

Quality, Quotations, and Technical Standards Committee
Adopted at the 96th Annual Convention
April 28, 2020

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 continue to 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. ACSA supports the continuation of the current HVI Color Shift Study and commends USDA-AMS staff gathering the data and providing reports on HVI color grades RD, reflectance, and +B, yellowness study.
4. Remind the USDA of the importance of calling grass, bark, prep, and other extraneous matter, especially code 71/72 for plastic contaminants.
5. We urge members to support and participate in the Special Project created for the detection, prevention, and elimination of various plastic contaminants in US raw cotton.
6. We thank the USDA for making any bale classes 71/72 be Non-Reviewable.

We commend the USDA's decision to keep the original plastic contamination call for any bale under classing review. For the integrity of trade, it is imperative that plastic contamination stay with a bale.

7. We recommend that the USDA make any bale classes 71/72 be ineligible for the government loan.
8. 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.
9. 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.
10. 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.

Recommend that all members actively report spot trades to AMS and include premiums and discounts for leaf, color, mic, GPT, etc.

2. Urge USDA to include spot quotes for ALL grades.
3. We ask that merchants give their basis used and a sampling of recaps purchased to the USDA at least weekly.
4. We recommend that the AMS Market News examine managing South Texas as a separate market from West Texas/Oklahoma/Kansas.

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. We also recommend USDA to make available the daily calculation of the ELS CPP payment rate. We urge USDA to collect data from ELS varieties competing with U.S. Pima.
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.
4. We recommend that USDA-AMS continually use relevant data to calculate the quality differential used to calculate the ELS Competitiveness Payment, specifically we encourage further consideration of the comparability of Giza 94 and US Pima #2.

5. We recommend Base grade for Pima should be Grade 2-2-48, 3.5-4.9, 40.0 GPT based on international trade practices.

Respectfully submitted:
Bobby Walton, Chair

Committee Members:
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Leigh Pell
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Nick Peay
Keith Elzie
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Ricky Clarke
John Aldinger
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Guests:
John Mitchell
Tim North
Cathy Greene
Barbara Meredith