

NASS Decreases Texas Cotton Crop Estimates

Friday, December 13, 2019

By Mary Jane Buerkle

The disappointment of the 2019 Texas High Plains cotton crop was further reflected in the most recent Crop Production estimates released by the National Agricultural Statistics Service earlier this week.

The NASS report showed another dramatic reduction in the projected production in the region, from 3.78 million bales in November to 3.325 million in the December report – a 12 percent decrease in one month alone.

Looking over the past several months, the numbers show that 2019 did not turn out as most had expected. In August, NASS projected a crop of almost 5 million bales. The crop estimate now has been reduced by one-third after conditions deteriorated over the season, particularly in August when it was hot and dry.

Northern High Plains growers are expected to produce 975,000 bales, a little more than half of what they produced in 2018. This largely is due to wet weather in May that kept growers in that area out of the field and in many cases unable to plant cotton at all. Southern High Plains growers are expected to produce 2.35 million bales, which is up slightly from 2018.

A significant difference from 2018 to 2019 is in yield per acre. On the Northern High Plains, projected yield per acre is 616, down more than 350 pounds from 2018. On the Southern High Plains, projected yield per acre is 412, down more than 200 pounds from 2018. Both are down from the November report.

Harvested acres remained the same as in November – 760,000 in the NHP and 2,740,000 in the SHP. The abandonment rate is at about 20 percent, which is about average. This demonstrates that the issue is not with acreage loss as much as it is about yield.

Statewide, the production number dropped from 7.1 million bales in November to 6.6 million in December. The nationwide estimate for upland cotton is forecast at 19.5 million bales, down from the November report but up 11 percent from 2018.

“Growers in the PCG area have reported that their crop is off 25 to 30 percent from what they thought it could be earlier this season, which is very much in line with these estimates,” PCG CEO Steve Verett said. “They made significant investments in their crop because of how good it looked in early August. However, it is plain to see from the yield reduction alone, not to mention price and quality issues, why this second round of the Market Facilitation Program is at best a stop gap, not a windfall.”

On the trade front, United States officials announced yesterday an “agreement in principle” with China, including a commitment from China to purchase \$40 billion to \$50 billion of U.S. farm products. As of press time, Chinese officials had just confirmed the agreement publicly, saying that major progress has been achieved in the first phase of trade discussions.

The Trump Administration, Congress and the governments of Mexico and Canada on Tuesday reached a deal on the United States-Mexico-Canada Agreement (USMCA), which updates and modifies the North American Free Trade Agreement. Congress

now must approve the agreement, and that could happen as quickly as next week.

“This trade agreement will provide an additional \$2.2 billion in U.S. economic activity and freer markets/fairer trade,” National Cotton Council chairman Mike Tate said in a news release on Tuesday. “Importantly, it will restore important trade certainty in the North American market which represents significant export market share for both U.S. cotton and cotton textile products.”

Mexico is the second largest export market for U.S. cotton textile/apparel products and Canada is the fourth largest for these goods. Mexico also is a top market for U.S. raw cotton.

The cotton market edged a bit higher this week upon the decreased crop estimates and the hope of a trade deal. March cotton was trading at about 67 cents at press time.

PCG to Host Open House

Plains Cotton Growers will host an Open House on Tuesday, December 17, from 4:00-6:00 p.m. at the organization’s new office at 8303 Aberdeen Avenue in Lubbock.

All friends of the industry are invited to celebrate the Christmas season and tour the new offices. No RSVP is necessary.

Check out PCG’s NEW website!

www.plainscotton.org

We’d love to hear your feedback!

U.S. Cotton Trust Protocol Names Directors

Tuesday, December 10, 2019 From the National Cotton Council

The inaugural Board of Directors has been named for the U.S. Cotton Trust Protocol, a new standard developed to help the U.S. cotton production sector further reduce its footprint by enabling producers to assess their performance against specific sustainability goals. Through robust data inputs, the Trust Protocol will add confidence throughout the supply chain – positioning U.S. cotton as the responsible choice for mills and retailers.

The appointees include delegates from across the entire supply chain, leading industry, scientific and academic experts as well as representatives from world renowned environmental organizations.

“We are proud to announce the appointment of the Trust Protocol’s first-ever board of directors,” said Ken Burton, Trust Protocol executive director. “This group of individuals bring unmatched expertise within the cotton industry, a thorough understanding of the sustainability challenges facing the textile industry and experience within the retail sector. Working together, the Board will ensure the Protocol will meet sustainability requirements throughout the supply chain and provide an unmatched level of transparency and accountability.”

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Directors representing the raw cotton industry include:
 Producers – Matt Coley (Georgia); Ted Schneider (Louisiana); Shawn Holladay (Texas); and Aaron Barcellos (California);

Ginner – David Blakemore (Missouri);
 Marketing Cooperative – Hank Reichle (Mississippi);
 Merchant – Steve Dyer (Tennessee);
 Cottonseed – Fred Serven (Tennessee);
 Manufacturer – Jim Martin (North Carolina);
 Brands/Retailers are Liza Schillo, Levi Strauss & Co., and Joe Little, Tesco;

Suzu Friedman, Environmental Defence Fund; Melissa Ho, the World Wildlife Fund; Marty Matlock, the University of Arkansas; and Garry Bell, formerly with Gildan.

Trust Protocol advisors include: Jesse Daystar, Cotton Incorporated; Andy Jordan, Jordan Consulting; Marc Lewkowitz, Supima; Mark Pryor, The Seam; and Mike Quinn, Frontier Spinning Mills.

After initiation of a pilot earlier this year, full implementation is scheduled for 2020 for the Trust Protocol, which is aimed at helping U.S. cotton achieve by 2025 these national sustainability goals:

- 13% Increase in productivity, i.e. reduced land use per pound of fiber;
- 18% Increase in irrigation efficiency;
- 39% Reduction in greenhouse gas emissions;
- 15% Reduction in energy expenditures;
- 50% Reduction in soil loss; and
- 30% Increase in soil carbon.

The directors will govern the Trust Protocol which has a mission of meeting U.S. cotton customers' sustainability needs and providing transparency on cotton industry efforts to promote farmer economic livelihood, environmental stewardship, caring of people and community, and personal and corporate integrity.

This year AgriLife Extension faculty developed a partner publication, "Health of the High Plains," to examine the health of the region at the county level as well as bring attention to some programs offered by AgriLife Extension, said Justin Benavidez, Ph.D., AgriLife Extension economist, Amarillo.

"In aligning with our mission of integrating health and production agriculture, we decided to bring in the family and community health side of the agency to help with the Health of the High Plains publication," Benavidez said.

The publication highlights some chronic disease risk factors in the High Plains along with educational programs offered by AgriLife Extension to mitigate those health concerns, said Miquela Smith, AgriLife Extension health specialist, Amarillo.

"We commonly hear about health statistics at the state and national level," Smith said. "AgriLife is accustomed to working at the county level, and we wanted to provide High Plains residents with localized data. Providing information in this way can help make health concerns more meaningful and concrete for people."

She said family and community health agents in every county throughout the region and Texas want to work locally in terms of providing information and offering programs.

Smith said many AgriLife Extension programs are preventive in nature, which is important in a rural region where health care may be more than 50 miles away and where a greater number of residents have a lower income and no health insurance.

"The Texas High Plains region is an economically, geographically and demographically unique region," Smith said.

Some statistics for the High Plains featured in the publication are:

- In 2016, on average, 19% of Texans under 65 years of age were uninsured, but 22.4% of this region's population lacked health insurance.
- In Texas, 15.3% of residents live in rural areas. By comparison, 58.9% of High Plains residents live in rural areas.
- Across the state, there is an average of one mental health provider for every 957 individuals. In the High Plains, there is one provide for every 4,417 individuals.

"We know the number of Texans is going up from about 28 million today to a projected 40 million," said Jeff Hyde, Ph.D., AgriLife Extension director, College Station. "The vision we have for AgriLife Extension is to ensure we maintain the capacity to serve all Texans."

Hyde said the AgriBusiness publication paints a great picture of traditional agriculture in the region, which has been the "bread and butter" in AgriLife Extension for 105 years.

Copies of the publications can be picked up at the Texas A&M AgriLife Research and Extension Center, 6500 W. Amarillo Blvd., or the Amarillo Chamber of Commerce, 1000 S. Polk St., both in Amarillo. They can also be picked up at any AgriLife Extension office in the 26-county region or downloaded from <https://amarillo.tamu.edu>.

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AgriLife Extension Releases Two Publications on Agriculture, Health in the High Plains

Monday, December 9, 2019 From AgriLife TODAY

Emphasizing the connection between agriculture and community health, the Texas A&M AgriLife Extension Service, in conjunction with the Amarillo Chamber of Commerce, released two publications at the recent Amarillo Farm and Ranch Show.

"The Impact of AgriBusiness in the High Plains Trade Area" is a long-running publication, now in its fifth edition. The publication, updated every five years with the U.S. Census of Agriculture, details the scope and economic impact of the diverse livestock and crop production in the 26-county region.

Editor's Note:

"Cotton News", a weekly service of Plains Cotton Growers to the cotton industry and news media in the 41-county High Plains area, is mailed from Lubbock each Friday. Its contents are confined to news items and comments pertaining to the High Plains cotton industry which is so vital to U.S. all. Anyone interested in making comments about the contents of this column can call 806-792-4904 or Email PCG at: editor@plainscotton.org