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Addressing a Disrupted Supply Chain

Saturday, July 3, 2021 By Cotton Farming Magazine

For the past several months, the National Cotton Council has conveyed to the Administration serious concerns over ocean carrier/terminal practices at our ports that are negatively affecting U.S. cotton flow.

Early in the year, the NCC joined other groups on recommendations for the three major freight transportation modes to President Biden and later to Secretary of Transportation Pete Buttigieg. Regarding ocean shipping, which had changed vastly, the groups expressed their strong support of the Federal Maritime Commission's investigation of ocean carrier/terminal supply chain disrupting practices at U.S. ports.

Among those were making containers unavailable to carry agricultural export cargo and canceling or refusing export container bookings. We emphasized that these maneuvers were increasing U.S. agricultural exporters' costs and causing lost export opportunities.

After the situation worsened, the NCC joined nearly 300 agriculture and forest products companies/associations in requesting the Transportation Department's immediate intervention to protect U.S. exporters and their access to foreign markets. That's because these vessel-operating common carriers were neglecting to provide timely notice to shippers of carrier arrival/departure times and cargo loading times. To read the letter sent to Secretary Buttigieg visit <https://bit.ly/3e2m4qq>

They then imposed hundreds of millions of dollars of punitive charges when the shippers missed those "loading windows." These charges already had been determined to be unreasonable by the Maritime Commission.

The groups pointed out that these carriers specifically were delivering massive volumes of imported shipments to U.S. ports and then electing to leave without refilling empty containers with American goods and products.

Shipping containers filled with imported goods are normally unloaded, sent to rural areas, filled with agricultural commodities and then shipped abroad. However, the lucrative freight rates paid by the import

cargo, combined with congestion and delay at ports on the West and East coasts were leading the carriers to immediately return empty containers to their overseas ports of origin.

As such, we urged the Transportation Department to assist the Maritime Commission in expediting its enforcement options and consider its existing authorities to determine how it could assist with the transportation needs of the U.S. exporters and the farmers and ranchers they serve.

In a briefing to the Maritime Commission, the groups emphasized the importance of trade, especially to Asian markets, and noted the use of forward contracts necessitated timely shipping.

A letter to President Biden regarding the carrier/marine terminal operator actions stated that unless the Shipping Act and other tools available to our government are applied promptly, U.S. agriculture will continue to suffer financial losses and will be noncompetitive for years to come. To read the letter sent to President Biden, visit <https://bit.ly/2T309bC>

Nearly 100% of U.S. cotton production is exported as either raw fiber, yarn, fabric or finished product. Those exports were valued at \$11 billion in 2019, the latest data available.

While the NCC's export promotions arm, Cotton Council International, has and continues to work aggressively and creatively to expand foreign demand for U.S. cotton fiber and cotton textile products, the NCC will keep engaging with the U.S. government to restore the timely and affordable shipping of those products.

Lubbock Cotton Exchange Offering Scholarship for TICS

Friday, July 9, 2021

By Whitney Curry

The Lubbock Cotton Exchange Board of Directors recently approved a \$3,000 scholarship to attend the 40th session of the Texas International Cotton School (TICS), scheduled for August 2-12, 2021, in Lubbock, Texas. Applications for the scholarship are due **Wednesday, July 14, 2021.**

For more information contact the Lubbock Cotton Exchange at lubbockcottonexchange@gmail.com.

Cotton Market Roundtable Set for July 12

Wednesday, July 7, 2021

From Cotton Grower

Dr. O.A. Cleveland, Economics Professor Emeritus and cotton marketing specialist, Mississippi State University, will lead the Ag Market Network's Cotton Market Roundtable discussion of the latest cotton market news on Monday, July 12, following the release of USDA's July supply and demand report. The live broadcast begins at 1:30 pm CST.

Joining Cleveland on the cotton panel will be:

- Jarral Neepser, President of TruCott Commodities
- John Robinson, Professor and Extension Specialist/Cotton Marketing at Texas A&M University
- Kip Butts, respected cotton market analyst
- Pat McClatchy, Executive Director, Ag Market Network.

To listen to the discussion, call 605-313-5148 and enter code 571052. An archived recording will be available at www.agmarketnetwork.com.

The program is sponsored by BASF and their FiberMax and Stoneville cottonseed brands.

U.S. Cotton Trust Protocol Announces New Members

Wednesday, July 7, 2021 From U.S. Cotton Trust Protocol

The U.S. Cotton Trust Protocol welcomes new members Levi Strauss & Co, one of the most recognizable denim companies worldwide, and their legacy brands Levi's®, Dockers®, Denizen® by Levi's®, and Signature by Levi Strauss & Co.™

More than 90 percent of Levi Strauss & Co's products are cotton-based. The company has committed to sourcing 100 percent more sustainably grown cotton focusing on decreasing water use, cutting carbon emissions, and reducing fertilizer and pesticide use. This corporate commitment to more sustainable and resilient cotton sourcing is part of a broader internal initiative designed to move the company toward a more sustainable and circular product strategy.

“At Levi Strauss & Co., the quality and sustainability of the cotton we use is critical to our business and important to our customers,” said Jeffrey Hogue, Chief Sustainability Officer, Levi Strauss & Co. “Membership in the U.S. Cotton Trust Protocol

will be an important step and a key partnership in our efforts to source 100 percent more sustainably grown cotton.”

The Trust Protocol will aid Levi Strauss & Co.'s efforts by providing verified data on sustainability practices from U.S. cotton growers and access to aggregate year-over-year data on critical metrics including water use, greenhouse gas emissions, energy use, soil carbon, soil loss and land use efficiency. Levi Strauss & Co will also participate in the pilot phase of the Protocol Credit Management System which provides its members with complete supply chain transparency through use of TextileGenesis' blockchain technology.

“Levi Strauss & Co. is a globally recognized and respected brand and we are proud to welcome them as members,” said Dr. Gary Adams, president of the U.S. Cotton Trust Protocol. “During the past 35 years, the U.S. cotton industry has made significant progress in reducing our environmental impact and the Trust Protocol is aligned with the 2025 national goals to further those improvements. As a member, Levi Strauss & Co. will receive farm level data which will help them progress their sustainability efforts and achieve their cotton sourcing goals.”

The Trust Protocol has welcomed more than 450 brand, retailer, mill and manufacturer members since its launch in 2020. This includes Gap Inc. and its collection of purpose-led lifestyle brands Old Navy, Gap, Banana Republic and Athleta as well as global apparel manufacturer Gildan. The Trust Protocol has also welcomed UK retailers Tesco, Byford and Next Plc. Other Trust Protocol member announcements include the first 10 U.S. mills to join and the first members in Latin America.

The U.S. Cotton Trust Protocol is aligned with the UN Sustainable Development Goals, recognized by Textile Exchange and Forum for the Future, and part of the Sustainable Apparel Coalition, Cotton 2025 Sustainable Cotton Challenge, Cotton 2040 and Up initiatives. For more information on the U.S. Cotton Trust Protocol visit <https://trustuscotton.org>.

Editor's Note:

“Cotton News”, a weekly service of Plains Cotton Growers to the cotton industry and news media in the 42-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