

**Quality, Quotations, and Technical Standards Committee**  
**Presented at the ACSA 92<sup>nd</sup> Annual Convention**  
**May 27, 2016, - Ritz-Carlton Hotel, Dallas, TX**

**QUALITY AND TECHNICAL STANDARDS**

1. We thank the USDA, AMS, Cotton Program and Area Directors for their continued cooperation in allowing trade committees to review cotton samples already classed.
2. We urge merchants involved in certification or reclass to provide the PBI numbers of the bales being certificated or reclassified in order for the USDA to assure the accuracy of the original USDA class. We commend the USDA for implementing the use of PBI numbers for certificated classing to assure the accuracy of the original USDA class and urge the continuation of this program.
3. We urge the NCC Quality Task Force to evaluate our recommendation of adding codes on extraneous matter to ensure that all characteristics of each bale be fully noted by USDA classers, ie: more than one extraneous matter.
4. Remind the USDA of the importance of calling grass, bark, prep, and other extraneous matter.
5. Recommend the trade continues the annual review of USDA Standard Boxes and urge the USDA to test the current crop year Standard Boxes for HVI color and leaf to ensure agreement with USDA parameters.
6. We commend the USDA for reporting the number of gins operating at time of classing (minimum of two gins and 500 bales classed) and request the continuation of this practice.
7. ACSA supports the USDA's use of module averaging. Also, before any changes in module averaging standards are made, USDA provide ACSA enough notice, so ACSA can respond to such changes.

**SPOT QUOTATIONS**

1. We remind members of the importance of the Daily Spot Quotations in determining CCC Loan Premiums and Discounts and, tenderable differences. We ask members to report Spot Quotations to the AMS Cotton Division with a target rate of a minimum of 50% of the crop to achieve proper Daily Spot Quotations and request members not reporting to do so. Further, members are encouraged to include grade, staple, micronaire and strength premiums and discounts.
2. We request USDA to report spot quotes with Mic 4.8-4.9 shown separately.
3. Urge USDA to include spot quotes for all grades.
4. We ask that merchants give their basis used and a sampling of recaps purchased to the USDA at

least weekly.

5. We ask ACSA to form a committee to work with The Seam and the USDA to allow The Seam to give the “Basis Estimator” used by the merchant, along with the recap traded to the USDA.

## **REPORT OF THE PIMA SUB-COMMITTEE**

### **QUALITY AND TECHNICAL STANDARDS**

1. We urge the USDA/AMS to maintain the integrity of current standards when considering the creation of new Pima standards. Furthermore, we encourage the continuation of Pima box review and matching in Visalia.
2. We recommend that USDA take all steps necessary to ensure consistent classing of Pima cotton.

### **PIMA SPOT QUOTATIONS**

1. We recommend USDA spot quotes reflect sales of current crop only. We urge USDA/AMS to recognize that forfeited old crop cotton is marketed at a discount.
2. We continue to support the ELS Competitiveness Payment Program. We strongly urge the USDA to announce to the industry any consideration of changes to ELS Competitiveness Payment Program in advance of any changes made. Furthermore, we urge the USDA review the use of any foreign produced competitive ELS/LS fiber, whether exported or not, (including the current competitive crops of GIZA 86 and Chinese ELS growths.) We also recommend USDA to make available the daily calculation of the ELS CPP payment rate.
3. We urge the USDA/FSA to offer cotton under the catalog free from all and any charges upon transfer of title of the cotton.