

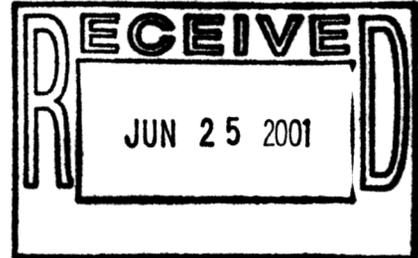


Voice of Louisiana
Agriculture

Louisiana Farm Bureau Federation, Inc.

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June 20, 2001



Whitney Rick
Chief, Research & Promotion Staff
Cotton Program
Agricultural Marketing Service, USDA
Stop 0224
1400 Independence Avenue, SW,
Washington, DC 20250-0244

Via E-Mail: cottoncomments@usda.gov and Regular Mail:

Re: Comments pursuant to a review of the 1990 amendments to the Cotton
Research and Promotion Act – Docket Number (CN-01-002), 66 Federal
Register Notice 16440 - 41, March 26, 2001

Dear Ms Rick:

The Louisiana Farm Bureau Federation (LFBF), the largest agricultural organization in Louisiana and the representative organization for the majority of our state's agricultural producers, submits the following comments regarding the review of the 1990 amendments to the Cotton Research and Promotion Act. Our comments represent the position of cotton producers in our state and are submitted for the record.

In Louisiana, cotton is the 2nd largest agronomic crop with an estimated total value of approximately \$260 million. About 2,600 farmers in Louisiana produce cotton and the infrastructure of the industry employs thousands within our state. Without cotton production and the jobs supplied within its infrastructure, employment would decline and many communities and cities in the northern region of our state would no longer be able to exist. Therefore, the cotton producer's checkoff dollars that fund cotton research and market promotion programs are extremely important not only to cotton producers, gins and warehouses, but to the thousands of people who provide goods and services to the Louisiana cotton industry.

The 1990 amendments to the Cotton Research and Promotion Act that removed the right for a producer to request a refund of their Cotton Board assessments was initially requested and supported by an overwhelming majority of producers

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in our state as well as throughout the industry. Producers at the time strongly felt that all producers benefited from cotton research and promotion funded by Cotton Board assessments and they supported a uniform collection from all producers. Producers also strongly supported the collection of assessments from imported cotton, the other notable 1990 amendment to the Act, to equitably assess imported cotton that received an equal benefit from promotion and textile research. Producers support remains strong for the uniform Cotton Board assessment and the no refund and import assessment provisions added in 1990.

The Cotton Incorporated (CI) promotional program has been hugely successful in advertising cotton apparel and items in television and magazine ads and it continues to make it fashionable to wear comfortable cotton clothing. The CI promotion of the consistent quality of U.S. cotton and the technical support provided by CI to textile manufacturers abroad has also succeeded in securing new export markets for U.S. cotton. As a result of the successful marketing, promotion and technical support efforts of Cotton Incorporated over the last 10 years, cotton consumption in the U.S. has increased to 37 lbs. per consumer, nearly double the amount of cotton purchased by U.S. consumers 10 years ago.

The new Cotton Incorporated facility in Cary, North Carolina is a testament to producers' commitment to the research and promotional effort funded by the Cotton Board assessment. However, it also indicates how well the checkoff program has been administered by the producer members who serve on the Cotton Board, along with the supervision provided by USDA-AMS. However, we give a considerable amount of credit to the members of the Cotton Board because as producers, they have a stake in the outcome of research and promotion efforts and take special care to manage the assessments with a minimum amount of administrative cost to maximize the amount of assessments available for promotion and research. Cotton producers, who are active members of our organization, serve as members of the Cotton Board and Cotton Incorporated and we support their management decisions and the use of assessment dollars.

Promotion and research have never been more important than today with intense competition from cotton imports and added competition from man-made fibers, such as polyester and rayon. With cotton prices trading at 20 year historic lows, producers cannot afford an interruption in research or promotion of cotton. Our state's cotton producers support continued collection of assessments to fund projects and programs that will increase the demand for cotton products and research efforts that will further reduce the cost of producing cotton.

In closing, we commend the Secretary for providing producers this opportunity to comment on the effectiveness of the 1990 amendments to the Cotton Research and Promotion Act and for questioning producers whether they still support the 1990 amendments. In polling our cotton grower members and consulting with our LFBF Cotton Advisory Committee, we do not find any support for restoring

the assessment refund provision, or for abolishing the assessments that are collected from cotton imports.

Therefore, since the 1990 amendments to the Cotton Research and Promotion Act are supported by an overwhelming majority of cotton producers and since we find no producers that are dissatisfied with the administration or the use of assessment dollars, the Louisiana Farm Bureau Federation finds no reason to request or support a producer referendum at this time. We recommend continued operation of the Cotton Research and Promotion Order with the 1990 amendments, as currently prescribed.

We thank you for your consideration of our comments and appreciate the service that USDA-AMS provides to the U.S. Cotton Industry.

Sincerely,

A handwritten signature in black ink that reads "Ronald Anderson". The signature is written in a cursive style with a large, prominent "R" and "A".

Ronald Anderson,
President