

FIELD & FIBER

A Plains Cotton Cooperative Association Publication

Volume 53, Issue 2

Fall/Winter 2023

From Hobby to Harvest

Mac Becton's Journey



INSIDE

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is Diversification**

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WE ARE



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RESILIENT

We've faced countless challenges in our 70 years of business, and because of our growers, we've withstood the test of time.

ADAPTABLE

No two weeks in agriculture are ever the same. No two crop years are either. The needs of our growers change every day, so we continue to innovate to provide them the tools they need to add value to their operations.

STRATEGIC

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Fall/Winter 2023



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by Blair White



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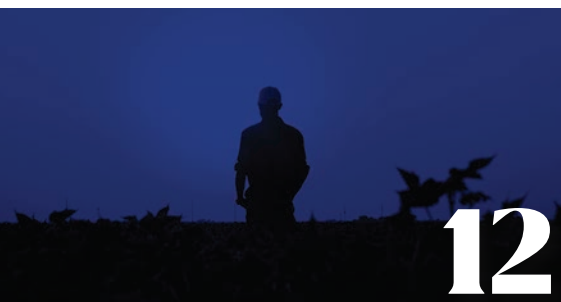
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OUR MISSION

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

One of the overlooked strengths of PCCA is its intuitive governance. PCCA's founders rightly recognized that the cooperative needs voices from every area served. Accordingly, the Board of Directors is comprised of 11 districts that range from the Rio Grande Valley of Texas to Kansas. While farming has many common threads through those districts, there are distinct differences regarding weather, water, and competition. Every PCCA director is a producer who ensures that the needs of growers in their districts are considered when determining the company's strategy and goals. Our directors strongly encourage you to provide input on PCCA and how the cooperative can best meet your needs.

After their first few meetings, it is typical for new directors to express that they had no idea how many issues PCCA handles for growers and gins. Through this magazine and other communication methods, PCCA is working to share the comprehensive value of its business. On the pages that follow, you will find stories describing marketing, technology, and services that benefit the entire industry. It's the co-op way.

We remain hopeful that the weather and markets will be friendlier in 2024. Inside this issue, you will find an analysis of both. It's important that we encourage each other during difficult seasons like the last two. If you know of someone struggling with stress, resources are available at pcca.com/farm-stress-help-and-hope.

Sincerely,

A handwritten signature in blue ink that reads "C. Kevin Brinkley".

Kevin Brinkley

President and Chief Executive Officer



The Name of the Game is Diversification

PCCA Expands Beyond Co-ops, Embraces Diversification for Future Growth

By **Blair White**

PCCA has conducted business exclusively with co-ops since its establishment in 1953. History demonstrates that the cooperative business model provides staying power in difficult times. It's one of the many reasons why PCCA has seen great success and weathered the storms of the cotton industry time after time. Not once in 70 years has PCCA kept doing something just because that is how it has always been done. As the agribusiness landscape has changed and grower-owners' operations have begun to take on more diversity, it is time for PCCA to do the same.

If a business does not diversify operations, it guarantees it will not exist one day. Diversification has excellent potential to improve volume and efficiency with the right strategy. PCCA will accomplish this by offering marketing services to all growers, regardless of where they gin.

"This thought originated with our Board of Directors," said Kevin Brinkley, PCCA President and CEO. "They set the strategy for the company. When it became apparent that restricting our universe of growers was no longer practical. Telmark gins have requested more marketing choices for years. We can now offer them the full suite of PCCA tools. PCCA was probably the last company that only did business with other cooperatives. It makes sense to open our marketing to any grower because of the shifting landscape at cotton gins."

It is essential to know that when a grower chooses PCCA marketing through a non-co-op gin and Telmark, it is still a PCCA transaction. Telmark has always offered PCCA's software services to independent gins, so the infrastructure is already in place for its staff to begin offering PCCA's marketing options to farmers.

"At this point, we will offer these options to the growers through the gin," said David Canale, Telmark

Director. "Later, if producers are interested in it and want to do business with us, we may start reaching out to them directly. Getting started, it is going to be directly from us to the gin, to the producer."

Neither PCCA nor Telmark wants to exclude any gin from this process.

"We love our co-op gins," Brinkley said. "They are important to the health of the cotton industry in Texas, Oklahoma, Kansas, and New Mexico. They are under intense competition from large, privately owned gins. PCCA is a grower-owned cooperative; we must open our marketing to wherever volume is."

Even though PCCA is expanding its grower and gin base, there is no need to worry that it will not retain its co-op nature, values, and principles.

"PCCA is 100% co-op," Brinkley said. "Our owners are our growers. It is very much like a co-op gin that markets cotton to private merchants – that does not make them any less co-op. It is our ecosystem, and we believe in the business model. The evidence is in the trends. There is not a major private merchant that does not own a co-op."

Moreover, this is just another value-added strategy designed to strengthen growers across PCCA's service area and beyond.

"We have more demand for our cotton than we can supply," Brinkley said. "Greater volume translates to greater leverage in global markets. The more cotton we handle, the more opportunity we have to enhance customer relationships. Telmark continues to be a vital link to non-cooperative gins in our service area. Therefore, we don't have to invent something new in our go-to-market strategy. Every bale that Telmark touches makes the entire area stronger."



Telmark is PCCA's wholly-owned subsidiary. Since its creation in 1985, the company has provided PCCA's software services and online cotton marketing to independent gins. As a Loan Servicing Agent (LSA), Telmark supports and interprets government farm programs.

"Simply put, Telmark is a software company for gin services," Canale said. "Essentially, those assist the process of getting the cotton located in the field, on the gin yard, into the gin, and turned into a marketable bale of cotton."

Even though Telmark is an extension of PCCA, it does not operate quite the same. Where PCCA directly interacts with both grower-owners and gins, Telmark's customers are only gins. This year, they are serving 19 independent gins. Fostering strong industry relationships is a crucial part of Telmark's business operations.

"Our slogan is 'When Service and Support Count,' and that's the value we add," Canale said. "We are always available, and if there is a problem, we are there to fix it."

Though PCCA and Telmark are in separate buildings, Canale said everything between the two businesses is a team effort.

"Every time I talk about Telmark, I always say we can't do anything we do without everyone at PCCA," he said. "Everyone has a part to play in all of this."

PCCA and Telmark are playing the long game when it comes to adding value to grower-owners' cotton. Looking at unique ways to diversify business operations is vital to that strategy that impacts the present and future.

A warm, cozy living room with a fireplace and string lights. The background is softly blurred, showing a fireplace with a warm fire, string lights, and a mantel decorated with greenery and red ornaments. The foreground shows a wooden surface, likely a table or bench.

An Open Letter to Our Grower-Owners

When I first came to work at PCCA, I didn't realize exactly what I was getting into when I joined the team. I knew PCCA sold cotton, but I didn't realize how large of a player it is in the cotton industry until later. I didn't know about the services and software that originate in this building, but more than that I also didn't realize that the cotton industry is one big community, and that the people who do business under the PCCA bale mark are some of the best.

When you read our magazine, you'll find a lot of information about our services and how we can help you – and it's all true. However, if there was one thing I wanted our grower-owners and gins to know about PCCA employees, it's that we are here for you. Every move we make is with you in the forefront of our minds.

At PCCA, we operate by core values that drive every decision. The first and arguably the most important says, "We are committed to those we serve." PCCA employees like myself come to work each day with that in mind. We continually try to add value, provide excellent service, communicate well, and utilize our talents and abilities for your gain. We also strive to act professionally and with integrity, be uniquely responsive, and be forward-thinking when interacting with you.

We hire the most qualified candidates for our positions, and then we give them the knowledge they need to excel for you. We work together across departments and divisions to tackle tasks promptly, no matter the challenge. We genuinely believe in our work. I've experienced all of these things first-hand.

PCCA is YOUR cooperative. You have a voice, and we want to serve you well. I come from farmers, so I know how challenging farming can be. At PCCA, we are rooting for you to succeed and doing our part to make a difference in your operation.

Growers are the backbone of PCCA and of the country, for that matter. You are important to us, and we value your business. We appreciate your feedback. Don't hesitate to call us to ask questions, voice concerns, or just stop in to say hello!

Thank you for what you do for the cotton industry. We hope to make the same level of impact you do.

Here at PCCA, we are driven, and we are dedicated to working hard for our grower-owners.

- Ashley Houchin, Cotton Services Manager

I feel like PCCA is a business that will do whatever it takes to give back to the farmer. The farmer is the most important thing to us here, and they won't ever be let down. Whatever needs to be done is going to be done.

- Susie Cavazos, Payroll Clerk

I am proud to work for and with cotton farmers every day because I truly believe they are the heart and staple of this community, this state, and this country. They are the ones working hard to clothe America and it really is an honor to get to work with them every day.

- Taylor Norris, Member Communications Area Manager

I grew up in a farming operation. Cotton producers are hard workers. They put a lot of time, money, and effort into their whole livelihood, and I enjoy trying to do the best that we can to try to make their whole work come to fruition and be profitable for them.

- Tracy Springs, Warehouse Communications Coordinator

I think growing up on a farm kind of helped me see first-hand what the farmers go through, and by working at PCCA, it makes me want to do a better job to help them with what they are doing in their livelihood.

- Allen Hoelscher, Director of Member Communications

I don't know who works harder than a farmer.

I really don't. They have this go-get-it, the sticktoitiveness that most people don't have. Being self-employed, they really have to do it all on their own, they have to get up and go do it themselves and that's pretty admirable.

- Tammi Chock, Traffic & Invoicing Manager

PCCA will work for them and will put them above anything else that comes around in the business. They are why PCCA is here.

- Edward Ursua, Desktop Systems Support Supervisor

We have an organization that offers something that other organizations don't. Not only do we have the employees that care, that are dedicated, we also have the experience, the years of experience of dealing with this, the good years, the bad years. I think overall PCCA brings a lot to the table that could help any farmer out.

- Stoney Williams, CFO & Vice President, Accounting & Finance

One of the most important lessons I learned growing up on a farm that I can apply here in my work at PCCA is when the going gets tough, the tough get going. I think that describes farmers really well, but I also believe it is true for this company because no matter if times are good or bad, we know that we have to get up, dress up and show up to work for our farmers.

- Blair White, Communications Coordinator

If you call PCCA, we do our best to try to answer your question and fix your problem as fast as possible.

- Kelby Hunt, Director of Administration

I like working for PCCA because everything here is done with integrity and all decisions are made with the farmers' best interests in mind. We feel the weight of how those decisions impact their families and communities, which in turn impacts my family as well.

- Kristin Killough, Executive Administrator

Coming from a farming family and knowing the struggles they go through, just to get up every day and come to work for them, the producers around here I have known most of my life, I know their families, so just doing the right thing to preserve their crop and the hard work they put into it makes it worthwhile.

- Randy Squires, Director of Warehouse Administration

At PCCA we work with integrity and we work with the farmer's best interest at heart. Everything that we do and every decision that we make is centered on helping our growers in some way. We want to help them be able to do what they do best.

- Jayci Bishop, Director of Corporate Communications

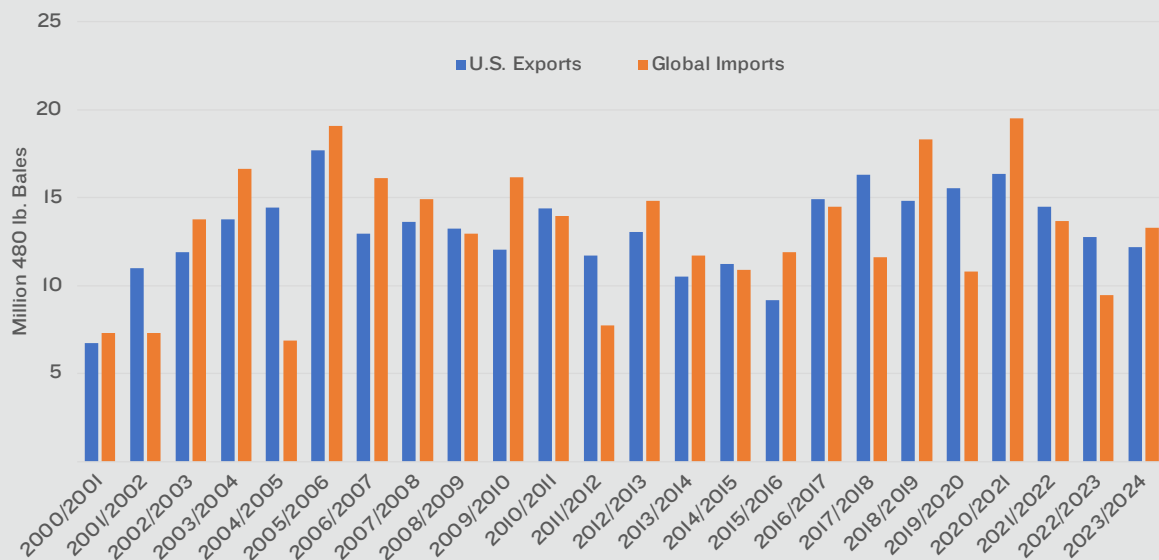
2023-2024 Cotton Market Dynamics:

U.S. Faces Challenges as Brazil Surpasses Production, Global Demand Uncertainty Looms

By **Abigail Hoelscher**

The world's largest cotton-producing countries are typically China, India, and the United States. The U.S. is known for high-quality cotton due to seed breeding development and standards set by USDA. Before 2000, the U.S. consumed a large portion of the cotton it produced, but over the past two decades, we have become a structural exporter, routinely shipping 80% or more internationally. China has become increasingly dependent on cotton imports, mainly U.S. cotton. The COVID-19 pandemic collapsed global consumption, reaching lows not seen since the 2011/2012 crop year. Businesses in China were slow to open, and the need for cotton within the country slowly started to recover. Cotton consumption has rebounded to more normal levels this year, but economies worldwide are now feeling pressure from rising inflation.

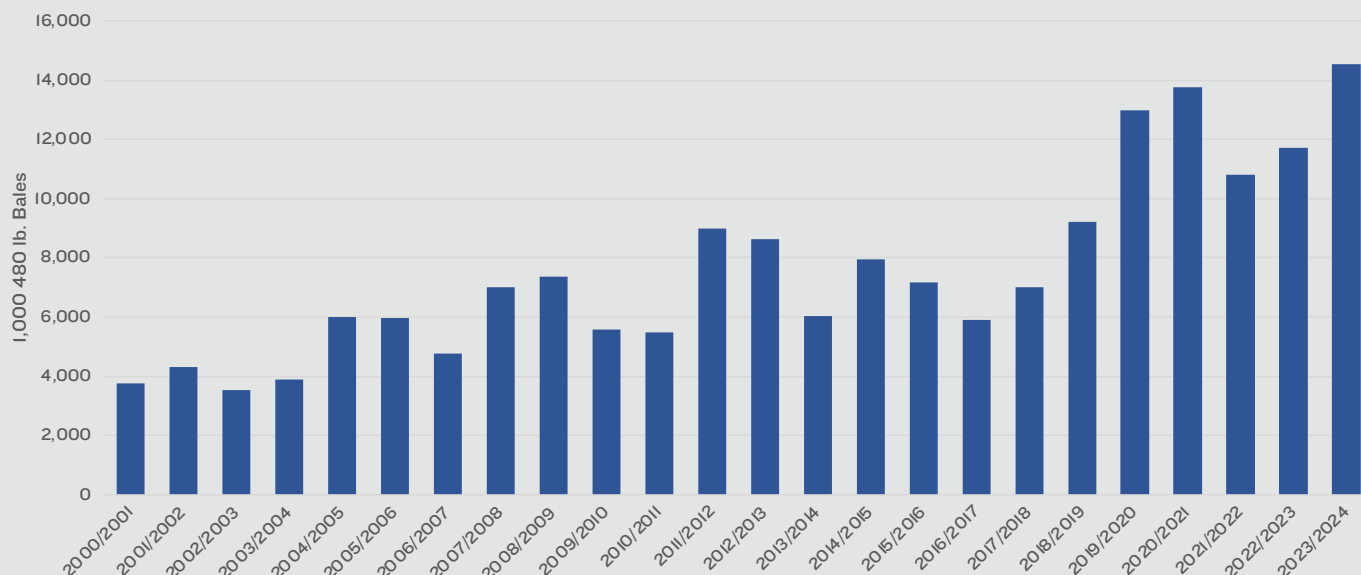
The world needs to import more than the U.S. can supply.



With most of the Brazilian and Australian crops sold, cotton will need to be found from other countries. The U.S. is expected to export 12.2 million bales this marketing year. Now that harvest is almost complete, the bales are more readily available to export. As shown in the chart above, there is a gap between what the U.S. can supply and what is needed in the world.

Source: USDA, FAS, Production, Supply & Distribution

Cotton production in Brazil has grown 287% since the 2000/2001 crop year.



Source: USDA, FAS, Production, Supply & Distribution

In November, the USDA supply and demand report estimated 115.5 million bales of cotton to be consumed across the globe. Global use is up significantly compared to last year but is still below the 10-year average of 115.7 million bales. The number has been revised modestly downward on each release of the estimates since the 2023/2024 marketing year began. As economies slow down, consumers spend less on discretionary goods, including cotton. Mills throughout the world are purchasing cotton hand-to-mouth and not operating at capacity. Slowing economies and as-needed purchasing are issues that could impact global demand for fiber.

The U.S. also has more competition from foreign growers than ever before. The U.S. has experienced back-to-back short crops, while significant competitors have had record-breaking production. Despite its high-quality, contamination-free reputation, lower-priced competitors have undercut U.S. cotton, chiefly Brazil and Australia. In the southern hemisphere, these countries typically plant the new crop while the U.S. is harvesting. The market timing of their cotton has created additional pressure on U.S. bales, especially with

mills buying hand-to-mouth recently. Add that to the expensive U.S. basis early in the season, and American cotton fell back in rank.

In October of this year, Brazilian production surpassed that of the U.S. as the third-largest grower of cotton in the world. In the past 10 years, Brazil has significantly increased the number of acres planted to cotton. A large portion of cotton in Brazil is planted after the soybean crop is harvested, meaning most of the cotton is grown as a second-season crop. Improvements in infrastructure and research on the quality of seed used in Brazil have helped the rise in production. Farmers in the country have been able to invest substantial amounts of money into equipment used to plant, harvest, and gin the amount of cotton now produced.

Much like Brazil, Australia has received favorable weather the past few years, producing record-sized crops for three consecutive years. Exports from Australia are typically less than half the size of what the U.S. will export. Still, recent improvements in cotton seed and expansion of production have allowed the country to grow exports. Much like the Southwestern portion of the U.S., cotton grown in Australia can increase production each year due to water avail-

ability. Water has been more readily available in the last three seasons from above-average rainfall. The above-average moisture has allowed more water to be stored, allowing for another large crop in the upcoming year.

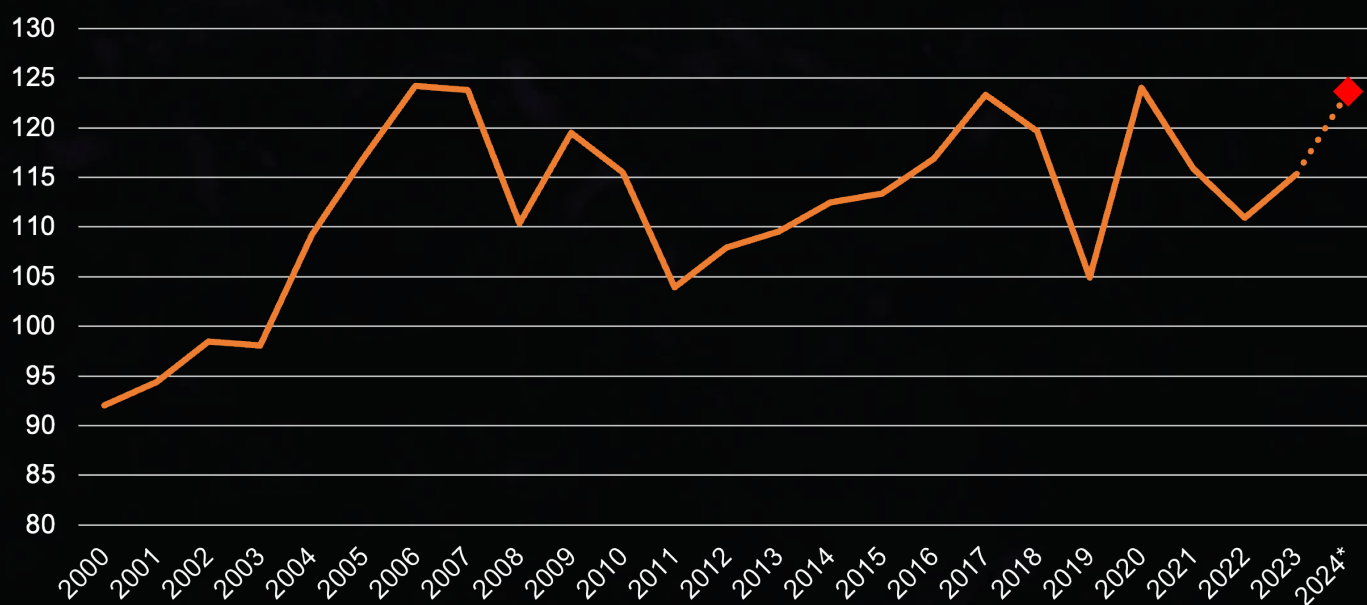
The 2023/2024 U.S. cotton marketing year has not been what many anticipated and needed. A second year of severely hot weather and limited rainfall took its toll on the cotton crop in the Southwest. The combination of production woes with slow demand means the 2023/2024 crop will be another historically lousy season. The macroeconomic environment will be one of the main factors influencing the future of cotton. U.S. retail sales have increased month-over-month multiple times this year, but the apparel sector has decreased during those same months. The U.S. dollar has remained high for much of the year, making it difficult and expensive for countries to import U.S. cotton. One positive is that the Australian and Brazilian basis is closer to the U.S. With much of their crops sold, mills needing to purchase cotton will look to the U.S. crop. Now that harvest is wrapping up in the U.S., the crop will be the most readily available to the market. The question is not "if" but "when."

Imagine an extra half-pound of cotton...

If each person used an additional half-pound of cotton, it would add 8.3 million bales to total consumption.



Mill Use in Million Bales



We all have a part to play in helping increase demand for cotton.



U.S. COTTON
TRUST PROTOCOL®

Trust in a smarter cotton future

LET'S FACE IT.

Consumers are more aware and concerned with how their goods are produced than ever before.

WHY SHOULD YOU CARE?

It's simple. There is demand for sustainably grown cotton.

HOW CAN YOU ENSURE A PLACE FOR YOUR COTTON IN THE MARKET?

By enrolling in the U.S. Cotton Trust Protocol, a voluntary program for all U.S. cotton growers.

This program helps you tell the story of U.S. cotton and how farmers like you are working to provide the world with sustainably and responsibly grown fiber.

We know you're taking care of business and making sure future generations can continue to farm. Let's show the world you are too.

For more information on the U.S. Cotton Trust Protocol, visit trustuscotton.org

The U.S. Cotton Trust Protocol's vision is to set a new standard in sustainable cotton production where full transparency is a reality and continuous improvement to improve our environmental footprint is the central goal.

Unpredictable Weather Challenges Agriculture:

Planning & Adaptation Key in 2024

By **Kaylee Hendricks**

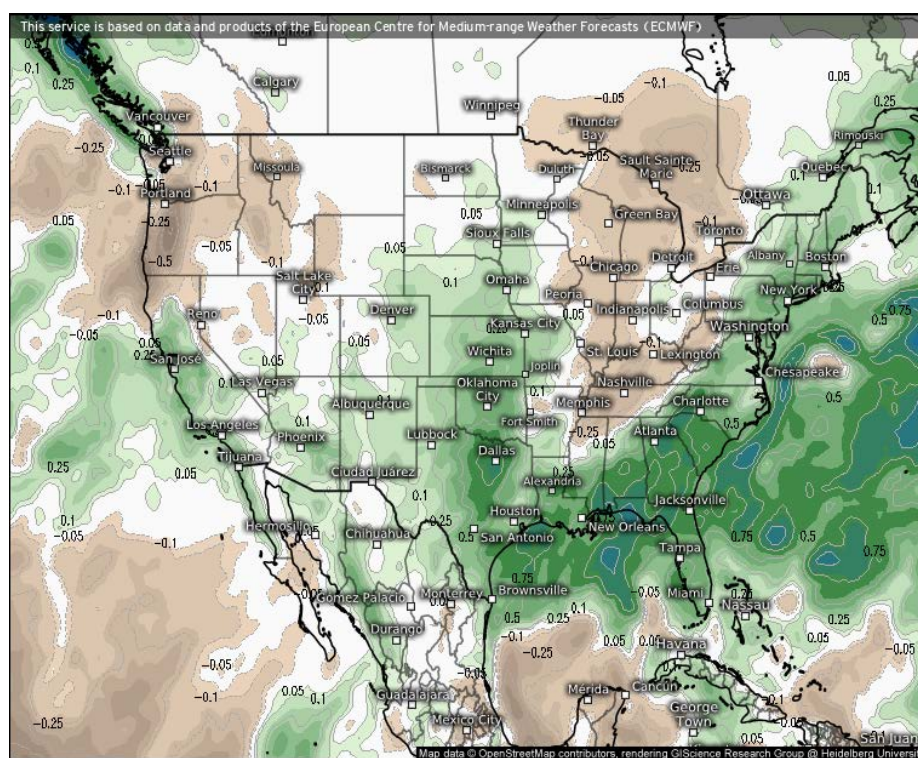
Weather plays a pivotal role in agriculture and can profoundly impact crop production worldwide. Farmers and agricultural communities rely on predictable weather patterns to plan planting and harvesting schedules, optimize irrigation, and make various crop management decisions. Unforeseen or extreme weather events can disrupt these plans and lead to reduced crop yields, economic losses, and even food and fiber shortages.

As we all know, mother nature has not been kind to the industry. The 2023 weather patterns brought more regular and advantageous moisture levels for agriculture to the north, while the drier and hotter environment in the south presented more significant difficulties.

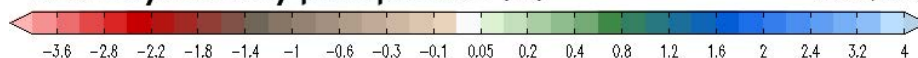
Planning for the Future

In the next few months, those in the Texas, Oklahoma, and Kansas areas may anticipate some chilly and rainy weather patterns. According to Brian Bledsoe, Chief Meteorologist for KKTU in Colorado Springs, Colorado, and for BrianBledsoe WX, LLC, computer modeling indicates that there may be an active storm trend in the western United States. This pattern would lead to increasing storm activity that intensifies further east.

“We may have a colder than average winter and a wetter than average winter. Suppose we shove that moisture into the ground during the winter months that’s going to make the drying out process take longer,”



Anomaly monthly precipitation (in)



Bledsoe explained. “The reason for that is whenever you have good subsoil moisture, it usually will delay the onset of drought because you have to bake all that moisture out of the ground. That moisture goes into the atmosphere. It develops clouds with shower storms.”

Moisture isn’t necessarily a cause for concern in light of the wetter winter anticipated going into 2024. The current El Niño phenomenon in the Pacific Ocean will help keep things relatively active through at least the first half of 2024.

“We need to be very cautious about putting all our eggs in the El Niño basket and that it will fix everything. Rarely does that ever happen, and rarely does it ever have the staying power that we would like,” Bledsoe said. “I am optimistic about the first half of the year, and even the later part of this year, doing fairly well for us. I just think we need to be very mindful that living in the plains, we are never very far away from drought.”

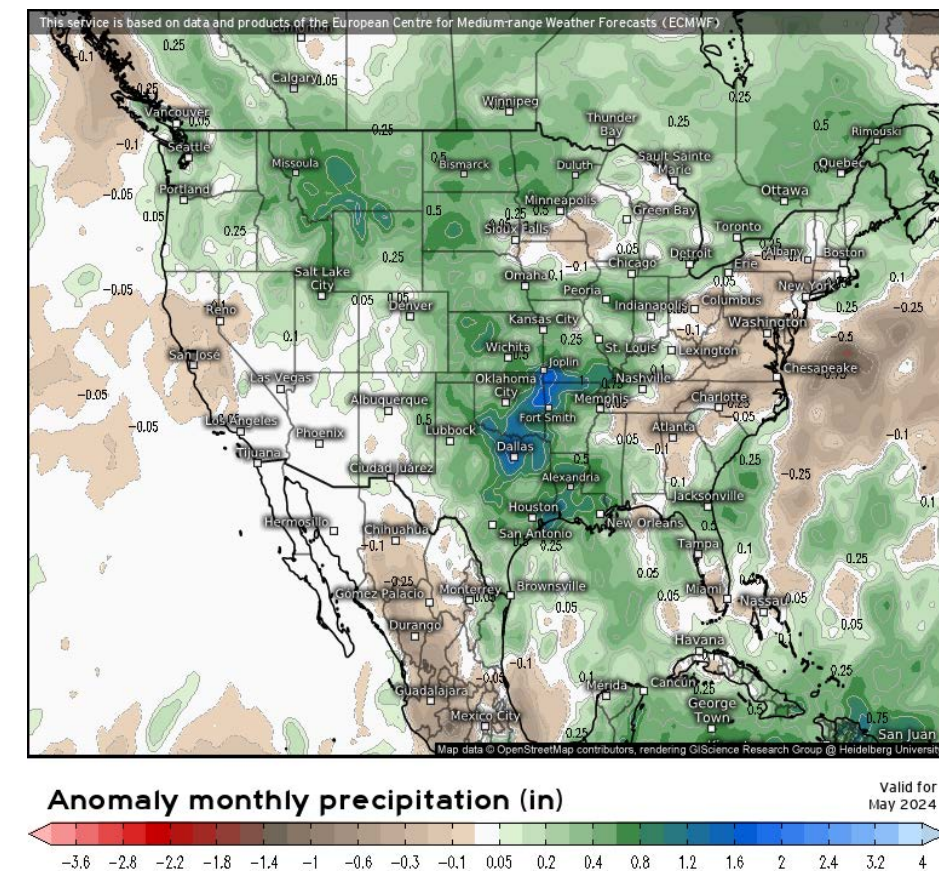
The second half of 2024 might revert to a La Niña episode, which we have dealt with intermittently for the past three years.

“I would say we are going to have a much more balanced year on the front end in terms of moisture, but you have to stay plugged into what you’re doing here regarding this forecast going forward,” Bledsoe said.

Staying Plugged In

Weather patterns can change rapidly. Bledsoe emphasizes the need to continually check weather updates and not rely solely on long-range forecasts.

“We need to be very aware that how we start 2024 may not be how we finish the year. I understand that fact is often hard for some people to wrap their minds around. It’s like we’ve got all this moisture; everything’s great,” Bledsoe said. “We have to be prepared for the backside of that because history has shown it does not take very long for us to go back into dryness even after we



have had some good moisture. We need to be very informed about how we use that moisture, the decisions we make around that moisture, and then also be mindful of what could show up with a drier pattern, late 2024.”

Any farmer will benefit from maintaining a connection to a reliable weather source to stay plugged in during 2024. It is critical to monitor weather updates, particularly in areas where weather patterns are prone to shifting quickly, like the High Plains of Texas.

“If you look at a forecast and then don’t check back for a few weeks or a couple of months and say, well, that changed,” Bledsoe said. “That’s the thing, weather changes, and in terms of long-range forecast, there are a lot of moving parts.”

“I am optimistic about the first half of the year, and even the later part of this year, doing fairly well for us. I just think we need to be very mindful that living in the plains, we are never very far away from drought.”

EMPOWERING COTTON GROWERS

How PCCA Innovates & Strengthens the Industry

By **Kaylee Hendricks**

PCCA is a marketing cooperative at its core. The cooperative's role as a defensive marketer is crucial to every cotton grower in Texas, Oklahoma, Kansas, and New Mexico. However, PCCA strengthens the entire industry by offering technology solutions to growers, gins, and warehouses. We dedicate talented teams to developing and exchanging information through system enhancements, workshops, and training. The dedication to adding value throughout the supply chain demonstrates a deep commitment to the success and profitability of our growers-owners. PCCA helps growers operate more efficiently and make informed decisions by offering value-added services, benefiting individual growers, their gins, and PCCA.



PCCA's Gin Accounting Department helps co-op gins manage their operations and finances more effectively by providing a full-service accounting package and supporting these programs. This package includes services and support for critical programs like Module Tracking, Module Truck Tracking, Scale Tickets, and Gin Patronage. These services are essential for the efficient and effective operation of gins, ensuring accurate financial tracking, record-keeping, and patronage distribution.

The Cotton Services department at PCCA is instrumental in the cotton marketing process by processing financial transactions, contracts, and agreements and providing critical support to gins. These responsibilities include processing and distributing cotton payments, which encompass a range of activities, such as all PCCA cotton transactions, PCCA dividends, and stock retirements. Their involvement in assisting gin offices with determining Farm Service Agency eligibility and providing accurate lienholder information is essential for ensuring compliance. The Cotton Services department's year-round support extends into the off-season when needs arise.

The Member Communications department at PCCA is critical in facilitating the communication between growers, gins, and the cooperative. Their position as a bridge is essential for maintaining effective relationships and ensuring the timely flow of information. Member Communications provides valuable insights by actively engaging with growers and gins, which are crucial for planning and decision-making. Their "boots on the ground" role throughout PCCA's service areas highlights their dedication to staying connected

to members and gins. In essence, this department is a vital link in the cooperative's operations, contributing to transparency, collaboration, and the overall success of grower-owners.

The teamwork of Member Services at PCCA is an essential function. Having the same customer base and working closely together enables seamless and efficient operations for both gins and grower-owners. This unique collaborative approach sets PCCA apart by providing a comprehensive solution that addresses the needs of both growers and their gins. It ensures that both parties have the tools, support, and resources necessary for success, reinforcing the commitment to our grower-owners and the cotton industry. PCCA's South Texas Member Services team also aim to provide grower-owners in their region the same opportunities for success.

For the benefit of our grower-owners, PCCA is continually looking for novel solutions and introducing them to the market. Most of those efforts are concentrated on our marketing tools by ensuring that we have the choices available that our producers want and need when it comes time to market their crop.

"Grower-owners should know that PCCA is not just a marketing cooperative," said Corey Smyth, Director of Cotton Services and Gin Accounting, "We are truly invested in your future and long-term profitability."

Services Spotlight

The creation of the myPCCA app is a testament to the commitment of PCCA to innovation and providing valuable solutions to its grower-owners. In a rapidly evolving agricultural landscape,

digital tools are invaluable for helping growers make informed decisions and manage their operations effectively. Performing tasks like signing documents, accessing cotton bids, retrieving cotton statements, and obtaining tax forms, all from a mobile device, provides a streamlined and accessible experience for our grower-owners. The myPCCA app is a prime example of this commitment by empowering grower-owners to stay connected and conveniently take control of marketing their crops.

When gins asked for a more efficient way to keep track of modules at harvest, PCCA stepped up to the challenge with a technology-driven solution. The capability for growers to call in modules directly from the field using PCCA's module tracking software is a powerful tool, improving communication between growers and gins. They share GPS coordinates to pinpoint the exact location of modules and farm locations, allowing gins to locate modules and safely save valuable time and resources. Such technology-driven solutions benefit the efficiency of operations and contribute to better data management and logistics planning. It's an excellent example of how innovation and technology can improve processes, simplify tasks within the cotton industry, and stay at the forefront of PCCA.

The annual gin workshops held by PCCA serve as an opportunity to equip gin personnel with the knowledge and tools necessary to navigate the cotton season efficiently. These workshops show continuous improvement and dedication to supporting grower-owners by facilitating knowledge sharing and skill development within the cotton community.





From Hobby to Harvest:

MAC BECTON'S JOURNEY

Story and Photos by **Jayci Bishop**

Not many people can turn a weekend hobby into a career, but Idalou's Mac Becton did. He spent 30 years working in the agricultural chemical business, only to move back to the Lubbock area in 2005 and began hobby farming on the side in 2008. Little did he know that hobby would become his career, passion, and livelihood in 2010.



“My father owned an 80-acre drip field that I started farming on the weekends,” Becton said. “One thing led to another, and it just started to domino, adding more acres. Then I kind of got out of the chemical business and into the farming business.”

Unlike most people, Becton did not return to join the family farming operation – he started from scratch. He bought tractors and other equipment on his own to get his start in the industry.

“That is kind of unheard of. I bought a little here and there as I was hobby farming and still had a full-time job,” Becton said. “It was a little easier that way, and then before I knew it, I was 100% in and it got a bit more expensive.”

Becton said the expenses are heavier today than when he got into farming. He said managing the finances of farming is still one of his biggest challenges.

“It is having enough capital at a price that we can afford,” Becton said. “The cost of equipment and inputs have gone through the roof. Just the financial squeeze on farming today is really, really tough.”

Becton said he tries to shop around to mitigate high production costs in his farming operation. He also said this is the best advice he would give his fellow farmers.

“Shop around, but don’t give up on the people that helped or supplied you,” Becton said. “Just manage it as best you can. It is not always the cheapest. Sometimes it is a little bit more expensive to get the best net result. So, it is not all about the bottom line.”

Beyond the farm gate, the agriculture industry is facing significant challenges. Becton said new legislation is pushing to take tools away from farmers faster than new innovations are adapting – from different regulations to the push for electric equipment.

“I think that is one of the biggest challenges we are going to have out there. The push to innovate is outpacing the ability for us to change and adapt to it either because it is not available or the costs are going through the roof,” Becton said. “Every time we get hit with something that is a dollar out of our back pocket. We do not set our prices. We take what the market gives us.”

Today, he farms roughly 1,400 acres of land and operates a rotation of sorghum, corn, and cotton on dryland and irrigated land. Becton said he enjoys being outside in mother nature and the sunshine. Watching the growing season is one of the most rewarding parts of farming for him.

“PCCA helps everybody on their operation more than they know, from being able to tag modules in from your phone, to selling your cotton, and understanding the markets. There is a wealth of knowledge and tools that you can tap into if you are willing to.”

“From planting to harvest and everything in between, you get the opportunity to see what could or should be changed in the next growing season, whether it is a cotton, sorghum or corn plant,” Becton said. “We get one shot at farming for the year. So, every year we learn more. That’s the rewarding part to me. Learning what works and what needs to be added, changed or removed.”

Becton knows the value of serving the cotton industry beyond his farm. He is a member of Idalou Co-op Gin and serves on its Board of Directors. Becton also serves as a PCCA Delegate and on the Marketing Pool Committee. While he is active in cooperatives now, that has not always been the case. He spent his time early in his career on the independent side of the business.

“I think it is educating and making sure we are bringing the message back to the young producers of what co-ops mean and what cotton means to this area,” Becton said. “I made the transition to cooperatives in Nebraska and Iowa in my career and learned about cooperatives from there. In a cooperative, I think it is important that we share and help each other out.”

The cooperative business model is one way to help ensure the infrastructure is here for generations to come.

“Cooperative assets like the gin or grain elevator, are always going to be there. They are not owned by individuals just wanting to make as much money as they can and then sell to the next business or shut it down.” Becton

said. “We know that the cooperative is going to be there for the long haul for the producer. I think that’s something we can teach the next generation so they understand the importance of a cooperative.”

The same goes for regional cooperatives like PCCA. Becton explained how PCCA helps him in his farming operation. He also said he enjoys being on PCCA’s Delegate Body and Marketing Pool Committee because it helps him understand markets and what is at play in the cooperative.

“PCCA helps everybody on their operation more than they know, from being able to tag modules in from your phone, to selling your cotton, and understanding the markets. There is a wealth of knowledge and tools that you can tap into if you are willing to,” Becton said. “By serving on the gin board, I found out all the things that our gin gets or pays for as a service from PCCA. I don’t think we could do it as a group out here if we had each individual go out and buy those services à la carte from somebody else. It is an important, key part of the cotton industry.”

Becton said farmers are 100% about sustainability and caring for the future of the land. There also are many lessons to be learned from previous generations. Becton said it is not always about repeating what they did, but taking what they taught you and applying it to your current situation.

“We don’t spend a dime more on chemicals than we need to,” Becton said. “We don’t put an ounce more out there than we have to. We don’t put any more fertilizer out there than we have to, because it is all about our bottom line. We have

always practiced sustainability through our programs. I plant a cover crop on everything to keep the erosion down.”

Learning from other generations can go both ways. Becton offered this advice for farmers just getting started in their career.

“One of the big things that I have learned from the previous generation is it is going to change and you better adapt and change with it,” Becton said. “Hang on, it is a ride. There are good times and bad, enjoy them both. If you learn from the good and bad, you will be okay. Be willing to change how you farm the next year, as the years are never going to be the same.”



WANT MORE OF THE STORY?

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Farm Bill: Critical to Cotton

Prior to and throughout 2023, the National Cotton Council focused on policy development for the 2023 farm bill. The farm bill is a multi-year law that governs various agricultural and food programs and is critical to the cotton industry. The legislation, which is typically renewed every five years, allows policymakers to address agricultural and food issues periodically. In addition to developing and enacting farm legislation, Congress monitors the implementation of the legislation by USDA.

With many provisions of the existing farm bill set to expire by the end of 2023, the House and Senate leadership recently extended the 2018 farm bill for another year. This extension will give U.S. cotton producers certainty and support for next year's planting season. The NCC will continue to diligently work with the House and Senate Agriculture Committees to secure a five-year farm bill as quickly as possible in 2024.

The NCC has actively conveyed to Congress and the Administration its priorities for a meaningful farm bill with an effective safety net and comprehensive risk management tools.

Throughout the year, NCC staff educated dozens of new Congressional Members about production agriculture's contributions to the national economy, the need for a strong farm law and the challenges facing U.S. agriculture.

Our overarching message continues to be that the general structure of the 2018 Farm Bill has served the industry well. For the producer, the choice of ARC/PLC programs and the availability of a full suite of crop insurance products are critical to their economic viability. However, the surge in production costs has reduced the effectiveness of the current safety net. The ag committees need additional budget resources to provide programs that can effectively address the costs and risks faced both on the farm and throughout the supply chain.

In April, NCC Chairman Shawn Holladay conveyed the industry's priorities at a House Agriculture subcommittee hearing, and in May, Council Director Patrick Johnson presented those priorities at a hearing of a Senate Agriculture subcommittee.

The NCC, as well as many national/regional cotton organizations, joined 400 other agriculture groups on a letter to the House and Senate budget committees' leadership requesting sufficient budgetary resources to write a new bipartisan, multi-year, comprehensive and meaningful farm bill.

Earlier this year, the NCC, along with more than 50 other agricultural associations, sent a letter to Administration leaders and to leadership of the House and Senate budget and appropriations committees, urging them to protect crop insurance programs from any cuts during this year's appropriations process. The letter noted that with ongoing weather events and market disruptions, it is as important as ever to protect the rural safety net.

Later, a group of NCC leadership representatives were in Washington, DC, for meetings on Capitol Hill to advocate for cotton industry priorities. The NCC delegation met with more than 20 Senators and Representatives, including the leaders of the House and Senate agriculture committees, to emphasize that the NCC would like to see reforms in the next farm bill that raise the seed cotton reference price; eliminate the current prohibition on joint PLC/STAX enrollment; modernize the Marketing Assistance Loan Program; provide greater support for the Pima industry; and restore the Economic Adjustment Assistance for Textile Mills rate to its original value.

To meet the aforementioned goals, the NCC must keep in place a well-funded Political Action Committee. This committee supplements our efforts to raise awareness about the U.S. cotton industry's importance to this nation's economic health among our nation's lawmakers, particularly newly-elected Congressional Members. The Committee for the Advancement of Cotton was founded in 1975 and is sponsored by the NCC. The CAC receives contributions from industry members who voluntarily pool their resources to support candidates whose views and voting records are in step with the cotton industry's priorities. Over the last decade, CAC has nearly doubled its contribution level from just over \$300,000 in collections in 2012 to reaching its highest fundraising total ever in 2022 at over \$595,000, far exceeding the annual goal of \$519,000. When combined with other PACs, the

NCC and our members have access to over \$891,000 in political resources.

A beacon of this fundraising success was the launch of the CAC Night of Cotton on the Friday evening during the NCC Annual Meeting. The CAC Night of Cotton brings the cotton industry together through an evening of fun, live karaoke music, and a live auction. Members purchase tickets to the event which includes an opportunity to win additional prizes. There is also a silent auction throughout the NCC Annual Meeting. The silent auction combined with the CAC Night of Cotton raised \$128,500 for CAC in 2023.

CAC has tremendous partnerships through the cooperative segment as well as member gins who voluntarily collect contributions from a portion of the marketing proceeds of their members and customers. This has allowed the CAC to reach many more NCC members.

Funding for campaigns has been a feature of the political process throughout U.S. history, but the cost to run a campaign has increased dramatically in recent years. It will be very important to have a strong PAC going into the 2024 elections. It is imperative that we have essential funds to ensure that we have legislators who will address the priorities of the cotton industry.

Against the backdrop of these challenges, the U.S. cotton industry will continue to work not only for improvements in the government safety net, but also enhanced market opportunities. The successes of past years demonstrate that relief from the difficult economic conditions can be achieved by a unified industry. The work is not finished, and industry members' support will allow the National Cotton Council to continue to be a voice for U.S. cotton.



Gary Adams
National Cotton Council CEO



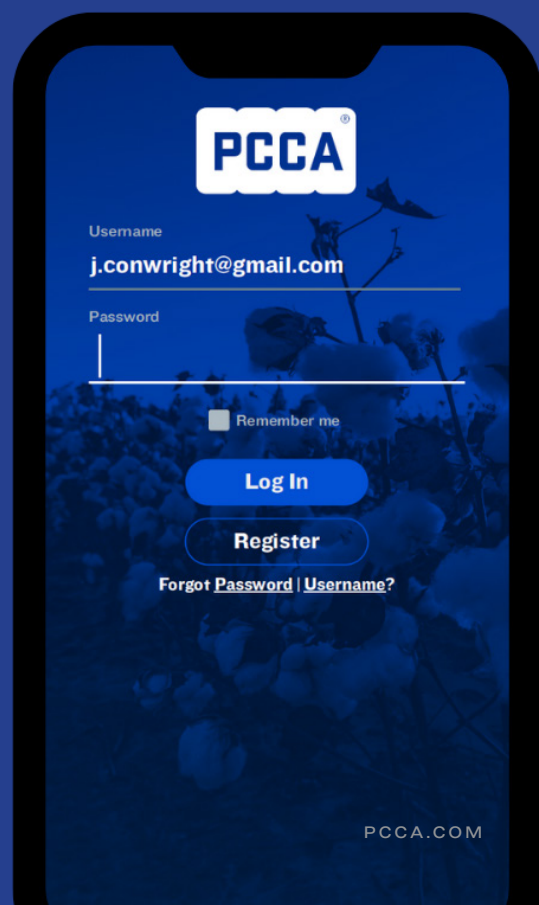
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The myPCCA app brings your information to your fingertips and allows you to stay connected from any location. It provides farmers with the opportunity to remain in control of marketing their crop by staying up to date with the latest tools, news, and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



The Power of **ONE**



**70 Years of Resilience & Innovation:
How PCCA Transformed the Cotton Industry**

By **Blair White**

One drop can cause a ripple in the ocean that never ends. One spark can start a fire. One word can make a difference. One storm can determine the outcome of a crop. One business can impact the global cotton industry. Over the course of 70 years in business, PCCA's endeavors have been vital to the success of cotton growers and gins. PCCA is resilient, adaptable, and strategic; we do it all for you. Let's review.

Facing the Facts

Since 1953, we've handled 114 million marketing and pool bales of cotton. We have members in 49 out of 50 states, and have generated \$18 billion in total sales from the seasonal pools since their inception in 1987-1988. Today, we are 12,000 active grower-owners strong, and those are just the highlights.

It's no secret that 2023 was one of our most challenging years. The drought that struck our service area was the worst since 2011, leading to 76% abandonment. Despite these trials, we remained focused on innovation, sustainability, and keeping your business on strong financial footing for the future.

"I think the lesson that shines through for me is that when our farmers work together, they can accomplish anything," said Kevin Brinkley, PCCA CEO. "I think about some of the ideas that were born here and incubated here, and how they must have sounded at the time they were being considered. Then taking it from concept to reality – it is really amazing what this cooperative has accomplished with these farmers."

It was the forethought of our founding farmers that led to industry changing innovations. They were focused on the future as well as the present, and we have all benefited from their drive to be and do more. No matter the hardships they encountered, these agriculturists persevered. Today, we do the same.

Value-Added Innovations

PCCA developed industry-changing innovations such as electronic warehouse receipts and online commodity trading years ago. We revolutionized pool marketing, cotton warehousing, and gin services. To get a closer look at these technologies, scan the QR code to read our 70th anniversary edition of Field & Fiber.

PCCA's Board of Directors has placed an emphasis on innovation and strategy. In the last decade we have increased cyber security measures to protect your information online, constructed a private intermodal rail facility for shipping efficiency, and developed innovative marketing options like PCCA Direct® On-Call and the Grower Choice Pool option. We are committed to providing quality gin services and shipping cotton quickly and efficiently.

"My hope for the next 70 years is that this company goes on and accomplishes greater things than it has in its past 70 years," Brinkley said. "That is a tall mountain to climb, but I really think that the work ethic and spirit of our farmers is going to make that possible. There are problems still left to address. Still plenty of challenges. You know, I think between the good ideas that we get from our growers and the dedicated staff we have, we can do that."

E Pluribus Unum

Out of the efforts of many has come this company that has changed the face of the cotton industry. No one person did it alone, farmer or staff member. The strength in numbers of our patrons, the voice of our leadership, and the guiding principles of the cooperative business structure have led us to success. This is your business.

Nothing worth having ever comes easily. Never underestimate the power of one.



**70th Anniversary
Edition Field & Fiber**

Scan the code to read more!

A close-up photograph of two hands, one light-skinned and one dark-skinned, gently cupping a mound of dark brown soil. The hands are positioned at the top and bottom of the frame, with the soil in the center. The lighting is soft, highlighting the texture of the skin and the granules of the soil.

BOARD SPOTLIGHT

Owner input through the Board of Directors plays a pivotal role in PCCA, embodying the essence of cooperative governance. The board, comprised of elected representatives from the membership, serves as the voice of cotton growers and producers, channeling their insights, interests, and priorities into the cooperative's strategic decisions.

PCCA's Board of Directors represents the entirety of PCCA's service area, from all across Texas to Oklahoma, Kansas, and New Mexico. These farmers were elected to the board because of their leadership and dedication to serving the greater cotton industry. Get to know the farmers who comprise PCCA's board in this Q&A.



Dahlen Hancock - Chairman, District 7

4th Generation Farmer
Farming - 43 years

Why is it important to you to serve the cotton industry?

I'd hope at the end of the day that my farming and cotton industry friends would say that I worked hard on everyone's behalf and made a difference in the industry. PCCA, like all other industry organizations, is stronger when like-minded individuals come together for a common goal and continual improvement.

What is something you want farmers in your district to know about you?

For one, I am a farmer who is hands on and still very actively engaged in my operation today. I know that PCCA is working for me daily, even in this rapidly changing environment. I get a behind the scenes look at what they are doing and they truly do work for us - my fellow neighbors, my friends. I have skin in the game just like they do. I think the main thing I want them to know is I am listening and working with staff to address those needs and concerns affecting the farm.

What is something you want growers to know or understand about PCCA?

As a board, we are here in service to you and we are trying to do what's best for our fellow growers. PCCA is your cooperative - it is owned by you. There is so much more that PCCA does for growers beyond cotton marketing. I get an in-depth look at PCCA in my position as chairman, and in my opinion, there is no substitute for all the services this cooperative provides in its entirety.



Lexie Fennell - Vice Chairman, District 3

4th Generation Farmer
Farming - 43 years

Why is it important to you to serve the cotton industry?

All cotton producers need to participate in some level of the industry. Our policymakers in Washington acknowledge these industry organizations as advisors of farm policy. So, collaboratively, producers can and should have input into matters affecting their operations.

What is something you want farmers in your district to know about you?

I work hard to develop policies and procedures at PCCA while managing the risks of those policies and their effects on the grower-owners in my district. Producers should know all the decisions I make while serving as a director of PCCA have their best interest in mind.

What is something you want growers to know or understand about PCCA?

Producers must understand this isn't "The PCCA" its "YOUR PCCA"! We encourage your involvement in your future!



Clint Abernathy - District 1

**4th generation farmer, 2nd generation in family on
PCCA's Board
Farming - 42 years**

Why is it important to you to serve the cotton industry?

The cotton industry is comprised of many organizations that promote and improve the profitability of growing cotton. These organizations have served me well over my career, and I am proud to have the opportunity to give back to the cotton industry.

What is something you want farmers in your district to know about you?

I am a huge advocate of the co-op business model. A grower has ownership and a voice in how the co-op is operated, which is a huge advantage you can't get anywhere else. I will always work hard to preserve the co-op way for the next generation of farmers.

What is something you want growers to know or understand about PCCA?

I want the growers to know that PCCA is prepared to meet the challenges that we currently face and will continue to work hard to add value to their cotton crops. Dealing with droughts and volatile markets is not an easy task but if we all work together, we will succeed. Since PCCA is a volume-driven co-op, your loyalty will enhance the performance and profitability of your co-op.



Kody Carson - District 2

**4th Generation Farmer
Farming - 38 years**

Why is it important to you to serve the cotton industry?

We have to stand up for ourselves and let our value be known. So not only do I feel the need to stand up for cotton farmers, but PCCA gives me a platform to stand up for all of West Texas agriculture as well.

What is something you want farmers in your district to know about you?

I was just thinking about the declining aquifer and how everything I have known all of my life has shifted so drastically in the last few years. It's almost like while I have been farming for most of my life, I'm having to start over and re-learn so many things. While I have been at it a lifetime, I almost feel like a new farmer having to learn how to do things in a different environment with much less water and variable weather extremes.

What is something you want growers to know or understand about PCCA?

There is so much behind-the-scenes work that goes on that most don't know about. The value it brings to the gins and the support it provides to farmers – it all adds to their bottom lines. Some don't see the value that PCCA brings on the marketing side, but they need to know that PCCA puts a floor in the market that holds other cotton merchandisers accountable. PCCA helps hold the other top marketers feet to the fire so we get the best value for our cotton.



Dane Sanders - District 4

6th generation farmer
Farming - 21 years

Why is it important to you to serve the cotton industry?

I'd love nothing more than to pass along my farming operation and my love for the cotton industry down to my children one day. In order for that to happen, I believe we all have to sacrifice our time and talents to ensure that the cotton industry remains viable for the next generation. That can be accomplished in a number of ways. Making sure our local and regional cooperatives remain competitive and relevant are just a couple ways that can be accomplished. Another important way is through being an advocate for the cotton industry here in the state of Texas, in Washington D.C., and every day by sharing our stories with the consumers of cotton. The risks taken and the decisions made by the generations that came before us made it possible for me to farm. I believe the next generation deserves the same.

What is something you want farmers in your district to know about you?

My belief is that PCCA was founded by men that were "outside of the box" kind of thinkers. They knew deep down that there had to be a better way to market their cotton. I'm the same way. What works for one person or what has worked for years may not be the best way to address the issues our industry and cooperative are facing today. Hard work, coupled with determination, and the ability to see a problem through a different set of lenses can yield huge returns to our grower-owners.

What is something you want growers to know or understand about PCCA?

PCCA was established 70 years ago to help area producers fight back against unfair marketing practices that were taking place at local gins. Over the next 70 years no matter what our industry was facing, PCCA members and staff stepped up to the plate to identify a way to fix the problem. This type of mentality is imbedded in PCCA's DNA and that still exists today. PCCA is a marketing cooperative but marketing is just one part of what we do. PCCA also offers warehousing, accounting services, information systems, and member services. The support provided to our members and local gins is very valuable and second to none.



Randy Smith - District 5

4th generation farmer
Farming - 46 years

Why is it important to you to serve the cotton industry?

Cotton has been and continues to be so important to the economy of this area. It has been rewarding to play a small part in the cotton industry and to see the changes in cotton production, quality of fiber, yield, and marketing and delivery in West Texas. Hopefully, cotton production continues in this area for years into the future.

What is something you want farmers in your district to know about you?

It has been an honor and a privilege to serve as a director on the PCCA board. Being able to be a part and see the commitment of the board, and more importantly our employees, and the passion with which they serve is refreshing.

What is something you want growers to know or understand about PCCA?

It is extremely important that PCCA survives and maintains a vision to enable growers to benefit from innovative ways for the future of cotton marketing, delivery, and profitable production. Historically PCCA has been at the forefront of innovations in marketing systems, software support for co-op gins, and as a representative, domestically and globally, of the cotton industry. That value to our growers and the cotton industry must be sustained.



Dean Vardeman - District 6

5th Generation Farmer
Farming - 51 years

Why is it important to you to serve the cotton industry?

Because it is important to give back to the industry that we love, that has provided a living for generations of my family and that will continue to be part of my kid's livelihood for many more.

What is something you want farmers in your district to know about you?

I love agriculture, the cotton industry, and I cannot imagine doing anything else for a living. My hope for PCCA is that we will be innovative, provide better marketing opportunities, and continue to serve gins and producers with relevant marketing options.

What is something you want growers to know or understand about PCCA?

PCCA was created by our predecessors who saw the need for a better market for West Texas cotton, the evolution over the years has proven that PCCA has been successful in expanding market opportunities for our cotton. I hope that people do not underestimate what PCCA does to provide a stronger marketplace and better service system for gins and customers. No other company provides the services and support for its members. PCCA's presence and efforts strengthen the entire cotton market for West Texas producers.



Steve Moore - District 8

2nd generation farmer
Farming - 42 years

Why is it important to you to serve the cotton industry?

It's important to me to serve the cotton industry because cotton is my livelihood. It is a way for me to stay attuned to the industry from the farm to Washington. It is my desire to make decisions that are not only good for PCCA but for the grower-owners on the farm.

What is something you want farmers in your district to know about you?

I hope that the future of PCCA is bright, but the only way for it to be is to stay relevant, changing with the changing times.

What is something you want growers to know or understand about PCCA?

One thing that I would like the grower-owners to know and understand about PCCA is that it is much more than a marketing co-op. It is a service co-op as much as a marketing co-op. PCCA provides numerous services to local gins and owners that makes their jobs much easier and hopefully more profitable.



Billy Eggemeyer - District 9

3rd Generation Farmer
Farming - 48 years

Why is it important to you to serve the cotton industry?

It is important because this is my life. I grew up on a farm and it is the only life I know. I would love to see my sons and grandsons continue this family tradition. There are so many changes happening now and I enjoy staying abreast of the industry.

What is something you want farmers in your district to know about you?

I was an innovator in the industry in my younger years. I put in my first drip system in 1987. I am an old farmer now and I will bend over backward to help any young or new farmer I can: advice, equipment, time, anything.

What is something you want growers to know or understand about PCCA?

Grower-owners need to understand that without PCCA, our gins and producers would be under some hardship. Without gin bookkeeping, gin store bookkeeping, writing checks, bale recaps, and so much more, it would be harder on everyone. PCCA is owned by its growers so we can't abandon it!



Frank DeStefano - District 10

3rd Generation Farmer Farming - 40 years

Why is it important to you to serve the cotton industry?

My grandfather and father have grown cotton since the mid-1950s and we hope to continue growing cotton well into the future. By serving in the cotton industry, you are able to work with other farmers to ensure cotton provides a way of life for future generations.

What is something you want farmers in your district to know about you?

I farm with three brothers in Mumford, Texas. My district runs from Vanderbilt to Corsicana. I realize I have not met a good number of our farmers, but I welcome the chance to hear their concerns.

What is something you want growers to know or understand about PCCA?

When you market your cotton through PCCA, you have become an owner of the cooperative. PCCA is considered a leader in the cotton industry. Our goal is to return as much revenue as possible back to the grower. PCCA has been a leader in developing new technologies and marketing solutions.



Marvin Beyer - District 11

3rd Generation Farmer Farming - 44 years

Why is it important to you to serve the cotton industry?

I have always enjoyed growing cotton. It is challenging but rewarding to plant, grow, and harvest the crop. The cotton industry has been good to me and my family. I want to contribute all I can to make it profitable and enjoyable for future generations.

What is something you want farmers in your district to know about you?

I want my fellow farmers to know that I will do all I can to promote cotton and keep the demand for cotton as high as possible so it will be profitable for all farmers to continue to grow this amazing plant (dryland and irrigated). I also want them to know that I am always willing to listen and answer questions and not just for the farmers in my district.

What is something you want growers to know or understand about PCCA?

First and foremost, I want the growers to understand that PCCA is not just "pool" cotton marketing. There are other options at PCCA. Also, we farmers have a voice in our co-ops, and I don't want us to lose that. If we keep marketing cotton around our co-ops, we will lose that voice. Ask yourself, how many times has another merchant gone to Washington to promote the cotton industry for you, the farmer? While PCCA does not lobby directly for farmers, they do represent the growers in areas that put money back into the pocket of its members. I believe if the private merchants take over, we the farmers, will have to take what they offer us and we will lose any control we have over marketing our cotton because there will be no competition.

A photograph of a sunset over a field. The sky is filled with soft, colorful clouds in shades of orange, pink, and blue. The sun is low on the horizon, creating a bright glow. In the foreground, there is a dark, silhouetted field of crops. On the left side, there is a dark structure, possibly a piece of farm equipment. A white rectangular box is centered in the image, containing blue text.

**Have questions for your board member?
Reach out to PCCA and we can
help you get in touch with them.
Call us at 806-763-8011.**



The Antidote to Invisible Pain

Protecting mental health in agriculture might mean doing the one thing we don't want to do: come together.

By **Kara Bishop, Plains Cotton Growers**

Showing emotion always equaled “weak” to me, which is unfortunate since I’m an extremely emotional person. Time and maturity have helped me keep emotions in check as an adult, but there was a time I couldn’t control my reaction when I felt something. And it hacked me off.

I had two choices then just as I have in my approach to this column today: I can hone the craft of internalizing my feelings to the point where I am no longer vulnerable and hide behind facts, statistics and other people’s stories. Or, I could accept my vulnerability and share it with other people.

I’m going to choose the latter.

In what I consider the revolving door of my quest for better mental health, I tried counseling one time 12 years ago. The only thing I really remember about it is that the psychologist was nice, but not relatable. We weren’t the same age or going through the same things or even the same gender. However, around that same time, I noticed that I did feel seen and heard when I was talking to close friends walking through my same stage of life. To me, this proves that a marriage between relatability and connection can have a serious positive impact on mental health.

Mental health in agriculture has become a focus among certain politicians and rural health advocates. I imagine it has something to do with the rate of suicide among farmers, which is 3.5 times higher than the general population. Why?

For cotton producers, mental health might be a struggle because they’re staring at a market price that keeps hovering just below 90 cents. Mental toughness only goes so far when you put real money into a 2023 crop only for it to look similar to 2022.

And mental fortitude certainly doesn’t fix antics in Washington. It’s hard to watch an increasingly divided group of men and women who are supposed to be “for the people,” delay funding to a legislative package that keeps you in business.

Adding insult to injury, the factors mentioned above are totally outside of the farmer’s control. The farmer doesn’t dictate the weather or set the commodity price. The farmer doesn’t control the economy, nor can he or she solely lower the risk of the operation.

And while I can write all this down on paper, I still don’t know how it feels. I’m not a farmer. The producers I work with have walked thousands of miles in shoes I’ve never even put on. It’s a community that I don’t fully belong to. And I think that may be the missing piece in this rural mental health conversation. Are producers taking advantage of the community they belong to?

At the Plains Cotton Growers Board of Directors meeting in October, several of our producers worked on mental resilience. They did it together. One producer actually stood up and mentioned another producer helping him mentally. I saw them later in the parking lot. They stayed 30 minutes after the meeting building each other up.

That stuck with me. This producer told other producers he was struggling to remain positive. There wasn’t judg-

ment from those he told — there was encouragement. We often think there's risk in showing our vulnerability, yet, if we really think about it, the life experiences we will never forget came from emotional and vulnerable moments.

I've interviewed some retired farmers — who were farming in the 70s, 80s and 90s. They went to every meeting. Served on every board. Volunteered for multiple committees. They weren't distracted by the advancement of modern technology. They spent time with each other.

Then COVID-19 hit, and we were actually rewarded for isolation. Meetings were cancelled. Churches weren't allowed to assemble. Stores and restaurants closed. The rise in virtual connection came from good intentions — to at least supplement some of the isolation. However, it ended up hurting us in the long run. When the world opened back up again, we no longer felt the need to attend functions or gatherings. We convinced ourselves we didn't need people as much as we once did.

Agriculture has never been affected to the degree that other communities have when it comes to this concept. But the industry was not immune to the consequences of the pandemic. PCG hosts an advisory group meeting every other Friday. One of these meetings was especially crowded, and one of the guests commented, "These are pre-COVID numbers."

Fewer and fewer producers show up for events and meetings. Especially the younger generations who have never felt the need for gatherings as the ones who came before them. They've got kids in every youth sport known to man or showing animals. And, I'm not knocking that — our younger generations are busy. But with all the busyness can come its own form of isolation. We're out of practice when it comes to paying attention to those around us who may be hurting. We're not leaning on the shoulders of others in the trenches with us. We're leaning on our own. And we're falling over.

There are some great resources for everyone when it comes to taking care of mental health. Counseling and medication are great options for treating mental health issues. Telemedicine has made huge waves in rural health care avail-

ability. If you need a counselor, you can download an app on your phone, pick one and do a session right from the tractor if you want to.

But wouldn't it mean more if you could talk to someone who knows what you're going through? Who is *living* it with you? Sometimes a good vent session is the healthiest thing you can do.

And while we're being neighborly, let's look out for each other. Check in with one another if you feel a friend has retreated mentally and/or physically.

Like it or not, suicide is an issue in the farming community. Farmers need to look out for farmers. And when it comes to observation, it's typically not the "complainers" you need to worry about. It's the ones who have stopped talking.

The challenges farmers are facing today aren't new. You can ask older producers and they'll tell you about the 50s or 80s — have you heard anyone mention 1973 as the best crop year they've ever had?

Solomon said it best when he said there is "nothing new under the sun." These current circumstances have happened before and will happen again in the future. How we react to them is the gamechanger. Will we internalize and assume we're alone? Or will we share with others and know we're in it together? You never know who is listening or who could be positively impacted by your willingness to be vulnerable. It might save someone else, or it could save you.

And if I've learned anything in the mental health arena, it's that vulnerability and emotion are not weaknesses. Sharing your struggles is one of the strongest things you can do.

It's okay to be frustrated. It's okay to be angry. It's okay to feel hopeless. It's okay to feel defeated. It's not okay to keep it inside. Because emotions serve a purpose. They're supposed to bring us together. Let's *share* them.

Mental Health Resources:

988 Suicide and Crisis Lifeline: call or text 988 or visit 988lifeline.org

AgriStress Helpline for Texas – Southwest AgCenter: 833-897-2474

Mental Health Counseling – South Texas Rural Health Services: 830-879-3047 or SouthTexasRuralHealth.com

Mental Health Crisis Services – Texas Health and Human Services: hhs.texas.gov



Kara Bishop
Plains Cotton Growers
Director of Communications and Public Affairs

2024 Agriculture Outlook:

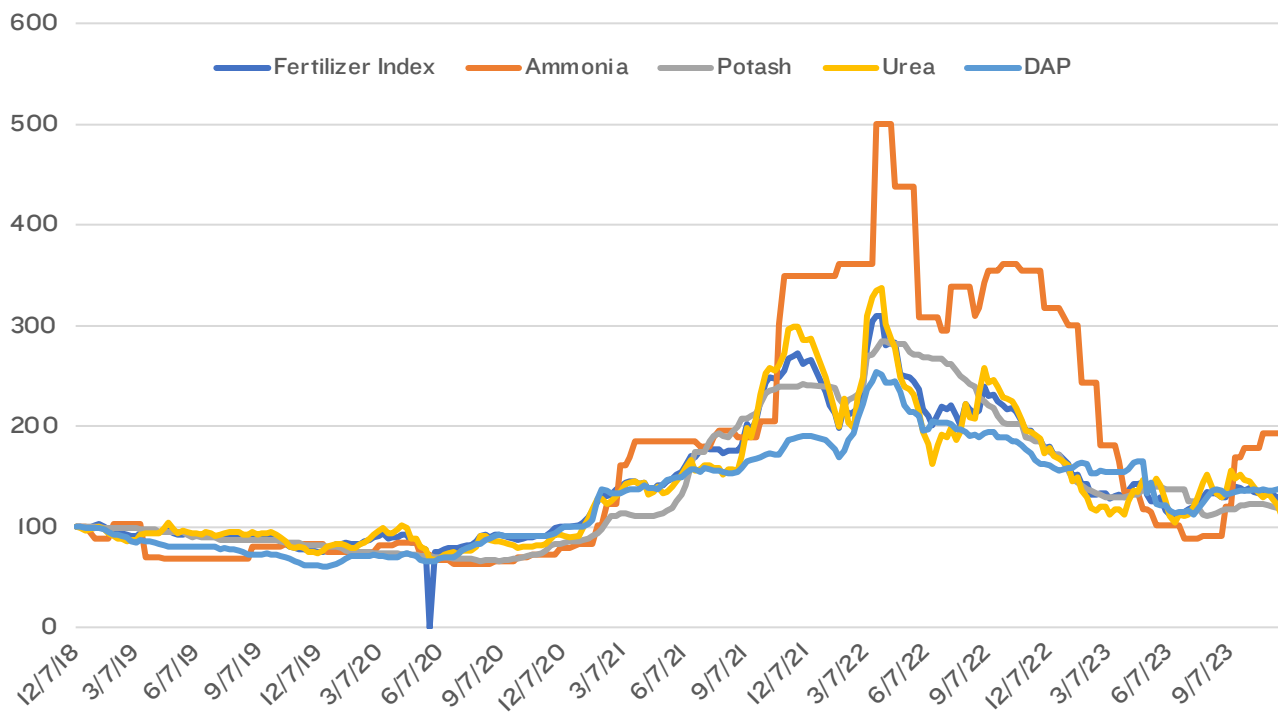
Navigating Input Costs, Output Prices, and Inflation

By Jayci Bishop



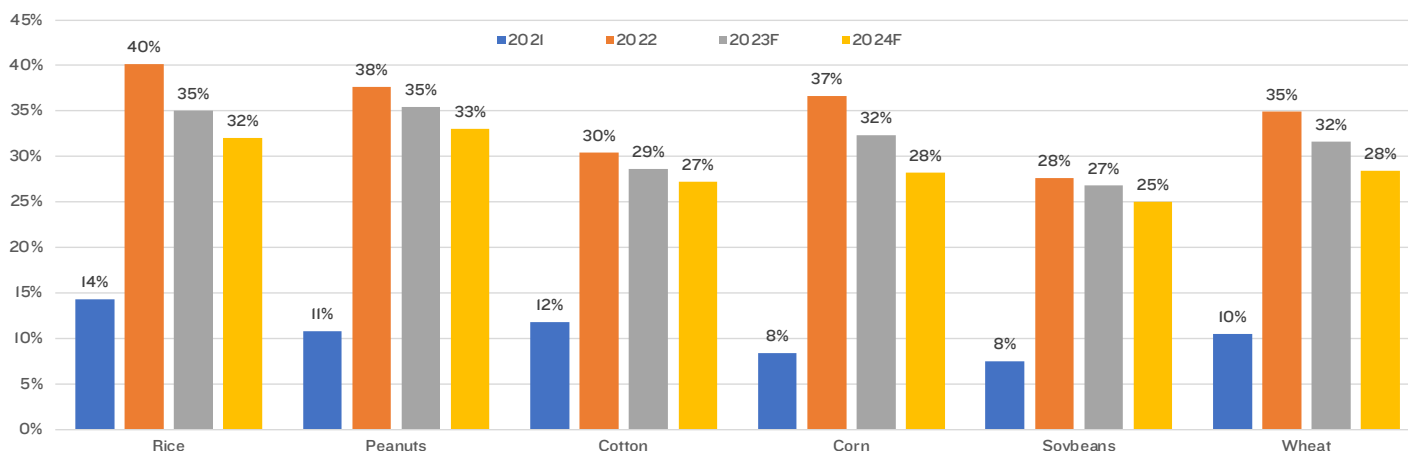
Price of Fertilizer and Components

Dec. 2018 = 100



Input Costs Slow to Decline

Percent Change in Total Costs from 2020 to 2024F, U.S. Average



As another crop year wraps up, everyone looks toward the future. Anyone in agriculture is acutely aware of the peak input costs the industry experienced in 2022. According to the United States Department of Agriculture, growers continued to feel the effects as net farm income is forecast to decrease by 17.4% to \$31.8 billion in 2023. What can we expect for 2024? Joe Outlaw, Ph.D., professor, extension economist, and co-director of the Agricultural and Food Policy Center, shared his insight on what growers can expect this coming year.

“Input costs have moderated somewhat from the peak levels experienced in 2022,” Outlaw said. “Based on my experience watching input costs over the past 30-plus years when most of the major commodity output prices jumped abruptly, it appeared that every input supplier decided it was time to stop holding the line on cost increases. The changes in 2022 were dramatic. Cost increases were much smaller in 2023 but still positive.”

Despite increased production expenses, some farmers remained profitable due to higher output prices. However, profit margins were much smaller than if input costs had not increased dramatically. Outlaw explained there is a variation of change among the different inputs.

“There are a number of cost categories that really don’t vary much year-to-year, like seed and some chemicals,” Outlaw said. “The only real place for significant changes in 2024 is in fuel and fertilizer, and there is about as much risk of prices going higher as there is a chance of going lower.”

Growers live this day-to-day and should pay attention to where costs will be. They also need to be mindful of fertilizer and fuel for equipment and irrigation and try to opportunistically purchase inputs when possible. USDA projects fuel costs to increase from \$44.92 to \$47.36 per acre in 2024, while fertilizer is projected to decrease from the forecasted 2023 level of \$112.02 to \$96.05 per acre in 2024.

“Unfortunately, input suppliers are quick to adjust upward when weather or international events signal supply change disruptions,” Outlaw said. “These are difficult to anticipate. However, my advice would be to stagger purchases if possible so that one of these events does not impact their entire quantity purchased.”

Input prices are only one part of a farmer’s balance sheet. It is also essential to look at the prices they can receive for the crops they grow.

“I think in the near term, my biggest concern is output prices,” Outlaw said. “The saying in economics is that input prices are sticky on the way down while output prices tend to be a lot more volatile,” Outlaw said. “My concern in the short run is that output prices are coming down, and it will greatly reduce if not eliminate farmer profits due to high input costs.”

Inflation is a general measure of the change in the price of goods and services, so

farm-level cost changes are reflected in inflation estimates. However, the most significant impact of inflation is being felt at the bank.

“The biggest impact has been in the increase in the size of farmer operating loans,” Outlaw said. “Most farmers I talk to have seen the size of their operating loans increase significantly and, unfortunately, at significantly higher interest rates.”

Outlaw said he does not think interest rates will appreciably decline until the 2025 crop year. He also said it is important to remember the farm safety net’s benefits and take advantage of them.

“The farm safety net, as currently configured, does nothing to protect farmers from cost increases,” Outlaw said. “However, really using the safety net programs to protect output prices or even revenue will be critical going forward.”

It is vital to stay informed on industry and market information. One resource for that is the Southern Ag Today newsletter.



**Southern Ag Today
Newsletter**

Scan the QR code to subscribe!

Celebrating 50 Years of the Seal of Cotton Trademark

Over the last half-century, Cotton Incorporated's Seal of Cotton trademark has given an identity to the entire cotton industry. From cotton farmers who proudly display the Seal of Cotton on their ball caps and cotton shirts to brands and retailers who use the Seal of Cotton to differentiate their products in the marketplace, the power of the Seal is real. We can all be proud that today, more than 8 out of 10 consumers are aware of the famed trademark, which promotes cotton and U.S. cotton growers to the world through promotion and product labeling. This single symbol stands for the many attributes that differentiate cotton fiber and fabric from its synthetic competitors, including natural, quality, durability, and sustainability.

But where does the seal come from, and who owns it? The Seal of Cotton trademark is owned by Cotton Incorporated, which is a not-for-profit company representing Upland cotton and aims to increase the demand for and profitability of cotton through research and promotion.

In 1973, Cotton Incorporated created the Seal of Cotton to brand cotton products, primarily apparel and home textiles, and its corporate marketing and promotional efforts. The Seal was designed by San Francisco-based creative agency Landor Associates, which also created logos for two other iconic brands – Levi Strauss and Coca-Cola. The Seal was designed to be sewn in labels, shared on hang tags, featured in retail stores, and utilized in promotional material to distinguish and identify cotton items.

In today's competitive environment, it is Cotton Incorporated's role to keep cotton relevant and consumers excited about the cotton in the marketplace. Using the power of the Seal of Cotton helps them do just that. Fifty years of using the Seal of Cotton trademark to build a brand has earned consumers' affection, with more than 90% stating cotton is their preferred choice because it is the softest, most comfortable, and most versatile fiber. In the past 50 years, The Seal of Cotton has been registered in nearly 70 countries with more than 950 brands. There are 190 worldwide licensees.

There are no royalty fees required for brands and retailers to be able to use the Seal of Cotton trademark on their products. However, there is one essential requirement – the product must

be predominantly made of cotton. In fact, Cotton Incorporated has an entire team dedicated to making sure the Seal of Cotton trademark is used correctly and in accordance with qualifying guidelines. The Seal can be used in a wide range of communications, including packaging, promotional programs, point-of-sale displays, interactive digital experiences, and beyond.

"We are proud to offer brands and retailers the opportunity to leverage 50 years of visibility and positive connections to the Seal of Cotton trademark," says Kim Kitchings, Cotton Incorporated's Senior Vice President of Consumer Marketing. "At Cotton Incorporated, our mission is to promote the use of and desire for all things cotton. With over 80% of consumers saying they can rely on a brand and its product when it features the Seal of Cotton, we know the power of the seal is real. By calling attention to cotton, through the Seal of Cotton trademark, brands and retailers can tell a story consumers identify with, in addition to aligning with the perceptions of quality, trust and sustainability that are associated with cotton."

As the Seal of Cotton celebrates its 50th anniversary, Cotton Incorporated urges shoppers to make a conscious effort to check the label and seek products, clothing, and home goods made of cotton and featuring the Seal when making purchasing decisions. The Seal of Cotton recognition remains strong and together, we can make sure it will always be The Fabric of Our Lives. For more information on the

50th anniversary of the Seal of Cotton, visit: lifestylemonitor.cottoninc.com/50-year-anniversary/.



Stacey Gorman
Cotton Board
Director of Communications

HELP & HOPE:

Farm stress comes in many forms, and no amount should be ignored. Without help, what starts as a small problem can multiply. The struggles of agriculture are undeniable.

YOU ARE NOT ALONE.

At PCCA, we care for the well-being of our grower-owners. If you feel you have fallen on hard times and can't find your way through them, we urge you to seek help from a professional.

Visit PCCA's website to access resources to help you or your loved ones.



Tech-Enabled Trading:

PCCA's Comprehensive Marketing Tools for Growers

By **Kaylee Hendricks**

PCCA understands the value of its growers' cotton and wants to give them the best marketing choices possible to enhance profits. From pre-harvest to post-harvest, PCCA offers diverse marketing choices. PCCA takes pride in innovating for farmers—we continuously evolve to be on the leading edge of cotton marketing technology.

Pre-Harvest

Forward Contracts

Forward contracts can provide excellent opportunities to lock in pricing on bales. This tool best suits growers with a proven production history because these contracts require the delivery of committed bales. Good-till-canceled orders are a valuable tool for growers to manage and actively achieve their desired price targets. When loan deficiency payments are in effect, PCCA handles the application process automatically.

Seasonal Pool

PCCA's Seasonal Pool adds value by capturing optimal pricing opportunities through the crop marketing cycle. It is acreage-based, weather-risk-free, and professional traders manage pool cotton sales. Our Seasonal Pool is an innovative way to let grower-owners focus on what they do best while PCCA generates strong average returns to the pool's members. Leveraging PCCA's customer relationships expands market reach by tapping into a vast global buyer network. As the pool is marketed, growers receive full CCC loan premiums and timely progress payments.

Grower Choice Pool

The Grower Choice Pool option is an excellent choice for producers who want to participate in determining the price of a portion of their crop. Combined with the strength of the Seasonal Pool, it allows growers to price at the level they choose on up to 50% of their APH. The basis is set during the Sign In/Sign Out Period because the grower calls a portion of the price. An essential feature of mitigating risk is that Grower Choice is an acreage-based contract until bales are priced. With the unpredictability of farming, PCCA provides flexibility in case of crop failure, with no obligation if PCCA is notified before the deadline date stated in the agreement of unpriced bales.

Post-Harvest

PCCA Direct®

PCCA Direct provides the convenience of receiving competitive cash prices at the growers' fingertips. A PCCA staff member can contact growers through the myPCCA® app or the gin with an offer to purchase cotton. Growers can sign up, receive, and accept bids through the myPCCA app to gain real-time control over marketing decisions. Sales and Member Services teams can also assist with bids to ensure that growers have the support they need when making important marketing decisions.

The Seam®

Marketing cash cotton online allows growers to maximize their price. The Seam provides growers access to virtually all cotton buyers, eliminating the need for burdensome manual negotiations. Access to the largest global network of buyers and textile mills broadens market reach for growers. Continuously offering cotton creates an opportunity to capture sudden rises in the market and capitalize on favorable price movements. PCCA's Loan Advance Program offers upfront cash flow and the ability to trade the equity portion online separately.

PCCA Direct On-Call

PCCA Direct On-Call allows growers to stay long in the market without being long physical bales. Growers who believe cotton futures will increase have a chance to benefit from this tool. This option is for physical bales that are harvested, ginned, and classed. Growers can set a basis level without locking in the price, which creates an upside opportunity if futures prices rise. A significant benefit of this choice is that warehouse storage charges will stop accruing to the grower's account. Advancing the full loan value with fewer storage charges at initial invoicing significantly supports growers' cash flow needs. Growers can also place a good-till-canceled order to set the final price if the market moves to the desired level.

New PCCA Direct On-Call Roll Feature

The new roll feature of PCCA Direct On-Call gives growers additional time to price. The roll feature means a grower can move the futures month to a later one if desired. By extending the pricing timeframe, growers can observe market trends, respond to changes, and potentially receive a better price for their cotton.

- **Additional time to fix the price of your cotton**
- **The roll feature is best for producers not ready to call the price before the established deadline.**
- **Choose a new futures month to establish a new basis level.**
- **Roll at any time before the pricing deadline or roll date.**
- **If rolled, the new basis will include a 10-point commission and the difference between the months, but in no case can the producer's basis improve or be rolled beyond the July futures month.**

**For more information, contact the PCCA
Sales Department at 806-763-8011**



Dipping into the Holidays

Whether you are hosting a party or cozying up by the fire, these sweet holiday additions are sure to add joy to the atmosphere.

Ingredients:

- 12 oz fresh, uncooked cranberries
- 1/4 cup green onion
- 1-2 fresh jalapeños
- 2 tbsp cilantro
- 3/4 to 1 cup of sugar (according to taste)
- 1 tbsp lemon juice
- 1/8 tsp salt
- 16 oz cream cheese, whipped

Instructions:

- Use a hand food chopper to chop the cranberries. Don't use a food processor because they will liquify too much.
- Chop green onion, jalapeños, and cilantro.
- In a medium bowl, add chopped cranberries, green onion, cilantro and jalapeños.
- Add sugar, lemon juice, and salt on top of cranberry mixture and stir gently until blended.
- Cover with plastic wrap or a lid and put in refrigerator overnight.
- When ready to serve, take cranberry mixture out of the refrigerator and strain it, using a colander with small holes.
- Whip softened cream cheese until smooth. Spread over the bottom of a pie plate or 9x9 dish.
- Pour cranberry mixture on top of cream cheese and keep in the refrigerator until ready to serve.
- Use a spoon to spread over Ritz crackers and enjoy.



Cranberry Jalapeño Cream Cheese Dip

Mimi's Party Punch

Ingredients:

- 2 Packages Kool-Aid (Strawberry or Black Cherry)
- 64 oz Bottle Pineapple Juice
- 1 Can Frozen Lemonade
- 5 Cups Water
- 2 Liter Bottle Ginger Ale
- 1 Lime or Lemon
- 1 Small Jar Maraschino Cherries (Drained)

Instructions:

- Chill pineapple juice and ginger ale.
- Mix Kool-Aid in water in large punch bowl. Stir with a whisk until dissolved. Add lemonade and pineapple juice.
- Add ginger ale just before serving.
- (Optional) Garnish with lemons, limes, and cherries.





Jalapeño Popper Dip

Ingredients:

- 4 ounces diced jalapeños (include seeds if you like it spicy)
- 8 ounces cream cheese, softened
- 1 cup sour cream
- 1 teaspoon garlic powder
- 2 cups cheddar cheese, shredded
- 3/4 cup parmesan cheese, shredded

Topping:

- 1 cup Panko bread crumbs
- 4 tablespoons butter, melted
- 1/4 cup parmesan cheese, shredded
- 1 tablespoon fresh parsley
- (Optional) 1/2 cup bacon bits

Instructions:

- Preheat oven to 375 degrees.
- With a mixer on medium, combine cream cheese, garlic powder and sour cream until fluffy.
- Add cheddar cheese, 3/4 cup parmesan cheese, and diced jalapeños, mix well.
- Spread into a 8x8 baking dish.
- Combine bread crumbs, melted butter, 1/2 cup parmesan cheese, and parsley.
- Sprinkle the crumb topping over the cream cheese mixture.
- Bake 15-20 minutes, or until hot and breadcrumbs are golden brown.
- Serve with bread, chips, or crackers and enjoy!



Cookie Dough Dip

Ingredients:

- 8 ounces cream cheese, softened
- 1/2 cup butter, softened
- 1 cup confectioner's sugar
- 2 tablespoons brown sugar
- 1 1/2 teaspoons vanilla extract
- 1 cup chocolate chips
- (Optional) 1 cup toffee bits

Instructions:

- Cream together cream cheese and butter. Add sugars and beat until creamy. Then add in vanilla until smooth. Stir in chocolate chips and toffee bits until well combined.
- Serve with graham crackers, pretzels, or fruit.

This holiday season may your blessings be many, your worries be few, and your days spent with those that mean the most to you.



Your friends at PCCA



PCCA Pool Enrollment Period

South Texas

January 1 - 31, 2024

West Texas | Oklahoma | Kansas

March 1 - April 12, 2024

This is the time to sign-in or sign-out of the Seasonal Marketing Pool. If you make no new elections or changes, your enrolled acres from last season remain in the pool. PCCA is here to help develop a winning marketing strategy for you.

**For questions about the
Seasonal Pool or Grower Choice Pool Option,
call PCCA at 806-763-8011**