginning
Industry's Battle to Process
Round Bales**

**Keep it Growing: Brandon
Laffere's Cotton and Vegetable
Operation**



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YOUR ONE-STOP SHOP

We get it. It can feel challenging to feel confident selling cotton on your own. That's why we have developed a full suite of marketing options – so you can find the one that best fits your operation.

POOL MARKETING

- Acreage-based contract eliminates weather-related production risks
- Managed by a team of professional traders and analysts, allowing you to focus on farming operations
- Our season-long pricing strategy reduces downside market risks
- Benefits from PCCA's global customer network
- Timely progress payments distributed as seasonal sales advance
- Payment deferral option available
- Pima Pool available

CASH MARKETING

THE SEAM®

- Online access to the largest network of global buyers and textile mills
- Having your cotton offered continuously gives you opportunities to capture sudden rises in the market and capitalize on favorable price movements
- PCCA's Loan Advance Program provides upfront cash flow and allows you to trade the equity portion online in a separate transaction
- LDP payments are automatically processed, when applicable, for eligible cotton
- Payment deferral option available
- Participants are patrons of the Marketing Division and receive any dividends allocated by that division

PCCA DIRECT™

- Sign up to receive and accept bids anywhere on the go with your mobile device
- Our Sales and Member Services teams can assist with any bids you request or receive
- Consult with a member of our marketing team to develop the best approach to cash marketing
- Growers can accept, reject, or counter offer with the PCCA team through the myPCCA™ app
- LDP payments are automatically processed, when applicable, for eligible cotton
- Payment deferral option available
- Participants are patrons of the Marketing Division and receive any dividends allocated by that division

FORWARD CONTRACTS

- Growers can place good-til-canceled (GTC) orders to help them achieve their price target
- LDP payments are automatically processed, when applicable, for eligible cotton
- Deferred payment option available

FIELD&FIBER Contents

Fall/Winter 2022



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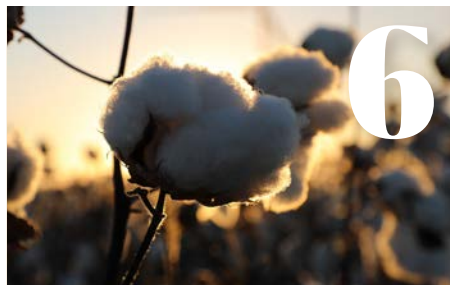
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Bold Changes Ahead for PCCA

Every business, whether a farm or a cooperative, must be willing to change in an increasingly competitive world.

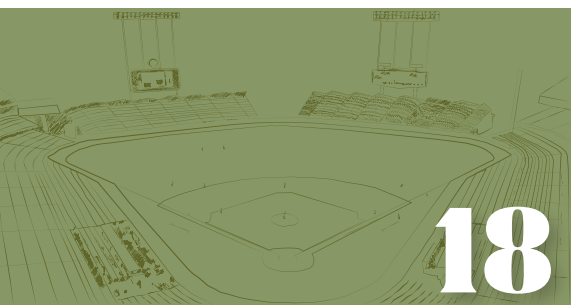
by Jayci Bishop



Wallace Brothers Farms

Jason and Kelby Wallace are continually adapting and looking toward the future of their farming operation.

by Jayci Bishop



A Year to Stay on Base

Farmers should be looking to get on base, not score the game-winning run with a grand slam of a bumper crop for 2023.

by Aubry Heinrich



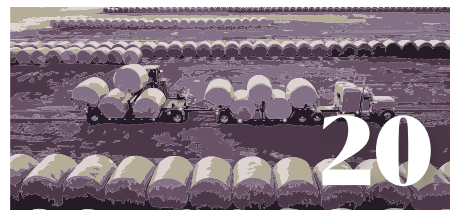
Brandon Laffere

Today, Brandon Laffere carries on the family cotton and vegetable operation with one thought present in his mind: keep it growing.

by Blair White

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Ingenious Industry

Cotton gins are adapting to modern harvest technology of all-in-one, round bale machines such as John Deere's CS770.

by Aubry Heinrich

OUR MISSION

To enhance the profitability of grower-owners and gins through value-added marketing programs and services.

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A Letter From The President

Not since I was a child has the world seemed fraught with changes and tension. Turbulent geopolitics, a volatile economy, and societal change are challenging individually. According to Wikipedia, the quote “May you live in interesting times” is an English expression said to be a translation of a traditional Chinese curse. The saying hits a little close to home in 2022.

What’s our response? Perhaps it’s striving to make the world a bit less interesting.

Food and fiber security are currently the focus of national security for many nations, as war and economic turmoil threaten peace and stability. The agricultural community of farmers and those that orbit them is a perplexing universe now. While leaders work out the future, our part is to improve what we can control here.

One of the topics in this issue is the demand for cotton. Since the global pandemic began in early 2020, the cotton market has been on a roller coaster ride. While consumers have shown an increased appetite for natural fiber, inflation is squeezing consumers’ ability to purchase non-essential goods—especially outside the United States. We remain optimistic about the underlying fundamentals of demand despite near-term chaos in textile and apparel markets.

We also review the effects of inflation on the farm. For example, ammonium nitrate prices are almost five times the level of January 2020. The logical side effect is reduced productivity and, eventually, higher prices. The market is looking for equilibrium.

While these difficulties are frustrating, we must focus on a brighter future. PCCA is doing just that by pushing ourselves to become more imaginative and innovative. Trying times cause us to dig deep and look for better ways. We refuse to believe that our best days are behind us.

In this issue, we discuss our efforts to change your cooperative to embrace the future profitably. PCCA is dedicated to that task.

Sincerely,

A handwritten signature in blue ink that reads "C. Kevin Brinkley". The signature is fluid and cursive, with the first name "C." and last name "Brinkley" clearly visible.

Kevin Brinkley

President and Chief Executive Officer

Bold Changes Ahead for PCCA

By Jayci Bishop

“If you’re not relevant, you’re not going to play a role in the life of a grower-owner and what he needs to do to support his farming operation,” said Kevin Brinkley, PCCA President and CEO.

The 2021-22 question of relevancy and competitiveness caused PCCA to thoroughly evaluate everything the business does and develop new strategies for the future of the cooperative.

“Our mission is to enhance the profitability of our growers and gins through value-added marketing programs and services,” Brinkley said. “We want to make sure we are delivering on all of the promises within that mission statement. What we have been doing over time has worked well, but we also have to introduce new products and services to make sure that our growers are competitive.”

Every business, whether a farm or a cooperative, must be willing to change in an increasingly competitive world.

“I think just like farmers reevaluate our own farm’s businesses, PCCA is no different,” said Dahlen Hancock, PCCA Board Chairman and cotton farmer. “We should build on things we are doing that are working and that have worked in the past, while also correcting and changing those parts of the business that are struggling. It seems like we have a lot of outside world pressures bearing down on us currently from this rapidly changing world.”

Extensive research and listening to stakeholders were the foundation of new strategic initiatives, such as modifying PCCA’s seasonal marketing pools. PCCA’s Risk Management Committee completed a comprehensive top to bottom, by division, total enterprise risk assessment with staff.

According to Hancock, a proper assessment of risks was the starting point of every initiative. Too much risk can lead to negative consequences, but too little risk limits the returns to growers. PCCA has prioritized the use of data and analytics to improve the pacing of sales, Hancock said. The co-op is also rolling out new marketing choices for its seasonal pools, enabling producers to determine pricing on a portion of their crop. He credits PCCA’s forward-looking Board of Directors for challenging the staff to develop new ways of adding value, such as PCCA’s private intermodal facility that

“Our mission is to enhance the profitability of our growers and gins through value-added marketing programs and services.”

rails cotton directly from Altus, Oklahoma, to West Coast ports.

PCCA plans to offer grower-owners a full suite of marketing choices for upcoming crop years, including modernizing pool marketing sales using data-driven models. A call pool feature will be available for the 2023 crop. Increased focus and more choices in both cash and contract markets will be available to growers as well. PCCA recently adopted a charter for the Marketing Pool Committee which modernized the role and structure of the committee.

Becoming the preferred cotton marketer for growers and customers in the Southwest region of the U.S. is the primary focus of the changes. PCCA's leadership believes the co-operative business model is the key to maximizing returns in a competitive world.

"PCCA has developed strategic sourcing relationships with global cotton buyers," Brinkley said. "It has worked well for our growers and customers. One of our core values is that we want what is best for our stakeholders, whether they're growers or customers. We believe that a successful customer generates returns that make our members successful. PCCA's origination strengths serve everyone well. It's a win-win."

"One of the things we want to do is make sure that we are making it as easy as possible for growers to get the right information distilled down into the shortest possible messaging," Brinkley said. "To do that, it is going to look like more people going out and making personal visits and personal contact with growers. We will be using our existing staff and enhance the way we communicate. We also want to make sure we are giving our gins every available tool to communicate what we are doing and what is changing in the marketplace."

PCCA has a long history of innovation and progress in the industry. It is critical to look for new opportunities to learn and improve continually.

"We want to make sure that we don't miss that opportunity to look at the best things people are doing out there and use our own imaginations," Brinkley said. "That is something we do not give enough credence to. Take what happens on a farm. A farmer is the best inventor in the world. We need to take some lessons from that and just use our imaginations to say why are we doing this? If we can't come up with a good answer, we may need to look at a different way to do it."

"One of our core values is that we want what is best for our stakeholders, whether they're growers or customers."

Good ideas can only come to fruition with dedicated people pursuing them. PCCA's Board of Directors, employees, and grower-owners are all working toward the same goal – to add value to your cotton.

"I can tell you that every employee at PCCA comes to work every day with our mission top of mind. How can we make our grower-owners' lives better? How can we make a difference for them? It is more than just a job to us. We care about the outcome," Brinkley said. "We want to be the very best in the business at everything we do. We know that today we are not the best in some things, but we are going to get there. Everybody here is committed to getting the job done. I take comfort in that. We have a great team in place."

When you choose to do business with PCCA, you are choosing to do business with a company you own. As a producer, Hancock said he chooses strength in numbers.

"When you think about the total package PCCA provides, everything our company does to add value and move your product from the gin to its final destination," Hancock explained. "Whether it is a domestic location or a global mill, the thought of them not being there and how that would affect each of the communities we live in. That and the fact that there's strength in numbers when like-minded folks work together – that's my reason for choosing PCCA."

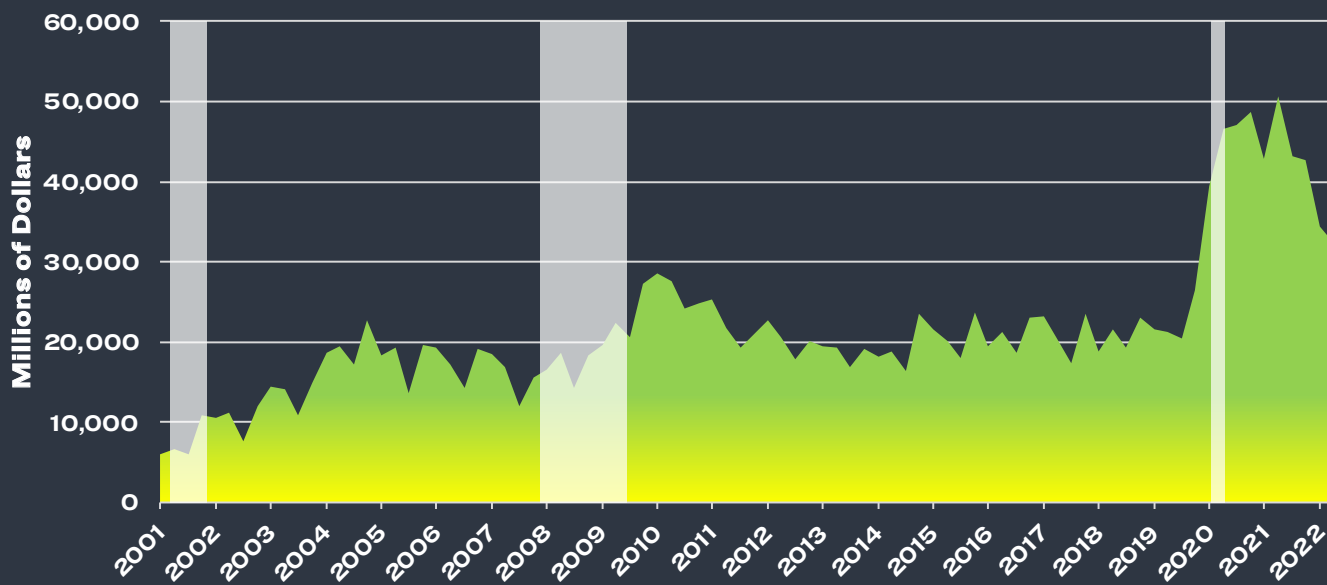


WANT MORE OF THE STORY?

Scan the code to watch the video!



Clothing and General Merchandise Stores: Cash and Demand Deposits in the U.S.



Shaded areas indicate U.S. recessions.

Source: The Federal Reserve Bank of St. Louis

Colliding Forces: Consumers vs. The World

By most accounts, 2022 was supposed to continue the upward trend in cotton consumption. At times, markets signal that demand is not what we expect. Between August and October 2022, cotton futures prices plummeted 60% from \$1.20 per pound to 72.00 cents per pound. How could all the data have been so wrong? What forces caused the decline in prices? And whatever happened to *ceteris paribus*—the Latin phrase meaning “other things being the same?”

The reality is other things did not remain the same. Two of the fundamentals of consumption, population growth, and market share, point to higher consumption. But the third leg of the demand stool, economic growth, is under tremendous pressure. How could it change so quickly?

“The unrelenting effort to fight inflation by the Fed is a drag on consumer sentiment and higher costs to consumers,” said Keith Lucas, PCCA Vice President of Marketing.

Rapidly Diminishing Purchasing Power

The mighty consumer is not who they were just a year ago. Unavailability, delivery delays, and sensitivity to rising prices have cast doubt about whether global consumption will even reach 115 million bales, nine million below USDA’s initial forecast for the season.

Consumers understandably manage their household budgets to protect their vital economic organs such as fuel and food. For some, the increased costs of services and shelter are putting discretionary spending on apparel and textiles on the chopping block. When you look outside the U.S., the problem is even worse. Winter is hitting hard in Europe and the United Kingdom, the world’s largest developed economy. Fuel

prices skyrocketed in Europe as Russia constrained energy supplies to gain leverage in their invasion of Ukraine. Natural gas prices shot up more than 290% in August 2022 compared to January 2020. Even though prices have fallen recently, the cost of heating homes over the winter will significantly impact discretionary spending.

Money Supply

Making matters more complicated are the combined efforts of central banks worldwide, reigning in an unprecedented period of easy money supplies. Pandemic fiscal responses from most governments totaled trillions of U.S. dollars, much of it landing in the hands of consumers. The U.S. government appropriated more than \$5.5 trillion, or about 26% of the U.S. GDP. Other developed countries took similar measures. Naturally, recipients of the programs

deployed it in retail spending. Simultaneously, central banks such as the U.S. Federal Reserve Bank took interest rates to zero, leading to a credit binge rarely experienced. Mortgage rates in developed economies were less than 3% for nearly two years. Housing inventories were unable to keep pace as buyers bid up prices. More recently, mortgage rates have climbed to 7% in response to rate hikes and quantitative tightening by the Fed.

“The Fed has no control over supply, only demand, and by raising interest rates, they are trying to create demand destruction,” Lucas said. “This is a double-edged sword creating a much stronger dollar and creating more demand abroad to buy dollars to pay interest costs.”

The Fed’s aggressive moves (see page 17) to reduce the money supply have also sent the U.S. dollar soaring against virtually every other currency, making U.S. exports extremely expensive compared to other countries. Given the forecasts for U.S. rate hikes to exceed those of other central banks, the dollar will likely remain relatively strong for some time. Although the dollar’s strength has supported importers of textiles and apparel, it makes U.S. raw cotton less competitive against competing countries. On trading days when the dollar is up, cotton futures prices generally suffer.

Retail Demand is Resilient

Retail demand for clothing and general merchandise remained above pre-pandemic levels, even with a recession looming. That is perhaps due to a deceleration in inflation growth in goods. One reason the price of goods is slowing is building inventories at retail. Retailers are still working off excessive inventories from over-ordering to combat supply chain disruptions.

“The retail levels have remained a bright spot due in part to the brands reducing prices to move oversupply, creating less profit margin, if any, but allowing brands and retailers to make room for necessary seasonal goods,” Lucas explained. “The off-brand retailers, though, are enjoying the additional cheap supply.”

While a recession in the U.S. isn’t a foregone conclusion, the risk is high. Elsewhere, the European continent is already deep into a recession due to war and energy. Chances of a recession in Asia are more challenging to predict and are the most sensitive to Covid-related lockdowns in China and Southeast Asian countries.

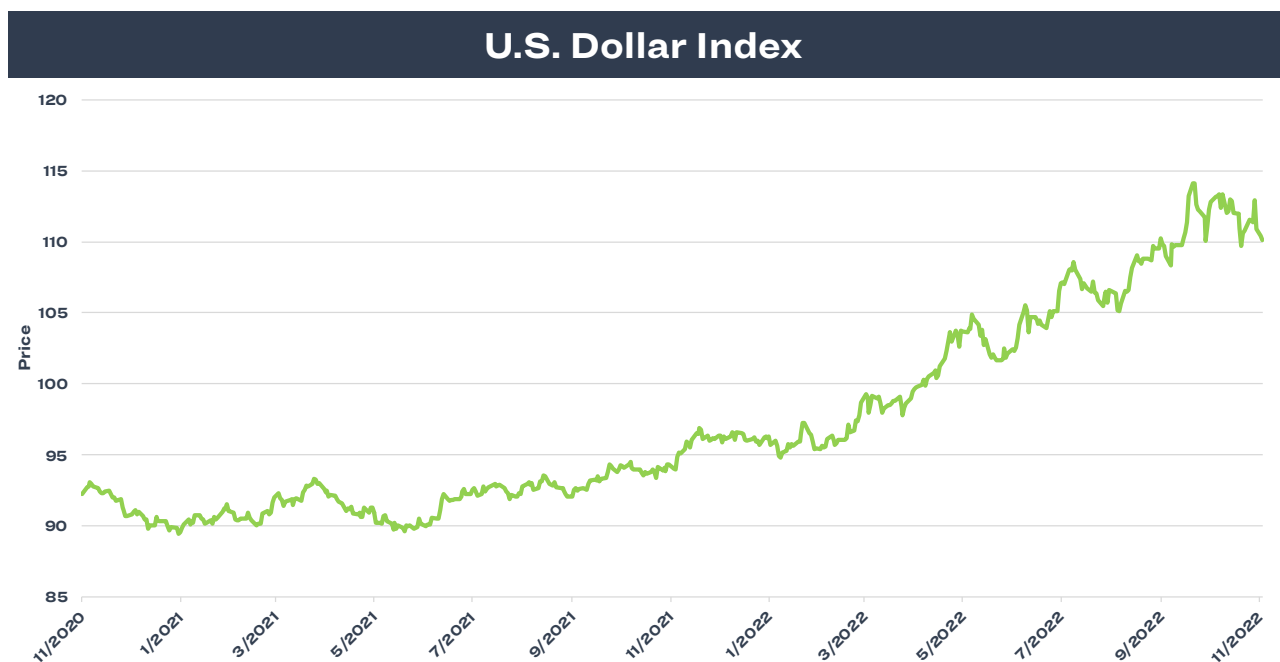
Likely Outcomes

Slowing demand has been tempered by crop problems in the U.S., Pakistan, Brazil, and India. Weather problems may have offset the loss in demand for most cotton, but cotton prices didn’t agree

“The unrelenting effort to fight inflation by the Fed is a drag on consumer sentiment and higher costs to consumers.”

for the late summer and fall of 2022. Not only did cotton prices plunge below production costs, they also gave up relative strength against competing crops such as soybeans, corn, wheat, and grain sorghum. Textile mills closely monitor prices to determine how much cotton is needed and whether current prices will attract sufficient acres to supply them. Ratios of competing crops compared to cotton are high, and growers in regions with choices, especially soybeans and wheat, will consider switching. The impact on cotton acres will likely depend on prices going into planting because crop insurance rates are derived from them, and growers will evaluate whether they can recover their production costs.

The fundamentals of cotton demand still present a strong case even though the path toward consuming 130 million bales globally will slow down for a while. Other things being the same, the outlook for U.S. cotton remains positive in the long run.



Source: Bloomberg

TRUSTED & VERIFIED

By JAYCI BISHOP

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The Trust Protocol is a program that offers brands and retailers the critical assurances needed to source more sustainably grown cotton by providing data on environmental metrics of U.S. cotton production and a fully transparent supply chain. The program's mission is to bring quantifiable and verifiable goals and measurement to the key sustainability metrics of U.S. cotton production with a vision where transparency is a reality and continuous improvement to improve our environmental footprint is the central goal. All growers who voluntarily sign up for the U.S. Cotton Trust Protocol and complete all requirements for enrollment have the potential to be randomly selected for verification. What does this mean for you? Simply put, it means someone could visit with you about your farming operation to ensure that your answers in the Trust Protocol agree with your actual production practices.



Ray Mason visits with a Control Union verifier during his 3rd party verification.

2nd PARTY VERIFICATION

- Conducted by the producer's marketer via online meeting
- Answer questions related to operation and production practices completed in the enrollment process

3rd PARTY VERIFICATION

- On-site verification conducted by Control Union verifiers with a PCCA representative present
- PCCA facilitates scheduling for convenience
- Takes about one to three hours from arrival to completion
- Simply verifying that the self-assessment and Fieldprint Analysis answers are what you actually do on your farm
- Can receive recommendations for continuous improvement of your operation

HOW DOES PCCA HELP DURING THE PROCESS?

- PCCA is here to help and support through the entire process from sign up to verification
- PCCA can help gather materials and be present during the verification to offer support

While these verifications can seem intimidating, they are a crucial part of the process. They allow the U.S. cotton industry to tell its story to the world. PCCA grower-owner, Ray Mason, shared his experiences with his third-party verification.

What was the verification process like?

"The verification was easy, especially if you have good records. I spent probably an hour in the office gathering stuff up to figure all this out. The John Deere Operations Center makes it even easier."

How would you encourage other growers to participate?

"They just need to sit down and look it over, and talk to some of us that have done it. I will gladly help anybody. It is not a big deal. If you're going to sell cotton, you better get on board."

Why is it important to be involved in the U.S. Cotton Trust Protocol?

"It's tooting our horn. It is showing the rest of the world that we are sustainable and that we are making an effort to get even better. A lot of these companies are saying they aren't going to use anything but sustainable products. That puts us in a good position over polyester. We can very easily say we are sustainable."

How does being involved in the program benefit your operation?

"It makes us wrap our mind around what we are doing. A lot of stuff we have been doing forever, and a lot of stuff we are having to go through and change the way we are doing things to manage our water and soil. This cover crop thing has changed the whole face of our farms. Since we have started the cover crops, we have seen nutrient increases. Residual nutrients are staying, and we aren't leaching anything out. We aren't washing anything off. If we do happen to get some spring rains, there's no issue with planting. In this country, we have to have a planting rain anyway. If you get just enough, these cover crops will move water further into the ground instead of washing off and going down the county road somewhere."

Why is sustainability important?

"We have been here 100 years; we would like to do it another 100. Sustainability is the only way we can do that."



U.S. COTTON
TRUST PROTOCOL®



Plains
Cotton
Cooperative
Association

How to Join: Introducing 3-year Enrollment

With a new streamlined process, grower enrollment is quick, easy and efficient, allowing your cotton to enter the supply chain sooner. Growers can now enroll their 2022 through 2024 crops.

- 1 Review and sign the privacy statement.
- 2 Select your gin, marketer, and crop consultant (if applicable).
- 3 Complete your farming profile.
- 4 Complete your self-assessment questionnaire for your 2022 farming operation.
- 5 Commit to strive for continuous improvements.
- 6 Complete your Fieldprint Analysis on fields that constituted at least 10% of your previous year's cotton fields and harvest data (i.e. data from the 2021 harvest).
- 7 You become a member of the Trust Protocol for 2022 and are eligible to market the 2022 crop as Trust Protocol Cotton.

Note: Growers who have completed Trust Protocol enrollment for the 2021 crop will only need to update steps 2, 3, and 4. All other requirements will be met.

Your data is secure and remains confidential, only being used in aggregate form. For questions, contact the Grower Help Desk at growers@trustuscotton.org.

The Benefits: Assure Global Demand for U.S. Cotton

Virtually all the top 100 global brands and retailers have created lists of sustainable raw materials and publicly committed that 100% of their sourcing will come from these lists over the next 5-10 years.

As a member, you can help the U.S. remain a leading producer of more sustainably grown cotton to global markets. The Trust Protocol's mission is to bring quantifiable and verifiable goals and measurement to the key sustainability metrics of U.S. cotton production. The vision is to set a new standard in sustainable cotton production where full transparency is a reality and continuous improvement to reduce our environmental footprint is the central goal.

The Trust Protocol has welcomed more than 600 brand, retailer, mill and manufacturer members including:

LEVI STRAUSS & CO. J.CREW GAP GILDAN®

Producers who enroll in the program and complete their data entry will also be eligible for a redistribution of program revenue.



Don't be left out. Get started today at TrustUSCotton.org

CLIMATE CHANGE & LABOR ON NCFC AGENDA

By **Chuck Connor**

The National Council of Farmer Cooperatives is the voice of co-ops like PCCA here in the nation's capital. Much like the National Cotton Council represents your interests as cotton producers and a cotton co-op, NCFC works with federal policy makers on the issues that directly impact farmer co-ops and their members. I would like to touch on just two of the issues that we are working on that I believe would be of interest to you.

The first is climate change. NCFC was one of the four founding members—along with the American Farm Bureau, National Farmers Union, and the Environmental Defense Fund—of a group called the Food and Agriculture Climate Alliance, or FACA. Founded back in early 2020, FACA was established to provide all parts of the food and agriculture a seat at the table on the issue.

An important part of FACA's work is to ensure that policy makers "get it right" when developing public policy on agriculture and climate. The group is guided by three core principles—policies must be voluntary and market- and incentive-based; outcomes must be grounded in science; and resiliency must be promoted to help rural communities adapt to climate change.

One of FACA's key achievements so far was developing a model for pilot projects that served as a model for the U.S. Department of Agriculture when they developed their Partnership for Climate-Smart Commodities. At the moment, FACA is also working on recommendations for the 2023 farm bill, including suggestions of how Congress should use the money for climate-smart agriculture that was included in the *Inflation Adjustment Act* that passed last summer.

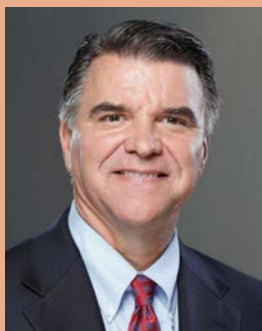
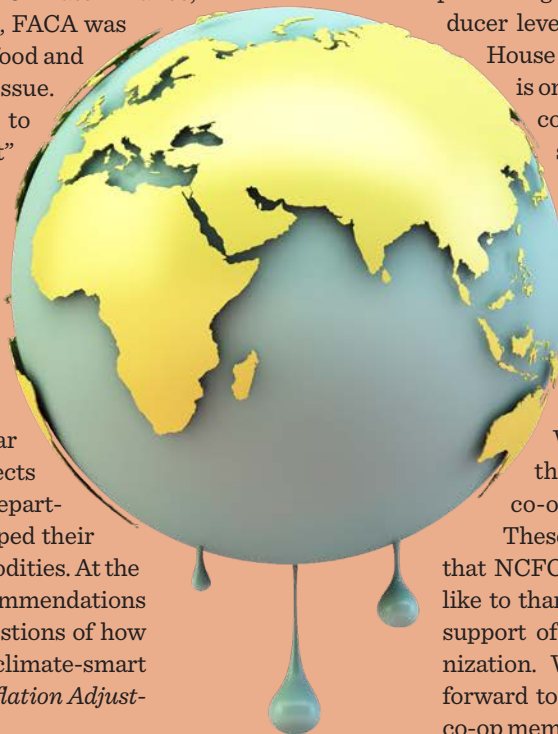
Based on the feedback from our co-op members, NCFC knows that, beyond FACA and what Congress may or may not do, climate change is an issue that is here to stay. Partners further down the supply chain continue to make carbon reduction commitments that they are asking suppliers, like co-ops, to meet. We know that consumers, especially young consumers, increasingly want to know how the food they buy or the clothes they wear impact the climate, the environment, and the community. In this regard, the cotton industry is in my opinion far ahead of others in agriculture with the adoption of the U.S. Cotton Trust Protocol, and I believe that the Trust Protocol will serve as a model for others in agriculture when it comes to communicating our commitment to sustainability.

The second issue I would like to touch on is labor. When I talk to policy makers today, it is hard to put into words the depth of the labor crisis that agriculture faces. By this point, they know about the farm-level crisis that farmers and ranchers face. But over the past year, labor issues have pushed past the farm gate—at NCFC's annual meeting last February, when asked what the most pressing issue was for their co-op, every CEO and chairman I spoke to said it was finding a workforce for the co-op.

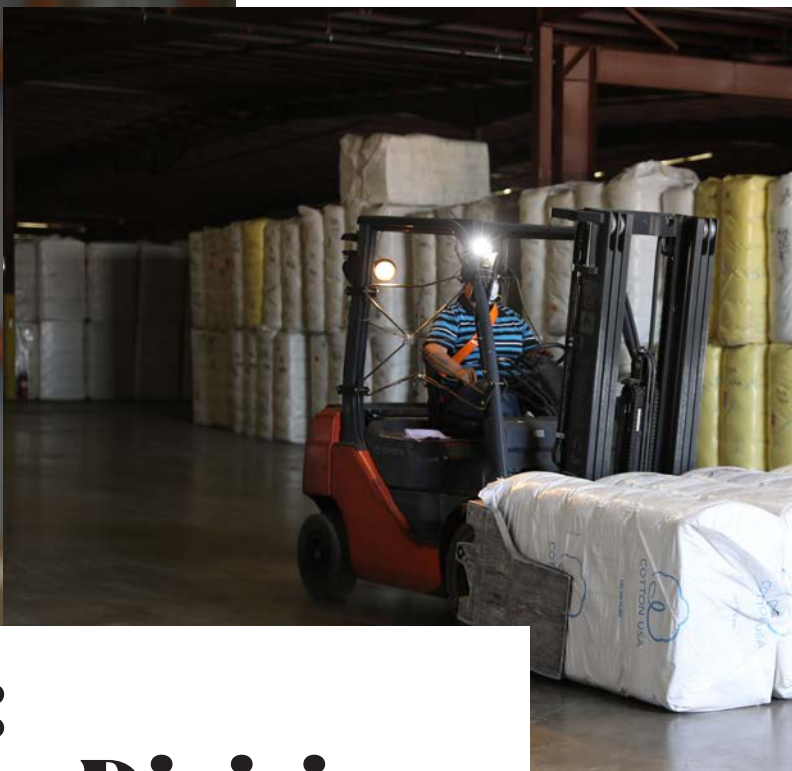
NCFC is taking a two-pronged approach to addressing this issue. For over a decade, the organization has chaired the Agriculture Workforce Coalition, which brings agriculture together to push Congress to act on labor reform at the producer level. With legislation having passed the House of Representatives last year, the push is on in the Senate, where a companion bill could be taken up during the lame duck session after the election.

On the co-op side, NCFC is working to ensure that any bill contains a provision that clarifies that certain farm-related jobs at co-ops are eligible to be filled by guest workers in the H-2A program. For other jobs at the co-op, NCFC has brought our Human Resources Working Group together to discuss the issue and share experiences across co-ops in search of a solution.

These are just two of the dozens of issues that NCFC works on for our members. I would like to thank everyone at PCCA for their strong support of and active engagement in the organization. We value the partnership and look forward to continued work on issues impacting co-op members.



Chuck Connor
President & CEO
National Council of Farmer Cooperatives



It's No Accident: PCCA Warehouse Division Makes Safety a Priority

By **Blair White**

It has been a season of wins for the PCCA Warehouse Division. During its annual evaluation with insurance company Texas Mutual, the cooperative received zero recommendations for improvements to its safety efforts. The fast pace of a warehouse receiving and shipping cotton can be hazardous, so this excellent news proves employees' hard work is paying off.

"Warehouse facilities are visited to better understand operations," said Eddie Gonzales, Texas Mutual Senior Safety Services Consultant. "During visits, employees are observed performing their duties. Visual observations are made of operations being conducted in the recognition of potential injury-causing hazards. Policies and procedures are reviewed to ensure safety programs are designed to address the most prevalent hazards observed."

There are many moving parts to keep improving, especially inside cotton warehouses. Texas Mutual was very satisfied with what they saw during their visit.

"Observations made of your warehouse operations revealed employees working in a safe manner throughout the facility," Gonzales said. "Forklift operator training was always up to date, and employees were conducting operations safely. Engineering controls were put in place to reduce the likelihood of injury to employees. Facility safety features were in place to prevent mishaps with the loading and unloading of trailers. Employee empowerment was noted with a safety committee being in place to address safety concerns and to promote safe working practices throughout the organization."



PCCA Compliance and Safety Coordinator, Forrest Doshier (left), and Sweetwater Plant Manager, Rafael Munoz (right), provide an on-site safety demonstration earlier this year.

Sweat Equity

Despite the significant improvements in the Warehouse Division safety record, efforts are still being made each day to make the safety programs better than they have ever been. Forrest Doshier, PCCA's Compliance and Safety Coordinator, and the Warehouse team, have voluntarily requested consultations from companies like Texas Mutual and OSHA. Many consultations are free and have proven to be a valuable resource for the cooperative.

"I like other people coming in and looking at our operations with a fresh set of eyes," Doshier explained. "They see things I don't, and that helps us get a better program."

Doshier and his team also have introduced improved training, safety incentives, pilot programs, and more. It is no small feat to receive such positive feedback from a safety evaluation, but the work is never finished. It takes vigilance from all employees to make sure operations continue running safely.

"Safety standards and regulations are always changing, and we have to stay current with those," he said. "It takes a consistent approach to do that. Annual reviews are one of the requirements that should be done. We have written safety

programs, the managers are doing training at the plants, and we are still trying to improve on their training skills by providing more education."

Being proactive is as crucial as having reactive policies and procedures. Employee education and feedback are the best ways to prevent incidents.

"A lot of it comes from education," Doshier said. "Sometimes employees don't understand hazards in the workplace, and identifying those hazards is a big step in making it safe. We are listening to our employees' concerns and we are taking action. We are coming in, doing training, and explaining why something may or may not be hazardous. Then they are seeing the changes being made to make their workplace safer."

Every employee at PCCA's warehouse facilities, whether in an administrative position or hands-on labor, undergoes training in safety fundamentals and tailored content for each job. Increased safety means less downtime from injuries, resulting in lower insurance premiums that save PCCA money and add value to grower-owners' cotton.

Tomorrow's Plans

PCCA is focused on being the cooperative of the future for its growers. Achiev-

ing that goal means managing risks in every part of the company. Tomorrow's plans call for innovative thinking today.

"I have several goals," Doshier said. "Number one is being able to continue the downward trend on our numbers. Number two, I'd like to see us establish two training centers where we bring new hires to complete their training with bilingual instructors. As you progress through your career, you could come back to the training center and display your skills and move up through different levels in the warehouse. I'd also like to see us create a leadership academy for people who would like to advance in the company."

Doshier's plans are not just conceptual. Some concrete actions he and his team have been making include creating pilot programs, enrolling in additional OSHA safety resources, and gaining continuity between warehouse plant operating procedures. Putting in sweat-equity to go the extra mile makes all the difference in making PCCA's warehouse facilities a safe workplace.

"My other goal is to get us in the SHARP program (Safety and Health Achievement Recognition Program) through OSHA for small businesses," he said. "If you are involved in that, they

already know you are working toward the safety standards you need to be. That would get us an instance where we wouldn't have to have a compliance officer come to the facility, just someone to do a consultation."

Effective communication and continuity between plants is vital.

"Because we have so many different plants, one of the things we are working on is getting our standard operating procedures down in writing and consistent from plant to plant," he said. "So, if we are bringing crews down from Kansas to Texas, we want everything to be consistent except for the few minor things that are naturally different because it's a different plant."

No matter the location, one thing remains true — every action is designed to add value to grower-owners' cotton. Safety plays a vital role in keeping operations running smoothly and efficiently while providing additional opportunities to put more money back into farmers' pockets.

Defining Safety

Courtesy of LADWA Solutions, Inc.

There are many moving parts in a cotton warehouse, and so much effort goes into making them as safe as possible for employees, but what does safety really mean?

Accidents – an unexpected event that results in serious injury or illness of an employee and may also result in property damage.

Near miss – a narrowly avoided accident.

Incident – An instance of something happening, an unexpected event or occurrence that does not result in severe injury or illness but may result in property damage.

All accidents are incidents, but not all incidents are accidents (which happen about 2% of the time). They have in common that both events are unplanned and can cause damage to places or things. So, an incident can involve a near miss, where someone narrowly avoided injury or illness, but it's an accident if a severe injury occurs.

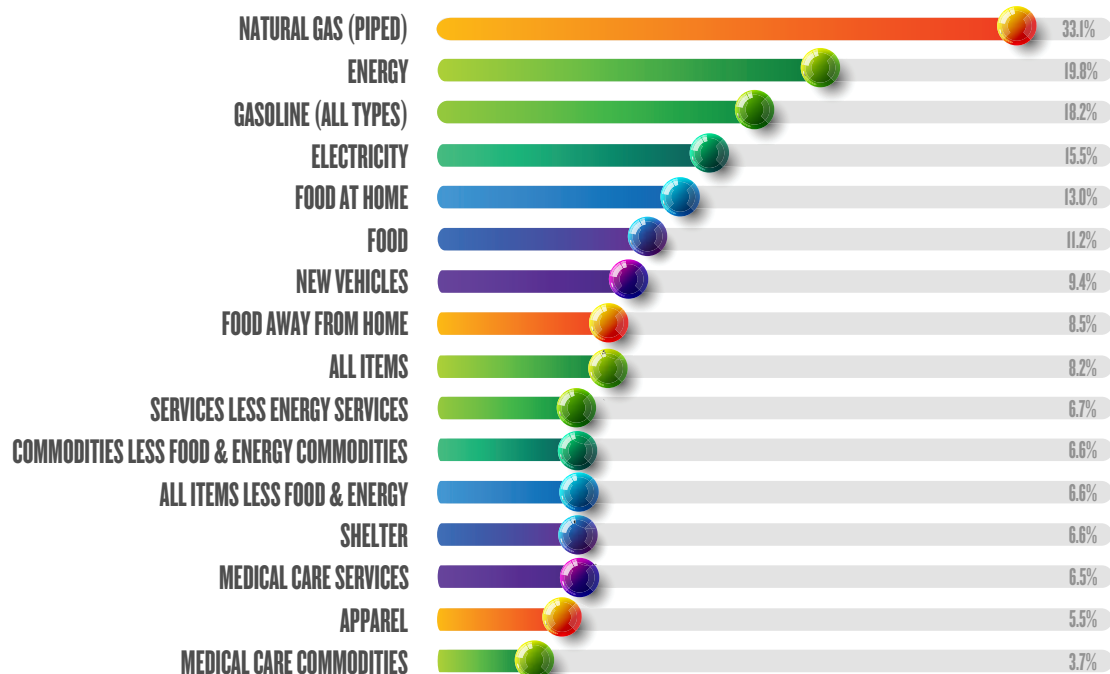
Ultimately, every incident that occurs provides the potential for a future near miss or accident. To reduce the number of incidents and accidents that take place, implement a health and safety program that:

Identifies hazards – by reviewing employees, tasks, tools, and the environment, it is possible to identify hazards and risks within a workplace.

Implements controls – by implementing controls, it is possible to minimize the occurrence of incidents and accidents.

Investigates incidents – the importance of incident reporting should not be underestimated. When an incident is correctly reported and investigated, it ensures the root cause is found and that additional measures can be implemented to avoid a reoccurrence.

Economic Dilemma: Consumers Battle Inflation and Interest Rates



It is no secret money is tight for consumers and businesses alike. Effects of pandemic-induced inflation and supply chain issues linger years after they were supposed to be resolved. How did we get here? Stimulus checks during the temporary economic shutdown helped Americans and delayed the inevitable circumstances consumers are facing today. It is classic inflation: too much money chasing too few goods.

No individual or business is immune to rising prices. PCCA sees these effects through increased shipping costs, labor costs, and interest rate increases that hinder the ability to export cotton. Similarly, growers are hit by rising input costs across the board. Even though inflation does cause commodity prices to rise, producers' bottom lines do not reflect it. So, the cotton may be worth more, but it does not mean anyone is making more money.

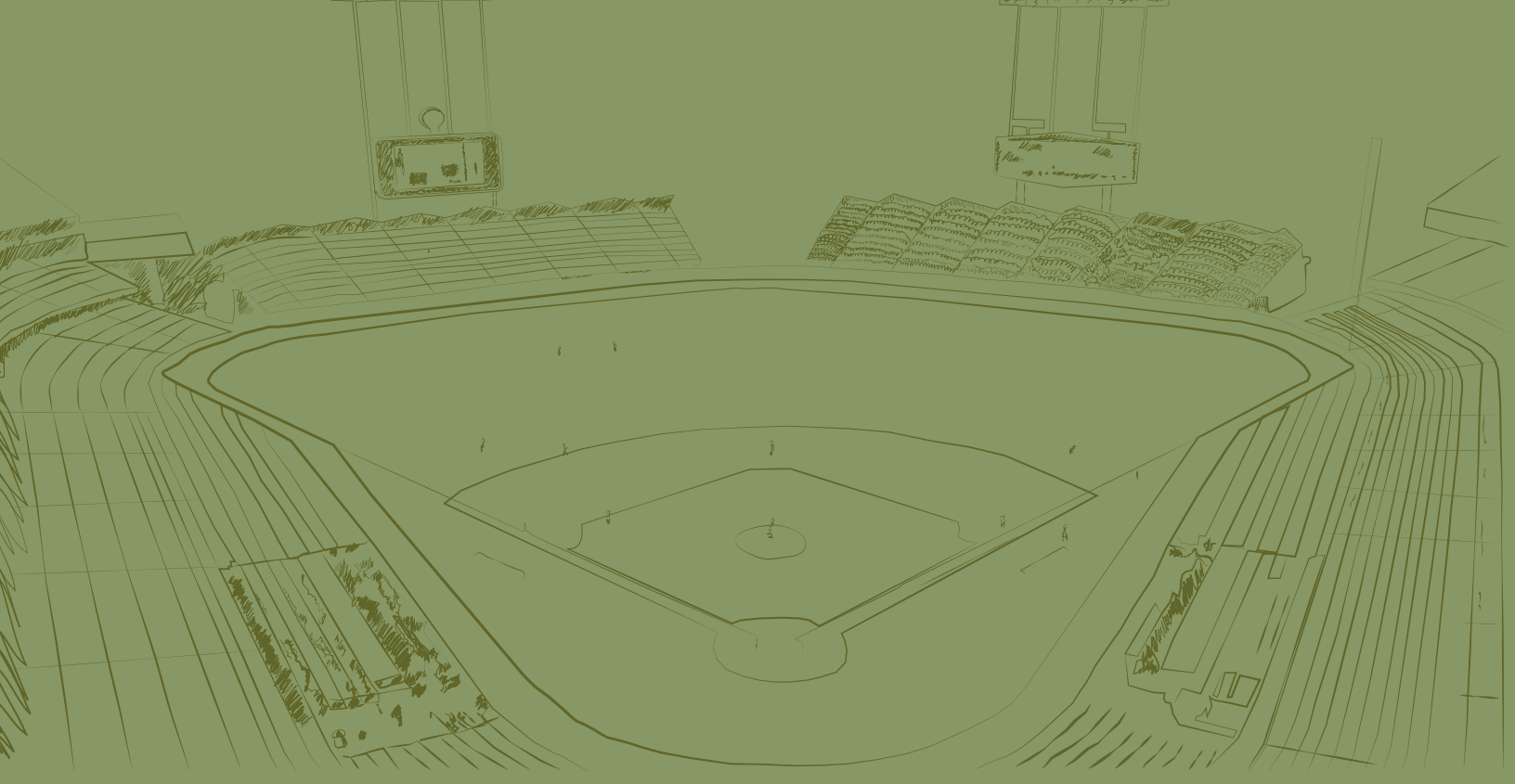
The Federal Reserve is the ultimate driver. It is responsible for anything that happens with monetary policy or regulating the financial system in the U.S. (cfr.org, 2022). The Fed adjusts the money supply during financial or economic problems, influencing consumer spending. Though it may seem as if the actions taken by the Fed in recent years are the first of their kind, the institution also employed similar measures during the financial crisis of 2008, also known as "The Great Recession."

Will the Fed change interest rates for the sole purpose of slowing down purchasing? Yes. When consumer purchasing slows down, inflation can decelerate as the number of goods available increases. Consider the used car market. When loan interest rates were lower, car lots quickly emptied because manufacturers could not keep up with inventory demands. Those same lots have slowly started to fill up again because higher interest rates have discouraged consumers from making large purchases. The same effect can be seen in the housing and farm equipment sectors.

Recent data collected by Cotton Incorporated's Inflation and Supply Chain Survey showed that 66% of consumers are very concerned about the economy. The top concerns are the prices and availability of everyday expenditures such as food and fuel. Respondents also shop differently by purchasing less of the items they want and finding deals through generic brands and lower-priced retailers. Unsurprisingly, 84% said supply chain shortages had impacted them, causing consumers to pay attention to retailer inventories (Cotton Incorporated Lifestyle Monitor, August 2022).

Is a recession the answer to calming high prices? Perhaps, but few want to experience an economic slowdown. It's truly a dilemma for the Federal Reserve.

Sources: Cotton Incorporated Lifestyle Monitor, Council on Foreign Relations



A Year to Stay on Base

By **Aubry Heinrich**

“Base hits win games.” The old baseball adage still rings true in more ways than one. The strategy is simple. The more base hits, the more opportunities your team will have to score.

Farmers should be looking to get on base, not score the game-winning run with a grand slam of a bumper crop for 2023. Being efficient with resources will help sustain their operation to the next year and keep producers winning the game. Prices for all significant crop inputs have reached historically high levels, and they are here to stay, according to Justin Benavidez, Ph.D., Assistant Professor, and AgriLife Extension Economist.

“Everything is more expensive. I don’t think it is a secret to anybody, farming and non-farming,” Benavidez said. “The big concern is that even though prices have gone up for most commodities, input prices are up as well. Input prices rose at a faster rate than the price of a lot of our commodities. So, that is really pressuring margins. Profitability is being stretched, even though our prices are really high.”

Inputs like fertilizer, fuel, and irrigation reached extraordinarily high rates in the 2022 crop year due to uncertainty, market volatility, and product availability. Unfortunately, farmers are still experiencing these after-effects and can expect to see them again in the 2023 crop year.

“Relatively, few people produce inputs,” Benavidez said. “The market structure of input production differs from commodity production. A lot of people produce cotton. So, we are looking at a perfectly competitive market for cotton producers versus a less competitive supply market. So, input prices tend to stay higher longer. They may not stay high forever, but historically input prices will stay high longer than our crop prices.”

Benavidez offers some advice for growers looking to mitigate these expenses and maximize their profitability.



Justin Benavidez, Ph.D.
Assistant Professor and
AgriLife Extension Economist

“This is a year to spend time with your data,” he said. “You can’t manage what you don’t have data on. Spend time and know what is going on at the field level. You could be leaving money on the table if you mismanage input use, whether through overapplication or underapplication. It is not really an environment where we are going to try to push our inputs to make a bumper yield, but one where we use the fewest inputs possible to maintain normal yield,” Benavidez said. “It is important to sit down and look at what has worked for each field. Spend some money on testing. Where you can, do more tailored soil sampling. If you don’t know what parts of your fields need tailored fertilizer application, you are likely over-applying in some places and under-applying in others. That is not optimal. It is very likely an increased soil sampling survey will yield you more information, and

that may save you dividends on that input application going forward.”

Producers need to know where to make efficient cuts to their input usage once the field data is collected. Some areas of an operation are more economically practical to cut back on without impacting yield and quality.

Benavidez points out that the price of each is a good place to start. For example, cutting 1% of fertilizer will count more than 1% of a cheaper input when allocating production dollars.

If producers go up to bat prepared to hit the ball out of the park, they will miss the knuckleball. Being intentional with resources and utilizing data to maintain yield and quality could be farmers’ key to winning the next crop year.

“It is a year to stay on base,” Benavidez said. “The more people you get on base over time, the higher the percentage you are going to win.”

Resources for growers to utilize their collected data and analyze the operation’s profitability:

Texas A&M AgriLife Extension Crop Profitability Analyzers

Amarillo.tamu.edu

Lubbock.tamu.edu

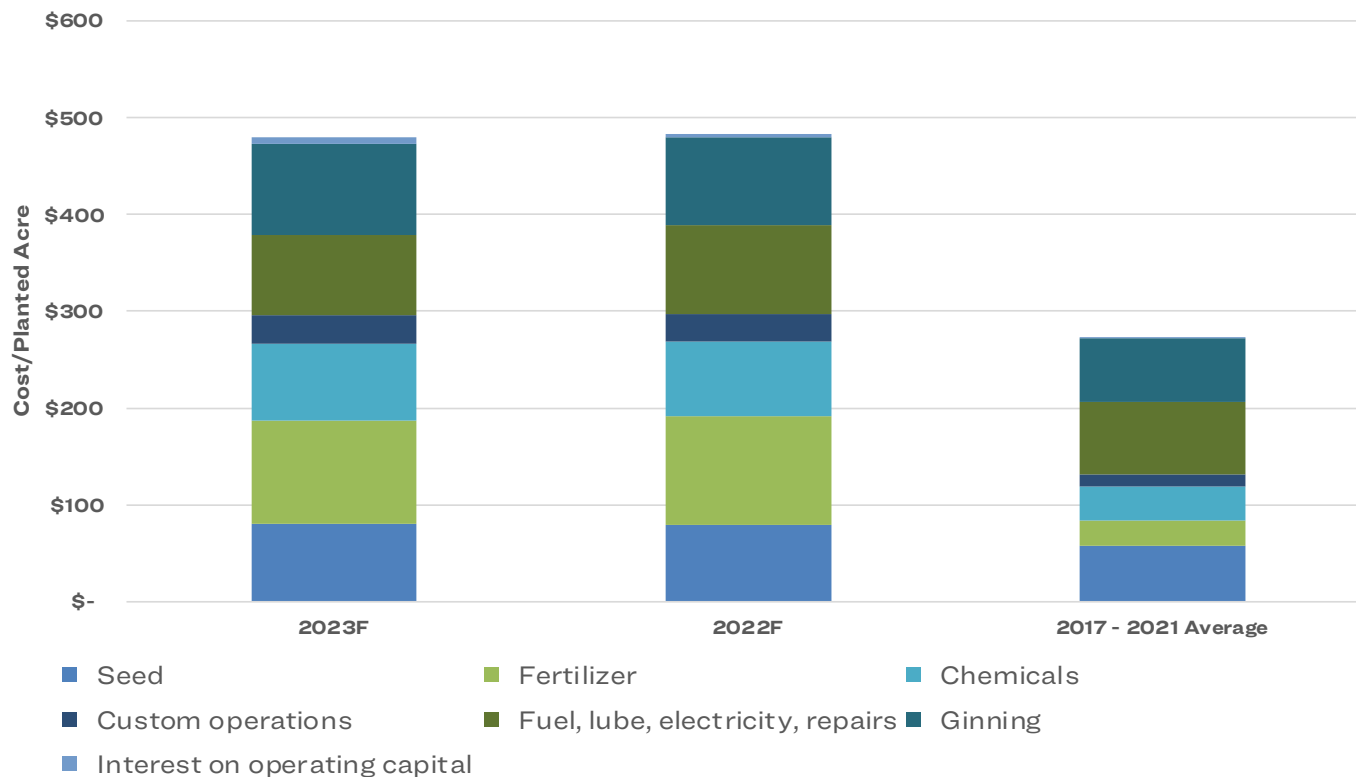
Resources for producers looking to collect metrics on their farms:

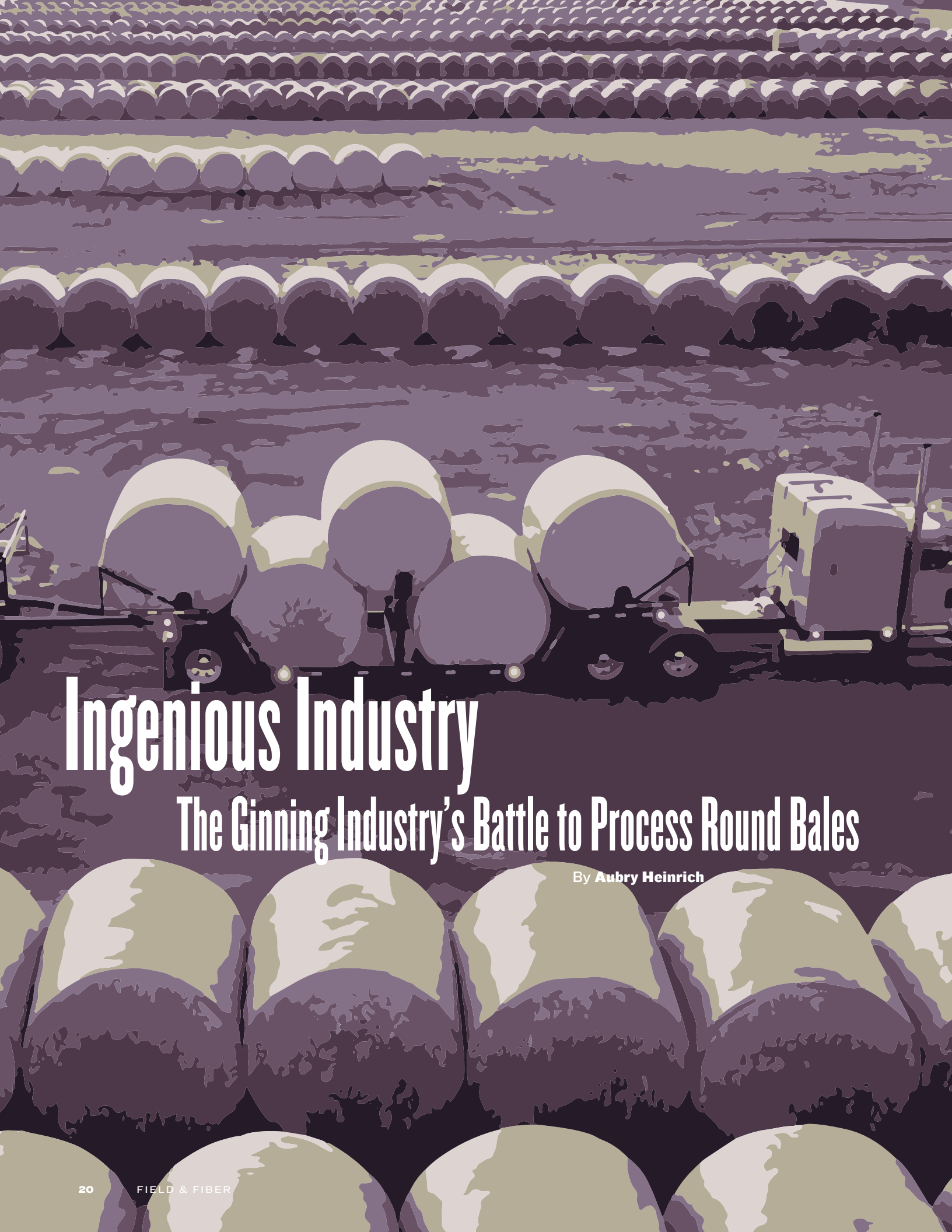
Texas A&M AgriLife Extension Crop and Livestock Budgets



Cotton Production Costs

Great Plains and Southern Plains, USDA Economic Research Service





Ingenious Industry

The Ginning Industry's Battle to Process Round Bales

By **Aubry Heinrich**



Editors Note: A lot has changed since John Deere introduced its round bale-building stripper in 2014. The all-in-one harvester technology is the sole offering from the manufacturer and accounts for well over half of all equipment in use. We talked to cotton gin managers to learn how they handle old versus new technology.

“I don’t think any gin has a problem adapting to something. Much like our producers, we are just so ingenious,” said Larry Black, Central Rolling Plains Co-op Gin Manager. “When you throw a problem at us, we can solve it; somehow, someway, we will figure out a way to take care of it and try to do it as efficiently and economically as possible. The game keeps changing. That’s the hardest part, but we have adapted.”

Cotton gins are adapting to modern harvest technology of all-in-one, round bale machines such as John Deere’s CS770. The logistical differences between ginning conventional modules and round bales require gins to develop their own efficient methods of processing both types.

Getting the round bales from the field to the gin requires creativity. The shape, size, and plastic wrap aren’t designed for conventional module-hauling trucks. According to Black, developing plastic-friendly chains that don’t tear the wrap during loading and unloading was essential to maintain the bale’s integrity. Keeping the wrap intact helps the gin minimize contamination.

“John Deere has now introduced a machine that produces a larger module,” Black explained. “We have a couple of CS770 machines, and those bales have not caused us a problem yet. But, the producers have not made the bales as big as they can just yet, either. That’s causing issues because they don’t fit in the module truck. If you put them in the truck, they tear the plastic up on the side wall. It will then move on to breaking the module, and the chances for contamination are huge.”

Some gins have chosen to forego the traditional module trucks altogether and use a different method for hauling their producers’ round bales - flatbeds.

“We’ve selected to go away from most module trucks,” said Craig Rohrbach, Parmer County Cotton Growers Gin Manager. “If you elect to do that, you are hauling them on flatbeds, which is a lot less expensive unit, and you are bringing in two and a half times the cotton.”

Like any module, once the bales have made it to the gin, they will be stored on the yard until they are ready to be ginned. The plastic wrap around the bales is designed to provide weather protection while they wait. The round bales give gins and produc-

Continued on page 22

“It’s pretty simple. We try to offset those expenses by doing it more efficiently. By keeping our expenses low, we are ultimately able to return more to our producers.”

ers an advantage because plastic wrap offers security.

“The round bales are becoming a little more favored,” Black said. “Simply because they will stay drier. If they stay drier, that is less fuel the gin has to use to dry the cotton.”

“One thing I love about the plastics is there are no tarps that blow off,” Rohrbach said. “You don’t lose cotton. If it does rain, it’s protected better than it ever has been. So, if the farmer harvests it dry, it is a huge advantage, and you don’t have to be as concerned about it sitting for a number of weeks on big years.”

While the wrap has advantages, plastic contamination has been an enormous hurdle for gins to jump in processing round bales. Nicks and tears of the protective wrap can flow through the gin and contaminate the cotton. Gins have implemented module unwrappers to aid in removing the plastic wrap safely and effectively.

“We elected to install a new style of unwrapper that allows us to load the round modules with the round side first. This new equipment eliminates a lot of contamination because the plastic is

removed all in one sheet,” said Rohrbach. “We don’t have little pieces of plastic that get cut in the wrong spot or have to take them off. When you take the wrap off, the loose cotton falls right onto your module feeder. It’s cleaner, and you don’t have to have people sweeping the whole time. It prevented me from having to add another person on our module feeder, so we saved labor. The new unwrapper allows us to be more consistent with less horsepower.”

There are multiple bale unwrapper designs on the market for gins. Some managers have decided to include additional equipment such as a double posi-flow on their module feeder to accompany their unwrapper, allowing a continuous flow of cotton into the gin.

Modernization comes at a price. Equipment such as bale unwrappers and metering systems are expensive. While co-op gins strive to be as efficient as possible, the costs of adaptation are unavoidable as more producers implement round bale machines in their operations.

“The round bales have been a major cost to the gins,” Black said. “We had to change the chains in all the trucks. Our module feeder had to be changed. We installed an opener to remove the plastic from the bale.”

Parmer County Co-op Gin, Central Rolling Plains Co-op Gin, and many other gins aim to bring as much money back into their growers’ pockets as possible at the end of each season.

“It’s pretty simple,” Rohrbach explained, “We try to offset those expenses by doing it more efficiently. By keeping our expenses low, we are ultimately able to return more to our producers.”

Farmers can find comfort in knowing their gins are doing their best to adapt to the ever-changing circumstances and add value to their crop.

“We’re adapting as quickly as possible,” Rohrbach said. “If you are not getting bigger, faster, and more efficient, your costs are going to skyrocket, and you’re not going to be able to pay back to the producer.”



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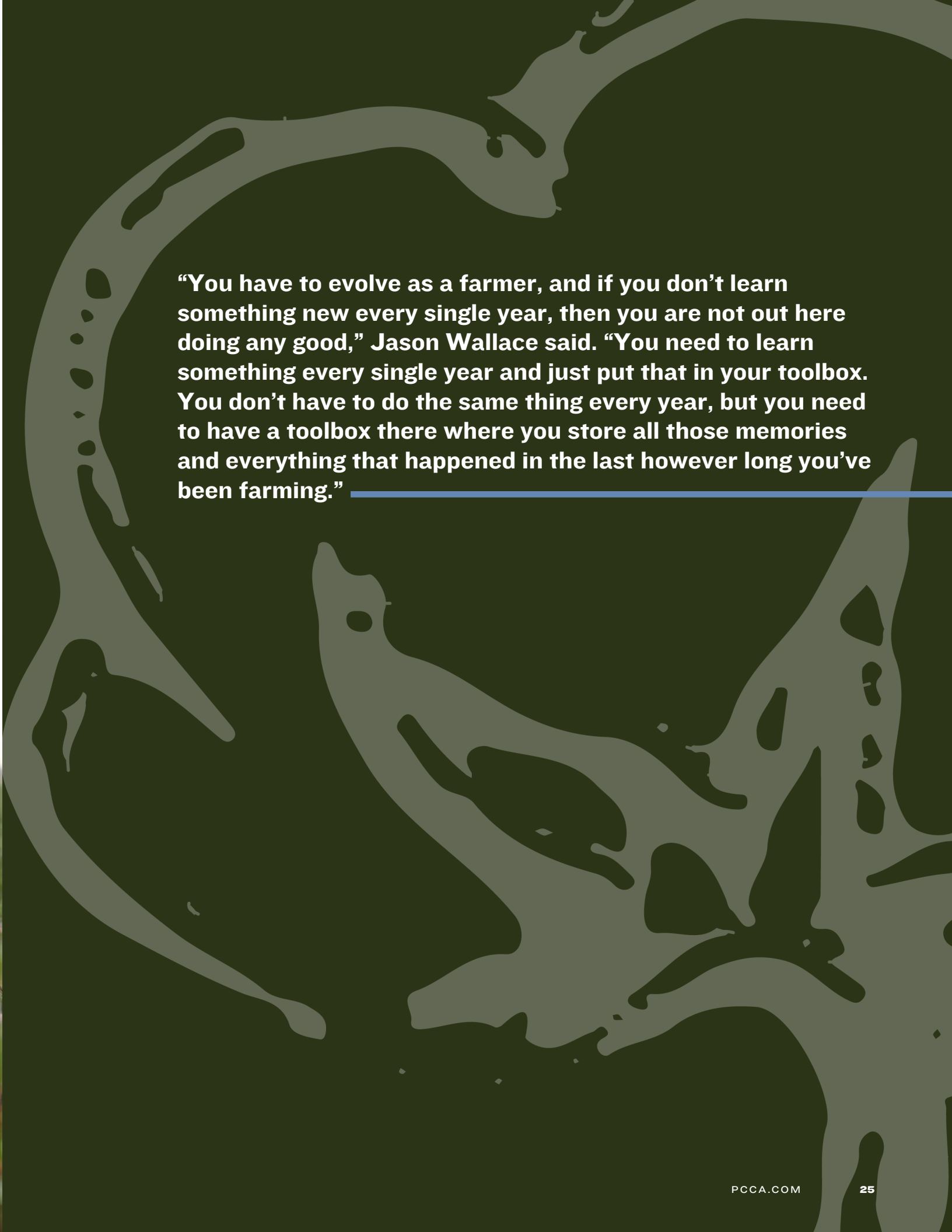
We are here to help with scale ticket software, module tracking, gin accounting, gin patronage, technology solutions, support and training, inventory control, point of sale and more.

Put it in Your Toolbox:


WALLACE BROTHERS FARMS

Story & Photos By **Jayci Bishop**





“You have to evolve as a farmer, and if you don’t learn something new every single year, then you are not out here doing any good,” Jason Wallace said. “You need to learn something every single year and just put that in your toolbox. You don’t have to do the same thing every year, but you need to have a toolbox there where you store all those memories and everything that happened in the last however long you’ve been farming.”



The Wallace Brothers' toolbox is full of experience, hard work, and lessons from themselves and the generations that came before them. Jason and Kelby Wallace are continually adapting and looking toward the future of their farming operation. "That's the way we have always done it" is not a phrase they often use. Their fourth-generation family operation evolved from what it looked like five or 10 years ago and is wildly different from when their dad, uncle, and grandfather were farming. Today they work together to farm cotton, wheat, rye, and alfalfa in Blair, Oklahoma.

"Farming has changed a lot in the last 10 years here," Jason explained. "We used to be conventional till, furrow water irrigation with some pivot and a little bit of drip. Now we have changed that to trying to run everything through cover, trying to build up the soil."

Over the past 10 years, the Wallace Brothers have improved soil health by switching to air-injected dry fertilizer rather than solely relying on anhydrous ammonia. The changes in practice have paid off through better yields. Incorporating no-till practices into their operation provides other benefits besides more pounds. Before no-till, they struggled to control the sand blowing after a storm to protect their crop from destruction.

"We have a lot of sandy, highly erodible soil around here," Jason said. "So when we start putting that cover crop in there and building that organic matter back up in that soil, the wind could be blowing 40-50 miles per hour out here, and I am confident my cotton is protected down there because it's down in its little shield with the stubble. That's just one aspect of it. Another big one is increased weed suppression."

Soil fertility and profitability can go hand in hand. The Wallace brothers also have implemented variable rate applications since 2010 to help improve their bottom line.

"We have actually been seeing it is overall, across the board, acre-per-acre, cheaper than if we were just going out there and throwing 200 pounds of this and 200 pounds of that," Kelby said. "That has been cost-efficient for us big time. Not working the ground as much anymore, tractors and plows, and not burning that diesel every day. That saves a lot of wear and tear on our tractors and equipment. We only go across our ground three times on our irrigated and when we are spraying in the summer, so that is saving us a lot."

Their dedication earned them the Stoneville Legacy Club Award for irrigated and dryland cotton for the Southwest district last year, as well as a place in the FiberMax Cotton's One Ton Club. As growers in the Lugert-Altus Irrigation District, water management has been a big focus for them in recent years.

"Water has become a big issue," Jason said. "How to conserve it and use less inches per year, so we have some for next year or vice versa. The way things are going, water is becoming more and more of an issue. If we can figure out how to make bigger yields off of lower inches of water applied per year – that's a win for everybody in this whole area down here."

Not only do Jason and Kelby work to increase efficiencies on the farm, but they also try to minimize expenses where ever possible to mitigate high input costs. They

both agreed that rising production costs are one of the biggest challenges farmers face today.

"The input costs are a challenge just on anything," Kelby said. "It seems like you can't even buy a bolt for a drill now that is less than \$20. Just probably the costs – and you have to be careful on what you spend and how your crop looks and what you are going to make because a guy could go backward really fast if he did not keep up on it."

"Today, it's all about that bottom dollar, and it's tougher and tougher. With higher yields, you need a decent price still, and it's tough to make it pencil out at the end of the day with rising input costs," Jason said. "Fertilizer and diesel are through the roof this year. That's going to play a big role in what people do. But fertilizer is one of those things that we don't ever back off on that. If we are going to cut corners somewhere, it's not going to be on the fertility side or the soil health side; it's going to be somewhere else. So you may not need to buy that new tractor this year. Let's run the old ones and let's dump our money into our farm."

Supply chain issues are another hurdle growers are facing in today's economy.

"You can go down to our local John Deere dealership right now and you cannot buy anything you want as far as new product," Jason explained. "You are having to order one to two years in advance if you want a sprayer, a shredder, or a tractor. The availability of equipment has really suffered, and so has the cost of them. In the last 10 years, these used tractors have gone up maybe 300% and that is making it really, really tough. You're still making three-bale cotton and selling it for 80 cents like you were four and five years ago, but yet your tractor went from being \$200 thousand to \$400 thousand. That's going to cause some issues."

Good farm management extends beyond the farm. According to Jason, a lot of business, financing, and planning go into a farming operation.

Continued on page 28

"Today, it's all about that bottom dollar, and it's tougher and tougher. With higher yields, you need a decent price still and it's tough to make it pencil out at the end of the day with rising input costs."



Kelby Wallace





Jason Wallace

"You learn from being a kid to actually being a farm manager on your own how much business is involved in it," Jason said. "You're not just out there kicking dirt clods all the time. You've got to be in town, you've got to be at the FSA office, you've got to be working. Cotton Incorporated and PCCA have been great for the young farmers in the area, keeping us up to date on a lot of what's going on. Jeremy Gifford with PCCA has probably been one of my best assets on the marketing side. We've really done well the last 10 years on the marketing side of things, promoting our cotton and getting it sold for the best prices we can get."

The Wallace brothers have historically marketed their cotton on The Seam®. However, they have recently added a new marketing option from PCCA to sell their crop.

"We have sold all of our cotton pretty much in the last two years to PCCA Direct," Jason said. "That was kind of a new thing a few years ago. I always just sold ours on The Seam. That's just what we've always done. We weren't ever really marketing pool guys. I feel like we had different options there and I felt better about marketing our own cotton

on The Seam with Jeremy's help. We've done that and it's been great for us. Then a few years ago PCCA came out with the direct bid program and they contacted Humphreys Co-op, which is where we take all of our cotton. They felt comfortable enough to kind of test the waters with us and throw some bids at us personally and we did that and I felt really comfortable with it. The last two years now, we probably sold at least 95% of our cotton to PCCA Direct. It's been a really easy process."

Whether it be marketing or agronomy decisions, one common factor is required for a successful farm – hard work. Both Jason and Kelby are trying to instill this trait in the next generation of their family.

"Definitely hard work. Nothing is going to be handed to you free in life," Jason said. "The other deal is try and live outside of being comfortable. Nothing great has probably happened in your life if you weren't a little uncomfortable. You've got to be willing to change things. Reach out a little bit."

Working hard is for much more than the bottom dollar; it is for the future of their farm and family. Jason and his wife, Lacee, have two children: Ava (10) and Wager (7). Kelby and his wife Macie have two boys, Hagen (7) and Braxton (5), and they hope to pass on the family tradition one day.

"I would like to get one day where if our kids did want to farm, that I would be able to help them out where they wouldn't have to start from scratch," Kelby said. "The way the world works today, I couldn't start from scratch right now even knowing what I do. So we are trying to pick up more ground, what ground we own or buy ground. Hopefully one day if they do want to farm they'll have the option to do that."

Two brothers working alongside each other day-in and day-out can be both rewarding and challenging. For the Wallace brothers, it is all about balance.

"We kind of balance each other out," Kelby said. "I hear about a lot of people that farm together and they are together every day and they struggle and fight. My brother and I fight all the time but

it's just over something – whether he thinks it's not planting deep enough, too shallow, and I'm adjusting it. We get along really good."

"Me and my brother are nearly complete opposites, most people would say," Jason said. "It's kind of funny. We bring different aspects to the table and that makes it work really well for us. Another thing I enjoy is being around my nephews. He has two boys also. My son and his boy are three weeks apart, so they're like twins. It's just great to have family surrounding you in business, especially on years like this when times are tough and it's hard and we haven't had any rain. You need that family support to keep everybody going as a whole. So being able to farm with my brother and family the way we have for four generations now means a lot."

Family, lessons, and experience are all tools for a successful farming operation. The Wallace brothers remain focused on what is important and continually plan for the future. The motto on their farm is, "A good end to a crop a year from now starts today."



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Dahlen Hancock,
PCCA Board Chairman

Darryl Earnest, Deputy
Administrator for the U.S.
Department of Agriculture - AMS
- Cotton and Tobacco Program

Flagship Facility: New Lubbock Cotton Classification Complex

By **Aubry Heinrich**

If you want to turn cotton into cash, the process starts with timely, accurate classing from USDA's Agricultural Marketing Service that just launched its most high-tech laboratory in Lubbock.

In partnership with Texas Tech University, the USDA/AMS Cotton and Tobacco program opened the new Lubbock Classification Complex in September of this year. Bigger and better than ever, this flagship facility is equipped to process and class up to five million samples annually and simultaneously be AMS's most energy-efficient. The 30,000-square-foot building is equipped with the latest equipment and technology.



“It has the capacity to class upwards of 60,000 samples per day, with room for expansion if needed,” said Danny Martinez, Area Director of the USDA/AMS Cotton and Tobacco Program Lubbock Classification Complex. “The automation will enable the operations not to be as dependent on manual labor while optimizing the instruments throughout. This will help us to class the sample recipients accurately and timely.”

The automation systems the facility is utilizing are only available in four other classing labs, which maintains growers in the area receive the most accurate and prompt information about their crops. The program is not sacrificing efficiency for uniformity. The equipment is frequently maintained and calibrated to confirm consistency in grading every sample.

“The operation uses an analytical-based quality management system that uses known-value cotton samples and materials throughout each shift to ensure all instruments are operating on the target levels for accuracy and consistency,” Martinez said.

Not only can the Lubbock Cotton Classification Complex process cotton samples quicker and more exact than ever, and it is also more energy efficient.

“This new facility will be a model for others to follow for cotton sample conveyance and energy efficiency,” Martinez said.

The laboratory needs to maintain a consistent temperature and humidity for precise grading. Heating and cooling this area can provide an energy efficiency challenge. However, the space uses the least amount of resources to heat, cool, and operate the building’s systems.

“Mechanical Engineers incorporated features and equipment into the designs of this facility to increase energy efficiency,” Martinez said. “In cold weather, the outside air temperature is used to cool the water. When this occurs, the chiller shuts off, and natural cooling takes place. The laboratory has been designed with Insulated Concrete Forms (ICF) walls which create an insulated cooler effect that minimizes energy consumption.”

The Lubbock laboratory is also set apart from all other classing facilities through its partnership with Texas Tech University.

“The facility is the only USDA AMS Cotton Classing Facility on a university

campus,” he said. “We established the relationship with Texas Tech University to foster an impactful three-pronged approach of education, research, and employment moving forward.”

The cotton industry and Texas Tech have a long-standing relationship. The USDA partnership will allow the classing lab access to the resources the university has to provide.

“With the Lubbock Classification Complex being located on the Texas Tech Campus, it provides us with an opportunity to work with the university Fiber and Biopolymer Research Institute in cotton classification research,” Martinez explained.

Texas Tech University, USDA, and Martinez have great plans for the possibilities of the new classing complex.

“One of our visions was for the facility to be a teaching and learning facility – where cotton measurements, technologies, and utilization can be developed and improved,” Martinez said. “Where fields like engineering, analytics, textiles, material handling, and process control can be cultivated and enhanced, and where cutting-edge improvements can be realized.”

The classification process is an essential step in the marketing process. According to Martinez, the mission of this new facility is to provide the cotton classing service to growers for the fair and equitable marketing of their crop.

“The vision of USDA is to improve all facets of the classification process, such as the quality and efficiency,” he said. “This facility has many years of cotton classing experience incorporated into the design, and it is a model for future facilities.”

Martinez wants to reassure farmers the new classing office will significantly benefit their operation, especially during the big crop years.

“We will provide the cotton industry with a very efficient and accurate classing service,” he said. “We look forward to the future of our facility when we can handle the type of volume of samples the Lubbock region is usually known to produce.”



Tough Year Highlights Importance of Understanding Crop Insurance Options

By **Shawn Wade**

Managing the risks associated with modern, capital-intensive agricultural enterprises requires risk management tools easily adaptable to meet the rapidly shifting needs of producers.

Fortunately, the federal crop insurance program has been able to meet that challenge through its unique public-private partnership, broad-spectrum policies with powerful internal adjustment mechanisms, and a system that encourages new product development to meet the evolving needs of the agriculture industry.

The financial risks faced by farmers are astronomical and their margin for error narrower than ever before. Increased costs and volatile markets on top of weather, which is the oldest challenge of all, puts a laser focus on every decision that is made on the farm.

Though not as visible as the seed and mechanical technology that has advanced agriculture to levels of productivity previous generations could scarcely imagine, crop insurance and the plans made in the area of risk management are arguably some of the most important decisions a farmer makes each year.

Risk management products available to producers through the federal crop insurance program are unsurpassed and provide farmers a tremendous level of flexibility to fashion risk management portfolios that meet the unique needs of their operation.

Today's crop insurance products not only help producers overcome the devastating impact of a crop lost to extreme weather, but also offset a portion of the financial loss caused by falling markets.

Like most of the insurance purchased on the major commodity crops, a majority of the insurance obtained by cotton producers through the federal crop insurance program is revenue based. With revenue coverage, the insurance policy incorporates the ability to adjust to changes in price alongside the traditional yield coverage mechanism. Since its creation in the early 1990's, revenue-based policies have firmly established themselves as the foundation upon which most producers build their risk management program.

Policy Options That Enhance Both Yield and Revenue Protection

To ensure the right fit for their operations, producers are encouraged to visit with their crop insurance representative to better understand the policy options that are available to them.

Both Revenue and Yield plans of insurance offer powerful internal mechanisms and policy add-ons, such as Yield Exclusion and the Cottonseed (Pilot) Endorsement, that can significantly improve the coverage a producer can obtain. For example, the Yield Exclusion option can help mitigate the devastating impact of multiple loss years that drive historical yields down, while the Cottonseed Endorsement allows a producer who incurs a yield loss to capture the lost value of the cottonseed in addition to the loss attributable to the cotton lint.

While both options provide important added value to producers, they are just a few of the ways growers can fine-tune their insurance coverage. Other mechanisms that are commonly used include:

- **Yield Adjustment Option** — provides yield substitutions when actual yields fall below a certain level.
- **Trend-Adjusted Yield Option** — allows past yields to be adjusted upward to account for technology advances.
- **Quality Loss Option** — a new option that allows a grower to maintain the actual production amounts in their production yield history when quality adjustment provisions would otherwise reduce the production to count inserted in their database.

Understanding how each policy option works is key to getting the best possible

insurance coverage each year.

In addition to options that directly impact the yield used to calculate the insurance coverage, other policy choices give the grower the ability to purchase protection on a field-by-field basis through Optional Unit (OU) coverage or to aggregate risk through the use of Enterprise Units (EU). If neither of these unit structures is a perfect fit, the program even allows you to take a hybrid approach by employing Enterprise Units by Practice where a grower can combine acres into separate EU's for irrigated and non-irrigated acres or allowing them to utilize an EU for one practice while still purchasing an Optional unit protection on the other.

A major advantage of utilizing the enterprise unit options is the ability to purchase higher levels of coverage through the combination of higher premium subsidy allowances and decreased premium rates compared to purchasing insurance on an Optional Unit basis.

Options to Protect Against Shallow Losses

Understanding how to adjust and combine your crop insurance options is a must for tough growing seasons like the one experienced in 2022.

However, financial margins are so thin it isn't always the big disaster year that proves to be the most difficult for growers to survive. Often the shallow losses created when yields are just a little short, quality is a little off, or when prices fall slightly can be just as disastrous.

Shallow yield and revenue losses that do not trigger an indemnity on a grower's main policy, which will typically still have a loss deductible between 25% and 40%, can potentially be covered through area-based insurance endorsements that would kick in when losses are of smaller magnitude but impact a broad area.

Two optional endorsements that growers can use to broaden their risk management portfolio include:

- **Supplemental Coverage Option (SCO)** is a product producers can purchase while still participating in the USDA Farm Service Agency (FSA) delivered Price Loss Coverage (PLC) program.
- **Stacked Income Protection Program (STAX)** (cotton only) is

a product producers can consider in place of the seed-cotton PLC and Agriculture Risk coverage (ARC) program options available through USDA-FSA.

Find the Combination That Works for You

The combination of policy type, coverage level, coverage enhancements and policy endorsements that work best is going to be different for every producer and operation. What stays the same, however, is the importance of working with a knowledgeable crop insurance professional to navigate the various options and help the grower understand how to tailor a policy that fits their individual risk threshold.

Crop insurance can never eliminate all the risks associated with farming, but it does provide an important backstop to ensure that when disasters strike, large or small, growers have access to a safety net that gives them an opportunity to stay in business and keep farming.

The High Plains of Texas presents more than enough challenges to the men and women that farm the land. To survive, a farmer has to be quick to adapt and careful to employ the best possible range of risk management tools. A complete understanding of the federal crop insurance program is the key to making the best possible use of a farmer's most powerful and dependable tool to mitigate risk.



Shawn Wade
Director of Policy Analysis and Research
Plains Cotton Growers, Inc.

Bold Action Required - A Roadmap for the 2023 Farm Bill

By **Tom Sell**

Passing a strong Farm Bill in 2023 that provides reliable support to America's farm families will face very real challenges.

Even in the best of times, piecing together majorities in the U.S. House of Representatives and the U.S. Senate to pass a bill, which must also be signed by the President, is a daunting task. These are not the best of times, and it isn't just that politics are ugly. Sky high inflation, a slowing economy, and a staggering national debt and deficit are all big and complicated issues that will add levels of complexity to the debates in Washington.

The aim here is certainly not to diminish hopes or put a damper on hard work and action, because completing a strong new Farm Bill is critically important. But, in order to navigate the gauntlet, we need to be fully aware of the challenges. Here, we note four specific realities that are the primary obstacles as 2022 comes to a close.

Beware the hangover – agriculture is coming off a spending cliff, with limited budget resources looking forward.

In the 2018 Farm Bill, we passed a law that anticipated spending an average of \$6.1 billion per year in safety net assistance (this included the cottonseed program that had been restored in the previous year). This compares to \$8.6 billion per year that had been budgeted in the 2008 Farm Bill. Of course, the spartan 2018 Bill could not anticipate a trade war in 2019, the ensuing pandemic, or the weather events that would spur supplemental disaster assistance, and so we spent more than \$50 billion on ad hoc programs (MFP, CFAP, WHIP, etc.) outside of the Farm Bill framework. Looking forward, the budget does not anticipate any of this extra spending, and the baseline programs are even skinnier at \$5.6 billion per year. Unfortunately, the agricultural economy seems more precarious, not less, with astronomical input costs, rising interest rates, and labor shortages on top of supply chain issues. The safety net desperately needs to be updated to reflect these new economic realities, but to do this new resources must be secured. The question is: will Congress have the wisdom to anticipate and provide for these needs on the front end where leaders can write a 2023 Farm Bill to a more realistic budget, or will they choose not to confront the issue and pay for it on the back end with more ad hoc programs?

Be aware of the company you keep – other titles of the Farm Bill are getting bigger and bigger attracting negative attention.

While the farm safety net designed to support the critical industry infrastructure (our farm and ranch families) around our domestic farming enterprises is getting skinnier, other areas of the Farm Bill have swollen. In the 2008 Farm Bill, nutrition programs (SNAP, WIC, school lunch, etc.) anticipated spending \$41 billion per year. In the 2018 Bill, that had moved to \$66 billion per year. Under the current baseline, these programs will account for \$109 billion per year in spending with most of the increase coming via a unilateral action by the Biden Administration that increased food stamp benefits by \$250 billion. Similar unilateral spending actions have been used to push the Biden Administration's "climate-smart" agenda. It is not that these policies are without merit or not worthy of debate, but it is a fact that they were never debated in Congress by lawmakers and, hence, they have created some Congressional backlash. The question is: will traditional alliances between farm and conservation and nutrition interests be sturdy and practical enough to build the bipartisan coalition needed to fend off attacks and carry the 2023 Farm Bill forward?

Beware of untested and murky waters – “climate smart” agriculture is a longstanding goal, with a host of new ideas that can divide.

As stewards of the land, farmers and ranchers have long worked to provide safe and affordable products that feed consumers around the globe. The farm safety net and crop insurance especially are designed to help independent farm families hedge the immense financial risks inherent in this most important goal. The conservation title of the Farm Bill is where voluntary, incentive-based programs, like EQIP, are established to come alongside farmers to make sure we are improving our soil and water resources. These are built on the principle of strong private property rights – that the farmer will know best what investments are needed to maximize the long-term productivity of the land. But there are some fringe elements in this debate that want to exert more control over how farmers and ranchers manage their land – a classic “Washington knows best” mentality. If the traditional model of a strong safety net, complemented by a robust conservation title that builds on the voluntary incentive-based model prevails, then this should not present a problem. If, on the other hand, efforts to blend or tie strings and red tape to the financial safety net pick up steam, it would doom the prospects of the 2023 Farm Bill from the start.

Beware of negotiating against ourselves – the challenges do not get any easier with delays, and might get much harder.

Like all things, the first step in an earnest Farm Bill push is the hardest. But with the 2018 Bill expiring at the close of next year and given the real needs that the current law is not capable of addressing, there is no better time than the present to begin. The fact is public support for agriculture has never been higher. From the recent pandemic, people have a greater understanding of how critical supply chains impact their daily lives and pocketbooks. We believe it is important to ride this wave of political support while it is still strong.

We know that America’s farmers and ranchers, coming together in great organizations like PCCA, aren’t ones to shy away from a fight. The road ahead may be intimidating. But lest we be daunted by these challenges, let us remember that farm bills have never passed because of favorable circumstances – rather, they pass because strong leaders from both sides of the aisle see the need and take charge. Think back to the efforts of Chairman Larry Combest boldly laying out a plan for restoring the safety net in 2002, and rewriting crop insurance in 2000. Think of Chairman Collin Peterson overcoming critics and a hostile Adminis-

tration in 2008. Think of Chairman Mike Conaway restoring cotton in the 2018 Farm Bill. All these efforts were against the odds, but they all also demonstrate the power of agriculture when we do come together.

The farm policy we will seek to champion in 2023 would not be possible without the incredible leadership and innovative spirit of these and other leaders. Just as we do, these leaders have always looked to America’s producers for inspiration and sought to emulate the spirit of producers, a spirit built on the simple conviction that necessity is the mother of invention.

We should never forget all of those who brought us to this point in the history of farm policy. Instead, we must always recognize that we stand on the shoulders of giants and we can see farther and more clearly because of it. By reflecting on where we have been, with reverence for those who have brought us to this point, we gain critical wisdom from the lessons learned in order to build stronger and better going forward.



Tom Sell,
Combest, Sell & Associates, Representing the
Southwest Council of Agribusiness and other
prominent national agricultural organizations.



Keep it Growing

Brandon Laffere's Cotton and Vegetable Operation

By **Blair White**

Photos by **Jayci Bishop**

Brandon Laffere's family has been farming in South Texas since the 1940s. Today, he carries on the cotton and vegetable operation his father and grandfather built with one thought ever-present in his mind: "Keep it growing."

It wasn't always Laffere's plan to return to the family farm. His father passed away shortly before Laffere graduated from Texas A&M University with a degree in geography, and he returned to pick up where his dad left off. With one foot on the farm and the other in related ag businesses, he worked in crop research and seed sales for nearly 20 years. It wasn't until the last 15 years that he began farming full-time. Laffere has quadrupled his farm acreage, leaned into technology, and kept a keen eye on the future.

A Valuable Mix

Crop diversity is the name of the game on Laffere's farms in Batesville and Uvalde, Texas, just southwest of San Antonio where he grows spinach, cabbage, lettuce, squash, and broccoli between October 15 and May 1. He rotates in cotton, corn, milo, and wheat on a two-to-three-year basis.

Laffere said one of the main differences in growing crops like cotton versus vegetables is the wiggle room for applications. His cotton acres have historically been more forgiving since vegetables are much more sensitive to insect damage. Laffere's crop rotation recipe has proven beneficial to his yields over the years. His irrigated cotton yields are currently just below four bales on average.

"Growing vegetables can hurt your yields because you still have organic matter breaking down," he said. "For example, if I have cabbage breaking down in the field while I have cotton coming up, the organic matter takes up a lot of the resources, but sometimes it helps you. The nutrients carry over from the previous crop. We made over five-bale cotton behind spinach two years ago. We don't average that, but we can get up to five bales."

Continued on page 38



Going High-Tech

Crop diversity isn't the only thing keeping Laffere's operation profitable. He knows the value of using technology wherever and whenever possible. He is seeing a positive impact on the farm by integrating fuel-efficient implements, strip-tillage and cover crops, and cloud-based employee management systems.

"We have completely upgraded our irrigation systems to where we can start and stop them remotely, and they have load management software where it will shut down at different times of the day and restart later," he said. "That's been a big help for us. It's saved quite a bit of man hours – we don't have to run around and check all the pivots in the mornings. It saves on fuel too. It's a great time-management tool."

Even though South Texas receives considerably more moisture than other parts of PCCA's service area, maintaining soil moisture is still very important. Laffere capitalizes on his operation's diversity by using previous crops as cover for the next rotation. Technology also comes in handy when Laffere is in the office, which on any given day could mean his truck.

"I have a laptop in my truck, and we do everything on the cloud, from our spraying practices and planting schedules – everybody can see what we are

doing in real-time," he said. "All of my farm managers have an iPad, so when we are harvesting, anyone on the team can pull records and tell you what has been harvested and what is potentially still out there based on yields and acreage. Instead of having to pick up the phone and call different guys, I just open my computer and see what's going on. It helps us manage production and sales much more efficiently."

Laffere also knows when to lighten his workload and outsource the marketing of his crops, whether cotton, corn, or others.

"I believe in the cooperative model, especially in this day and age," he said. "I don't have the resources to market certain items like cotton. Co-ops can do a better job. It's probably the most efficient way around here to do things. I know at the end of the day, it's marketed correctly, and we get a good return relative to the market. We don't always get the highest price, but year after year, it has worked for us."

The Future

The decisions Laffere makes today impact the future of his operation.

"My wife and I have a son, Beau, and daughters, Caroline, Madie, and Evelyn," he said. "I see them being in this business if they show an interest. We believe in the stewardship of the land and its resources. Taking care of

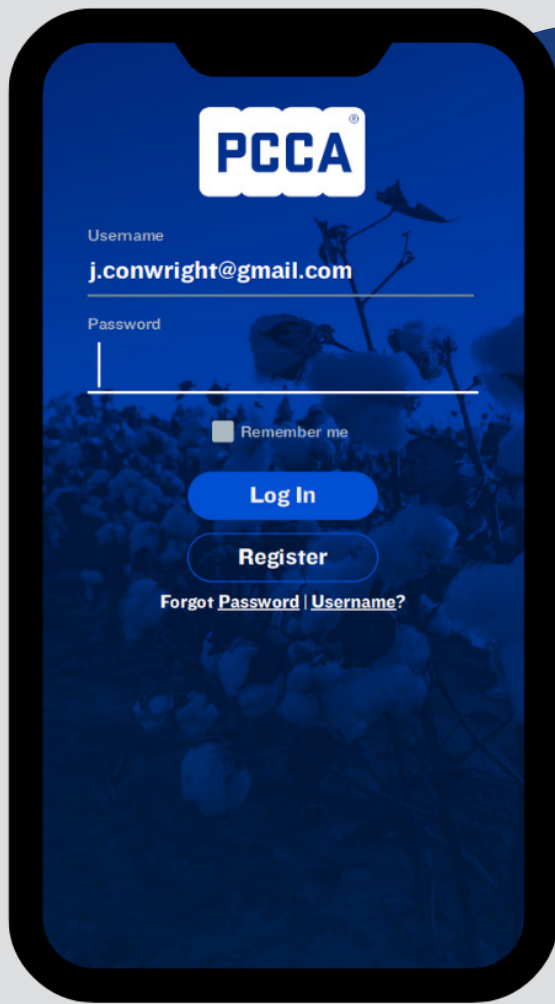
the land, our employees, and this business has value. We want to pass that legacy on to our children even if they don't end up in this business."

Two principles Laffere's father and grandfather taught him to keep the farming operation in good shape were to be a good bookkeeper and to have a good work ethic. He's also passing these down to his children.

"Keep your pencil sharp,' as my grandfather used to say," he said. "When you are living on the little margins that we live on, if you aren't good at tracking it, you can lose it all real quick. That and the work ethic. That's something most kids don't see anymore. Everything is so instantly gratifying; you can have what you want in two seconds. On the farm, you have to wait and see your results pay off over months. That teaches them a new perspective on things, a good perspective on things."

From his kids to his cotton and vegetable farming business, Laffere's motto holds true.

"Keep it growing. If it's not growing, it's harder for future generations to get into it. Just keep it growing, whether it's spinach today to apple trees tomorrow—you have to find what the next thing is that keeps your operation growing."



myPCCATM

Mobile App

The myPCCA app brings your information to your finger tips, allowing you to stay connected from any location. The app provides farmers with the opportunity to remain in control of marketing their crop by staying up to date with the latest news and information.

To start using the myPCCA app:

1. Search “myPCCA” in your app store, and download it to any Apple or Android device.
2. Open the app and use your Member Access credentials to login.
3. If you do not already have an account, click “register” to create a account.



Want to know more?

Scan the code and watch the video to learn more about the myPCCA App.

- Electronic Document Signing
- Latest News and Updates
- PCCA Direct Portal
(Accept, Reject & Counter Bids)
- Cotton Statements & Payment Register
- Encrypted Secure System
- Futures Prices
- The Seam Trading Monitor
- Module Call Ins
- Production & Classing Reports



If you have any questions about the myPCCA app or Member Access, contact the Member Services Department. 806-763-8011



Fabric napkins
made with 100%
cotton set at each
place setting.

Cloth cotton
pumpkins can
bring the season
to your table.

Choose a table runner
or place mats made
with 100% cotton to
tie your entire table
theme together.

Gather Round Set Your Table With Cotton

By **Jayci Bishop**

Cotton in Home Textiles

As the saying goes, “Home is where the heart is.” If that rings true and your passions lie in cotton farming, then it only makes sense to choose cotton when shopping for home textiles.

What do you look for when looking for home textiles? Check out these insights from Cotton Incorporated on consumer preferences when shopping for their home.

83% of consumers say 100% cotton is important to them when shopping for home textiles.

88% of consumers are willing to pay more for quality.

80% or more consumers trust products with the Seal of Cotton will be soft, comfortable, and natural.

92% of consumers say the Seal of Cotton helps them identify cotton products.

Top five reasons for purchasing new home textiles:

55% Replacement

45% New Style

28% New Fiber

25% Moved or Remodeled

19% Ads of Display

Sources of inspiration:

55% Social Media

49% Friends or Family

46% Store Displays or Window Shopping

43% Retailer or Brand Websites

Incorporate cotton into your table in 1-2-3

1 - Choose a theme to fit the occasion.

Whether you are hosting family for the holidays or just having a dinner party, pick your theme for the table and build your design around it.

2 - Take inventory.

What do you have that you can use? What would you have to buy? Pick your dishes that you want to use in your place setting. Fill in with new items if needed.

3 - Create centerpiece & set the table.

Assemble your centerpiece design and set your place settings around it.



Southern Pecan Pie

This seasonal classic pie will be the perfect addition to your holiday spread.

Ingredients:

- 4 Large Eggs
- 3/4 Cup Sugar
- 1 Tablespoon Flour
- 1 1/4 Cup Red Label Karo Syrup
- Pinch of Salt
- 1 Teaspoon Vanilla
- 1 1/2 Cup Pecans

Instructions:

Beat eggs well, mix flour with sugar and add to eggs. Add other ingredients in order given. Pour into uncooked 9 inch pie shell. Do not prick pie crust. Cook at 350 degrees for 10 minutes then at 300 degrees for about 50 minutes until pie is firm in the middle.



HAPPY HOLIDAYS

FROM YOUR FRIENDS AT PCCA



Turning on the Lights

Lubbock ISD and Texas
Tech University Partner on
New AgriSTEM Complex

By Blair White



Photo Courtesy of Lubbock ISD

Lubbock ISD’s mission is to nurture, develop, and inspire every child every day. That’s precisely what the district is doing by partnering with Texas Tech University on its new multi-million-dollar AgriSTEM facility.

In 2018, LISD presented a \$130 million bond package to the community containing \$10.5 million for a new agriculture complex. Michelle Pieniazek, Coordinator of Agricultural Education for LISD, said the community signaled its support for educational progress with 75% approval.

“There’s so much STEM associated with agriculture, and we are wanting our students to be college and career ready,” she said. “I think they need to know how to feed and clothe the world as well. I think that’s part of what brought this facility here. There was an advisory group in place – people with big visions and big dreams.”

Continued on page 46

Despite supply chain challenges and increased material costs, completion of the 44-acre facility at 4th Street and Quaker Avenue is expected in the fall of 2023. Five high schools make up LISD: Monterey, Coronado, Lubbock High, Estacado, and Talkington School for Young Women Leaders. LISD partnered with Texas Tech University, which provided a 99-year lease on its campus.

“It’s important for them to know that agriculture is food, it is fiber, it is what keeps you protected every single day.”

“The piece with Tech is very exciting because they are a Carnegie Tier I Research University,” Pieniazek said. “Having access to those leading researchers and leaders in the field of agriculture is amazing for our students. I am not aware of another place like this that is associated with an entity like Texas Tech.”

The AgriSTEM complex will provide a high-impact learning experience featuring seven classrooms, a lecture hall, a greenhouse, an arena, and labs for animal science, meat science, plant science, food science, and more. The entire construction is focused on one primary idea: college and career readiness for students brought to them via agriculture.

Upper-level classes will be offered at the facility, with LISD providing transportation for students. There are 756 students served by seven ag teachers who will have access to an expanded agriculture curriculum and industry certifications.

Pieniazek pointed out that whether students are headed for college or straight to a career, they will gain the necessary skills in animal, plant, and food sciences. Agribusiness, natural resource management, and ecology round out the focus of AgriSTEM. Students will be able to gain industry certifications by completing the programs. In a school district where 76% of the students are economically disad-

vantaged, helping stop poverty cycles through education is also a high priority.

“We feel that if our students can graduate with an industry-based certification, and they can make \$50 thousand a year, and if they can find a life partner that can also make \$50 thousand a year, then we have changed the complete trajectory for that family,” Pieniazek said. “So that’s going to have a big impact on their life and the community, and possibly the industry as well. I think that’s going to be a big game changer to break that cycle of poverty.”

With a new facility comes a new approach to agricultural education. Until last year, if students wanted to enroll in an ag class or be in an FFA chapter, they had to attend Coronado or Monterey. Now, all five campuses have FFA charters, with Estacado’s coming later this year.

“I think it’s important for our students to understand that there’s more than stock shows out there, and there are jobs in agriculture that probably haven’t even been invented yet that they are going to fill one day,” Pieniazek said. “It’s important for them to know that agriculture is food, it is fiber, it is what keeps you protected every single day. It’s hard to tell someone that if you are just in a traditional classroom, but when you have the live space, and you are able to bring learning into it and make it come to life, I think that’s going to turn on a lot of lights for students.”

Community support, the complex’s advisory board, and the district brought the project from concept to reality.

“There’s just something so special about West Texas and the people of West Texas and their warm hearts,” she said. “The people here are amazing, they are just salt of the earth, good people. They support our kids in everything they do. I don’t know that it matters the size of the place you are in but rather the people that are there with you that make the difference. I feel like Lubbock ISD really seeks opportunities to help students find a niche, find something they are going to be truly good at, so regardless of what they do after graduation, they are prepared and have hopefully found a passion. Even if they go away for college, hopefully, they

come back at some point and can be good leaders in our community.”

The community and economy of Lubbock were built by visionary people who dared to invest in the future. Even with how expansive and innovative the Hub City is today, the future is still just as important as it was 100 years ago.

“I am very thankful for the people that have been so instrumental in building this,” Pieniazek said with a smile. “Just people who really pour into students – they have given so much of their time to make this happen. Because of their dreams and hard work, this is going to be something pretty special for kids and for Lubbock for many years to come.”

HELP & HOPE:

Speak up about the unspoken. It may be uncomfortable, but it's worth it. Asking for help is a testament of strength, not vulnerability.

This past growing season has been anything but predictable. Many were discouraged and unsure how to move forward by the drastically shifting markets, record-breaking drought, and astronomically high input prices. Farming is already more stressful than the average occupation. When you add these factors to the lifestyle, farmers carry a massive load of stress with them as they navigate sustaining their operations.

Often, farmers are too proud to ask for help or admit farm stress is getting the better of them. However, no farmer is immune to pressure from their occupation. It is crucial to remember asking for help is not a sign of weakness; it is a demonstration of your strength. It takes a truly courageous and strong individual to admit they have a problem with depression, stress, and anxiety.

If you need help, don't hesitate to contact someone. There are **FREE** and **CONFIDENTIAL** resources available to you.

**The National Suicide
Prevention Lifeline
1-800-273-8255.**

Trained professionals can
connect you with a counselor
in your area.

**The Crisis Text Line
Text "Home" to 741741.
Connect to a counselor 24/7.**

**The Farm Aid
Farmer Hotline
1-800-327-6243.**

Connect with someone
knowledgeable about the trials
and tribulations of a farmer.



Hear, See, and Speak No Weevil:

Kansas Gets Ahead of Number One Cotton Pest

By **Blair White**

In many locations across the Cotton Belt, boll weevils have not been a topic of conversation for decades – except in Kansas. Gary Feist, Kansas Cotton Association Chairman, and KCA Advisor, Rex Friesen, helped lead the charge in getting this program presented to the state legislature. House Bill 2559, better known as the Kansas Cotton Boll Weevil Act, was signed into law in April 2022.

The first thing one might wonder is: does Kansas have a boll weevil problem? Actually, no, but its neighboring states have in the past. Cotton is still a relatively new crop in Kansas, making it the right time to establish an adequately-funded, comprehensive defense plan.

Early on, Friesen and Jerry Stuckey, former manager of Northwest Cotton Growers, did most of the voluntary trapping and tracing, but as acres grew in Kansas, they knew they needed to establish an organization that could scale up and be recognized by the National Cotton Council. Friesen and Feist gained helpful insight from Texas and Oklahoma about best practices for the Kansas program.

“Texas and Oklahoma both helped us a lot,” Feist said. “They told us about the good and bad parts of their programs, so we were able to create ours without adding a lot of red tape. We are following the Oklahoma mapping program. There wasn’t a need to reinvent the wheel when we had a very good one just south of us.”

When the cotton industry came together to eradicate the pest in the 1980s and 90s, their efforts were successful. The only place weevils are noted today is in Southern Texas, as they tend to migrate up from Mexico. So, how big is the threat if there are no weevils in Kansas?

“The whole reason we are doing this is to get up to national standards because every state has a trapping program,” Friesen said. “We need to be able to identify populations of weevils if they should exist and deal with them promptly. Should we have them, we want to discover them as early as possible

From left to right: Senator Michael Fagg, Rex Friesen, Claudia Hissong, Senator Dan Kerschen, Governor Laura Kelly, Brandi Miller, Kelsey Olson, Russ Plaschka, Gary Feist, Representative Ken Rahjes, Senator Jeff Pittman, Riley Akin, and Shahira Stafford. Photo courtesy of Kansas Co-op Council.

so we can eradicate them before they become widespread.”

The boll weevil program will have grower and industry oversight. As participation is no longer voluntary, growers will fund the program with 50 cents per bale. All in all, these efforts are proactive measures to ensure Kansas does not have to endure the kind of crop destruction its neighboring states did at the hands, or rather, legs, of the tiny brown insect.

“The per-bale fee is the equalizer,” Friesen explained. “Whether you have irrigated acres or dryland acres, if you are charging a fee per acre, that really favors the irrigated people because they are producing much more cotton than dryland producers. By charging per bale, it does not matter how many acres it takes to make a bale or how many bales per acre you get. It’s a fairer way of charging.”

The program will be operated independently of the state, with producers remaining in control of the program through a board of directors. The money collected will pay a director’s salary, seasonal help, and materials such as traps. A portion of the funds will be set aside should boll weevils appear and require eradication.

“What’s different in Kansas is we aren’t like Lubbock or Southwest Oklahoma,” Feist said. “We aren’t just cotton field after cotton field. We are shotgun scattered across the southern half of Kansas. Just finding new fields is often a problem. Now that the boll weevil director can get the field

locations from FSA, that will be a big help to our trapper with the boll weevil program.”

“You have to be really aggressive in eradication,” Friesen said. “It’s one thing to control a pest, to manage a pest, but to eradicate them takes a lot more aggression. You’ve got to go after them. It’s hard, and that’s why it has cost the cotton industry millions of dollars to clean them out of the Cotton Belt. That’s part of the investment we are protecting by having a program. Bottom line – this is for the farmers to make sure we keep cotton viable in Kansas. This is one aspect that we need to have under control, and I think we do. I think we are in good shape.”

It was a collective effort on behalf of the Kansas cotton industry to get the program passed. The Kansas Department of Agriculture, Kansas Farm Bureau, Kansas Cotton Association, Kansas Cooperative Council, and many state representatives presented a united front.

“We just want to thank everybody that has helped us,” Feist said. “Having the support of our Kansas producers – it was easy to work on this project knowing we had their support.”

Boll Weevil Program Highlights

- **HB 2559 established the Kansas Cotton Boll Weevil Act (Boll Weevil Act) and created the Kansas Cotton Boll Weevil Program (Boll Weevil Program).**
- **The Boll Weevil Board will consist of five voting producer-members and three ex-officio non-voting members: The Dean of the Kansas State University College of Agriculture, the Secretary of Agriculture, and the Kansas Cotton Association Chairperson. Each may also appoint a designee for representation. Each board member will serve a four-year term. The board must meet at least once every calendar year. The board has the authority to establish and implement a cotton pest monitoring program.**
- **The bill allows the boll weevil board to authorize the development and implementation of an eradication plan with the secretary, pursuant to the Plant Pest and Agriculture Commodity Certification Act.**

Above details courtesy of the Kansas Legislative Research Department

To the Jeans in the Back of My Closet

By **Aubry Heinrich**

To the old pair of blue jeans hanging in the back of my closet, I'm sorry you haven't seen the light of day in years. I'm sorry the dust bunnies have made their home in your frayed cuffs, and you are permanently creased from where you rest over the plastic hanger. You were once my favorite pair of Levi's. You have yet to be worn this decade, but there is hope for you.

There is a recycling program giving life to old denim. Worn, tattered, and frayed, they will take the old denim resurrected from the innermost workings of closets and give it a new purpose – insulation made from a natural fiber.

"Cotton Incorporated is mindful of the impact in every step of cotton's lifecycle," said Andrea Samber, Director of Consumer Marketing – Brand Partnerships at Cotton Incorporated. "In 2006, we created Cotton's Blue Jeans Go Green™ denim recycling program, as a call-to-action to keep old denim out of landfills and turn it into something new."

Protecting natural resources is more critical than ever. Cotton Incorporated is leading the charge for cotton's sustainability and promoting recycling garments made from cotton.

"Cotton Incorporated's messaging focuses around knowing what our clothes are made of, and when they're made from cotton, they're natural, durable, and recyclable," Samber said. "We educate directly and amplify the message through co-branded programs with brands, retailers, and other organizations to make it easy to recycle worn-out denim. Whether locally or by mail, consumers can keep their denim out of the landfills and have it recycled to become an insulation material for various applications."

Consumers looking for a more sustainable product can rest easy knowing their denim purchases have another purpose after they are done wearing them.

"Serving as a turnkey way to engage the industry and consumers across the country actively, the program seeks to

empower others to recycle their old denim as we create a movement for a greener world together," Samber said.

The program connects environmental sustainability with helping others. As a result of the denim collected through the Blue Jeans Go Green program, Cotton Incorporated is able to work with organizations like Habitat for Humanity, a nonprofit housing organization dedicated to building and improving houses for families in need of a home.

"Whether we are helping to build homes with Habitat for Humanity affiliates by providing natural Cotton fiber insulation made from recycled denim, organizing recycling drives, or raising awareness of sustainability," she said, "we aim to be good stewards wherever we go."

Many organizations recognize and participate in the Blue Jeans Go Green recycling program. A denim drive has even made its way into one of the largest organizations in Texas – the Texas FFA Association.

The organization's core team selects a community service project each year. They chose the Blue Jeans Go Green program in 2021, encouraging students and their communities to recycle textiles and raising awareness of the importance of cotton sustainability. The partnership between the two organizations proved successful when thousands of FFA members and chapters brought

their old clothing to be recycled through the program.

"In July, the Texas FFA Association held their annual convention in Fort Worth. Over 5,000 pieces of denim were brought in-person to the convention by the 11,000 convention attendees across Texas," she said.

The more people join in on the effort to protect our environment, the better. Co-operating with organizations like Habitat for Humanity and the Texas FFA Association creates awareness for the program, demonstrating the cotton industry is committed to a sustainable future.

Consumers' fiber, fabric, and fashion choices directly impact the environment. Through this denim recycling program, consumers can better understand how their decisions affect the Earth.

"The program continues to thrive over 15 years later because it's been grounded in sustainability from day one, and it helps to close the loop on cotton's circularity," Samber said.

So, my dear, old pair of blue jeans, you will no longer occupy space in the back of my closet. I know you will find a new life. Not wasting away in a landfill, but keeping a family warm in a home and helping to keep the Earth a clean place to live.

**Sincerely yours,
A Consumer**



How it Works

Cotton Incorporated, and the cotton fiber insulation manufacturer, Bonded Logic Inc., have worked together for over 15 years on the Blue Jeans Go Green™ denim recycling program. In conjunction, they transform old denim clothing into insulation material for a variety of products like building insulation, thermal packaging insulation, pet bed and industrial mattress inserts, and more.

So, how does it work? Old denim can be brought to participating retailers, and other organizations holding events or activities for collection, or mailed directly to the program. Some participating retailers provide a discount to their stores upon bringing in worn denim garments for recycling, to get more customers involved. The program accepts any denim apparel - jackets, shirts, skirts, and of course, jeans, in any condition, colored, embellished, printed, stained, and even torn as long as it's denim containing at least 90% cotton. Making it even easier, recyclers need not worry about the condition of their clothing. It is then gathered and sent to a fiber reprocessing facility in Arizona to be repurposed into something completely different.

"Once received, zippers, buttons, and hardware are mechanically removed, and the denim is reprocessed to a 'shoddy' fiber state and ultimately transformed into insulating material for various applications," Samber explained.

Do you have old denim clothes looking for a new life?

Here are the retail stores now accepting denim for the Blue Jeans Go Green denim recycling program, according to the Blue Jeans Go Green website (BlueJeansGoGreen.org):

Theisen's | Anthropologie | American Eagle | Frank and Oak | Just Black Denim
Ariat | Industry Standard | Madewell | Pacsun

Or mail it in! In a partnership with Zappos' charitable giving arm, Zappos for Good, together they offer an option for consumers to ship their old denim to be recycled for free. Scan the code to learn more about how to send your denim for recycling to the program for free.





**SEARCHING THE GLOBE TO FIND THE
BEST SELLING OPPORTUNITIES.**