



**To the valued customers and stakeholders of the
AMS Cotton and Tobacco (C&T) Program:**

Welcome to the summer 2023 edition of the AMS Cotton and Tobacco Program (C&T) stakeholder newsletter. In this issue, we have updates on the C&T executive leadership transition, a review of 2022 crop quality, user fee changes, planning of the 2024 Universal Cotton Standards Conference and the status of automation initiatives in C&T cotton classing facilities.



Ronald (Ronnie) Robbins, and Monica Alexander, Associate Deputy Administrators, AMS Cotton & Tobacco Program

We are currently transitioning leadership after the retirement of Darryl Earnest, the program's long-serving deputy administrator who retired on April 30, 2023, after 33 years of federal service all with C&T. Hiring to fill the deputy administrator position is underway, with a job announcement that closed at the end of July seeking applicants from within and outside of the federal government. The process for hiring a federal senior executive can last several months. Until the vacancy is filled, we (Monica Alexander and Ronald Robbins) will continue to rotate as the acting deputy administrator.

We are continuing to operate as usual, while also moving ahead on planned initiatives to expand automation into other cotton classing offices. Our team will continue to collaborate and engage with our industry customers and look for new ways to bring you efficient, high-quality, and cost-effective services.

C&T graded 14,094,592 million cotton bales during crop year 2022, including 13,639,699 upland and 454,893 Pima. This is a significant change from the pre-season estimate of 12 million bales. The quality of the year's crop remained high, with over 82 percent of the crop being tenderable. We hope the increased yield was beneficial to our stakeholders and their operations. All nine functioning C&T cotton classing labs were at normal operations during crop year 2022-2023, with services occurring between 1-5 days, during peak season, from the time a sample arrived at a cotton classing facility.

In preparation of an unpredictable 2023-2024 crop, C&T is utilizing social media advertising in some locations to attract new seasonal employees. This resource was effective during the 2022-2023 season with vacancy announcements reaching a broader pool of candidates. In addition, C&T will execute option years on current labor contracts. In all, we anticipate having normal operations unless unforeseen circumstances occur.

Beginning July 1, 2023, the cotton classing user fees for Form 1, Form D, and Reviews will increase 10 percent from \$2.50 to \$2.75 per bale before a \$0.05 gin billing discount. As with all aspects of business operations, inflation and other factors have contributed to increased costs for personnel, equipment, utilities, and other expenses. Historically, C&T absorbed the increases with reserve funds; however, those funds are no longer at a level where these consistent increases can be applied. C&T intends to reduce costs where practical and pause any one-time expenses and projects until collected fees can sustain the cost of operations. Customers can expect the fees to be reflected on their Aug. 1, 2023 invoices.

We want to thank you for your support and welcoming us into your meetings and events. Our goal is to ensure C&T and U.S. cotton industry stakeholders continue to collaborate in making U.S. cotton a desirable agriculture product.

