Southern Cotton Growers, Inc.
REPRESENTING COTTON PRODUCERS THROUGHOUT ALABAMA, FLORIDA, GEORGIA, NORTH CAROLINA, SOUTH CAROLINA AND VIRGINIA

COTTON MARKETING NEWS

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Thoughts on Markets, Fiber Quality, and Yield

Over the past few years, Georgia cotton in particular has taken a bad rap when it comes to fiber quality. Whether the negativism is justified or not, is still subject for debate. But granted, the Georgia crop has faced some challenges, particularly when it comes to fiber length Uniformity. Cooperative efforts between university researchers and Extension, mills, cotton leadership organizations, ginners, and merchants have helped to identify problems, address them, and make improvements where possible.

One of the major challenges that I see is the "disconnect" between fiber quality and production and ginning practices. In other words, if fiber quality is to improve it must eventually translate into decisions made at the field and gin level. This is where the "disconnect" comes in. If our markets, for example, are telling the producer they want longer and stronger fiber, what is it that the producer can do, if anything, to meet that need? My personal opinion and observation is that it begins with the cotton breeders. And I want to quickly add that breeders have done a good job. The fiber quality of transgenic varieties has improved in recent years. Genetics set the potential, and the producer, through management decisions (and with good growing conditions) will determine how close we get to the genetic potential.

The challenge will continue to be to marry the herbicide and insect control advantages of technology to yield and fiber quality. Technology, unless it offers superior cost advantage, will not be profitable unless it comes with equal or higher yield potential and fiber quality than its' competitors.

The facts that we must deal with are (1) 70% of US cotton is headed overseas, (2) foreign mills want the best quality they can get at the cheapest price, (3) there ARE premiums paid for quality but they tend to be small, (4) every bale of cotton will find a home somewhere at some price, and (5) the market continues to signal to the producer that he/she cannot afford to sacrifice yield (pounds/acre) for quality-- but on this latter point, I think the picture is changing/will change as seed technology begins to come with both high yield and high fiber quality.

The table below is a summary of how the 2005 Southeast crop compared with at least 1 Mid-South location. The 4 measures of quality used would signify "high/higher" quality in the minds of buyers and mills. For the most part, quality appears better the past few years and on par with the Mid-South (at least using the Memphis location as our single comparison). Staple and Strength particularly have been good. Uniformity is still a concern, however.

	Birmingham	**Florence**	**Macon**	**Memphis**
Color-- % Bales 31 and Better	66.9	10.1	44.7	61.6
Staple-- % Bales 35 and Longer	48.7	67.8	56.0	57.8
Strength-- % Bales 30 and Stronger	35.9	24.6	38.9	38.3
Uniformity-- % Bales 81.5 or Better	28.9	47.7	12.4	53.7

The largest premiums are paid for Color and Staple compared to smaller premiums for Strength and Uniformity. One final thought-- the basis for 41/34-4 cotton has widened by at least 150 points over the past 2 years due to loss the of US mill market and demands by foreign mills. Producers are not getting paid as much for 41 Color bales as in the past.

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