

Fall 2025

StapleReview

Row Crop
Support and Demand

Fighting Back
with BACA



MESSAGE *from the* PRESIDENT

their critical infrastructure) remain in business. Clearly, the One Big Beautiful Bill Act, with its updates to farm support, was a huge, long overdue win and we are all grateful. Further, the Trump Administration's signal that another round of ad hoc economic support is coming gives farmers hope they can weather the storm a little while longer. But in the longer term, we must find our way out of the storm and find a path of economic sustainability on our nation's farms and preserve our rural communities.

PRESIDENT TRUMP LOVES TARIFFS: he sees them as a means of achieving many of his key policy objectives, including revenue generation, made in America, and better market access abroad for American products including agriculture. The tariffs are a current disrupter and promoter of uncertainty, but President Trump has assured U.S. farmers that they will be positive for them in the end. If these tariffs do not somehow result in an increase in critical global market access and/or strengthened U.S. domestic demand opportunities, U.S. agriculture is inching closer to falling even farther behind the likes of Brazil, who is expanding its agricultural infrastructure and acreage at astonishing rates. In just 10 years, Brazilian-harvested soybean acreage has increased by 44% according to USDA. This nearly 37 million additional soybean acres adds production equivalent to three additional Iowa soybean crops. These new soybean acres come from converted grassland in the center-west region of the country, where double cropping is possible and corn and cotton are the two most popular second crop choices. Consequently, Brazilian corn and cotton harvested acreage have increased 29% and a staggering 120%, respectively, over the past decade. Yield has improved too. The bulk of this new Brazilian production, especially in the case of soybeans and cotton, must find a home abroad just like U.S. grown soybeans and cotton. The U.S. is close to a point of no return in which we will lose a significant portion of our row crop infrastructure to Brazil's expansion (and Argentina's too, by the way). Someone else will be the breadbasket of the world, which lessens our national ability to ensure global food, fuel, and fiber security. For corn and soybeans, which together make up almost 60% of U.S. row crop acreage, improved domestic demand will most assuredly be rooted in the U.S. renewable fuels sector, improved access to importing markets, and restored market access to China. For cotton, we need maximum global market access and a stronger competitive advantage over polyester. But we also need something akin to the renewable fuels legislation that taps into our nation's robust buying power. The U.S. boasts the largest retail

Row Crop Price Support is Critical for Survival, but Demand Needed for Prosperity

ROW CROP FUNDAMENTALS are mired down by geopolitical uncertainty, acreage expansion, sluggish demand growth, and the confluence of yield-enhancing technologies paired with void of weather calamities. There is no scarcity within any row crop that can be the rising tide that lifts all boats in the complex. These underlying themes have been present for the better part of two years now and are the reason farmers are plagued by low cash selling prices. This comes at a time when costs to farm are barely off the all-time highs of 2022 that were inspired by accelerated general inflation, Russia's war with Ukraine, and high commodity prices. Now that commodity prices have collapsed, farm revenues are well below break even for most operators – even with strong yields and government support. Hence, all the push last year and this year has been for Congress and the Trump Administration to provide better safety nets to replace the insufficient ones in the 2018 Farm Bill, emergency economic assistance, and improved markets through trade deals.

FOR MANY FARMS, the 2025 row crop season will generate the second, third, or fourth consecutive year of substantial losses. And as is the case with many family businesses, once behind, it is difficult to climb out. Despite the increased support from Congress and the Trump Administration, too many farmers will be calling it quits after the 2025 harvest. Most who exit will do so voluntarily, but others will unfortunately go out involuntarily. Those exiting voluntarily are doing so because they don't see what is going to change in the row crop sector's structure that can generate enough improvement to warrant putting their remaining farm equity at risk. That's why an immediate positive change in demand is so imperative to ensure that as many of our farmers as possible (along with

apparel market in the world, and cotton continues to enjoy a large share of it. The Buying American Cotton Act (BACA), introduced by Senator Cindy Hyde Smith (R-MS) in May of 2025, will guarantee that the U.S. cotton industry does not fade out of global and political relevance under the weight of foreign polyester and cotton fibers. BACA provides brands and retailers selling to U.S. consumers an incentive to nominate U.S. cotton in their products (see BACA article on page 4). As a result, cotton's share in apparel and home textile products offered in the U.S. will rise and more of that cotton will be U.S. grown and processed. With U.S. retail demand for cotton nearly 20 million bales, offtake from the U.S. cotton crop will rise back to at least 16 million bales compared to the 13-14 million we struggle to achieve with today's market dynamics. BACA will leverage the National Cotton Council's new public awareness campaign, "Plant Not Plastics," by lessening the cost to convert part of the fabric blend away from microplastic pollution-causing polyester to cotton grown in the U.S.A.

THE U.S. ROW CROP ECONOMY is under immense pressure that is leading to consolidation and reduction in infrastructure, both of which will have an increasing detrimental impact on the families and communities involved. Southern row crops may be the most vulnerable of all, especially when it comes to cotton and the crops that need it for rotation (i.e. peanuts). The recent and ongoing price support efforts of Congress and the Trump Administration are appreciated and have kept a terrible situation in U.S. row crop agriculture from becoming a national calamity. But, for long-term success, work must be done to carve out U.S. demand domestically and abroad. The U.S. cotton industry and Staplcotn are focusing our efforts on reclaiming demand for U.S. cotton. So, farmers, don't give up on cotton just yet! I am confident that our industry is innovating and evolving and new solutions to our challenges will come soon.

James Reichel

TWO NEW DIRECTORS ELECTED TO BOARD

The members of Staplcotn and Stapldiscount elected two new directors on September 17, 2025, at the Annual Meeting which was held at Staplcotn's corporate office in Greenwood, Mississippi. The two vacant positions on the board became available due to the retirement of two board members -- Allen Whitehead of Ashburn, Georgia, in 2024 and John Willis from Brownsville, Tennessee, in 2025. Staplcotn's new board members are James "Link" Carlton of Brownsville, Tennessee, and Joshua Brandon "Josh" Davis of Chipley, Florida. Both were elected for three-year terms.



Josh Davis (left) and Link Carlton

Link Carlton's farming operation, Carlton Farms, consists of cotton, soybeans, wheat and corn. Among other positions, Carlton serves as a director for Cotton, Inc. for Tennessee, is a member of the Haywood County Soil Conservation Board as well as the Tennessee Boll Weevil Eradication Committee and serves as a Haywood County Commissioner.

When asked about being elected to Staplcotn's board, Carlton commented that he was "honored to serve and happy to contribute to an organization with such a strong legacy in supporting our producers." Carlton has been a Staplcotn member since 2000.

In addition to cotton, Josh Davis farms peanuts and raises cattle. He currently serves as a board member for both the Florida Cotton Growers Association and Southern Cotton Growers and as a ginner delegate for the National Cotton Council. Davis is also a member of the Florida Farm Bureau, the Florida Peanut Producers Association and the Florida Cotton Advisory Council. A Staplcotn member since 2004, Davis said he is "grateful for the opportunity to serve on the Staplcotn board and looks forward to contributing to this great cooperative."

INDUSTRY SPOTLIGHT

U.S. Cotton Fights Back with BACA

by Hank Reichle

A LITTLE OVER A YEAR AGO, our industry started to take an even harder look at ways to improve demand for U.S. cotton. A task force, led by the National Cotton Council, identified inherent advantages and opportunities to leverage in addition to challenges that must be addressed to better compete and succeed in the global textile supply chain. While there are numerous ongoing industry initiatives that stemmed from this task force, I will mention two and focus more on the one that Staplcofn believes is the most critical to restoring more reasonable U.S. cotton economics.

There are several notable proverbial “gorillas in the room” when it comes to U.S. cotton’s competitiveness issues. But specifically, there are a couple of twin 800-pound gorillas named Brazil and Polyester that must be addressed before our U.S. cotton industry can find better days.

Polyester, the majority of which comes from an ever-expanding industry in China, is no new challenge. However, there is a new development in this space. The world has recently begun to learn that plastic is not only a visual pollutant like what we see on the side of the road, but it sheds tiny microplastics which pose significant environmental and human health threats. Two-thirds (67 percent) of all fibers used in textiles worldwide are synthetic, with polyester alone accounting for 57 percent of global fiber production. Polyester, along with other synthetics like nylon and acrylic, is derived from fossil fuels, making it a form of plastic that we wear every day.

As brands and retailers and their customers become more aware of the risks associated with plastics and as this research expands, undoubtedly interest will intensify in safer, practical, and, of course, economical replacement ingredients for their products. In the case of apparel, home textiles, and non-wovens, cotton, a natural fiber, will get a fresh look. It is the job of the global cotton industry to make the case to brands and retailers and their customers that cotton is the safe and effective choice when it comes to reducing their reliance on plastic fibers and polyester in their products. Staplcofn applauds the global

cotton industry’s collective efforts in joining and supporting the “Make the Label Count” campaign, the international coalition of organizations representing a wide range of natural fiber producers and environmental groups, and the National Cotton Council’s “Plant Not Plastics” campaign. These awareness campaigns, coupled with U.S. cotton’s solid reputation and impressive capabilities through sustainability and traceability programs, no doubt offer a compelling alternative to polyester.



While growing global demand for all cotton is clearly important, the U.S. must carve out a piece of the global market in which it enjoys a preference. The economies of scale, appetite, and wherewithal of Brazil make the carve out essential if U.S. cotton is going to retain its global share of cotton consumption. The Buying American Cotton Act (BACA), introduced in May 2025 by Mississippi Senator Cindy Hyde-Smith, is the legislation that will

accomplish such a carve out. The U.S. has the largest retail apparel market in the world, but less than one half of the fiber consumed in the U.S. retail market is cotton, and less than 10% of it is U.S. cotton. Through tax credits for brands and retailers, BACA incentivizes the use of not only U.S. cotton but also U.S. made yarns and fabrics. Under the proposed legislation, entities selling finished products and claiming the transferable tax credits must be able to demonstrate proof of the use of U.S. cotton through any trustworthy supply chain tracing system such as the U.S. Cotton Trust Protocol’s Textile-Genesis offering. The tax credit that may be taken depends on the price of cotton as established by the U.S. Treasury (proposed as a three-rolling crop year average), the weight and type of U.S. cotton contained in the finished good (raw cotton, yarn, or fabric), and where the finished product was manufactured. The applicable cotton price established by the U.S. Treasury in the year of import is multiplied by a factor of 1 for the weight of the U.S. raw cotton, or 1.6 for the weight of the U.S. cotton yarn, or 6.5 for the weight of the U.S. cotton fabric. The final tax credit calculated for the product is determined by multiplying by a location factor of 24% if the good was made in the United States or a country

with which the U.S. has a free-trade agreement; otherwise, the location factor is 18%. For example, a product made in Pakistan imported for sale in the U.S. retail market that contains a pound of U.S. cotton would be accompanied by a transferable tax credit of \$.15 when the applicable cotton price is \$.85/lb, (\$.85 x 1 lb x .18 = .15). This credit will go a long, long way to increasing U.S. cotton's competitiveness at U.S. retail relative to both foreign grown cotton and other fibers, including polyester.

Given that U.S. retail annual bale equivalent offtake is at least 20 million bales, this will mean U.S. cotton's recent production levels of 14 million bales will not be enough and the futures market will have to rise to incentivize U.S. production to return to the 17-20 million bales that the U.S. can produce. Brands benefit not only because of the tax incentive, but they also get trusted U.S. cotton and can more easily make the switch away from cheaper polyester. Consumers benefit because they know more about the cotton they wear, sleep on, or groom

with and that it is from a responsibly sourced origin that supports rural communities and has less microplastic issues with increased cotton content. Even the U.S. government benefits. Though tax collections will decrease, the rise in price for U.S. cotton and the competitive edge gained by U.S. cotton manufacturers will have a multiplier effect and support price outlays afforded under the Farm Bill will offset some, if not all, of the loss in tax revenues. The Trump Administration, their allies, and even non-Trump supporters will win on many fronts including rural community preservation, job creation, environmental, and "Made in America". Most of all, farmers who grow cotton will win because the price received for selling cotton will be more in line with what it costs to grow it. Our industry and Staplcofn have no greater cause right now than promoting BACA to Congress and the Administration. Staplcofn will leverage our members' voices to encourage D.C. to pass this crucial legislation to keep the U.S. cotton industry as one of our nation's great resources and rural economic engines.

SUSTAINABILITY FOCUS

COMMITTED TO YOUR FUTURE

Staplcofn staunchly supports and lends expertise to programs that allow our members to demonstrate to the supply chain the responsibility exhibited in their cotton production. As a grower-owned marketing cooperative, we are uniquely positioned to connect brands and retailers with our growers. We leverage our farmer roots with our staff's marketing expertise and Staplcofn's global sales network to bring value all along the supply chain. We work with multiple sustainability and regenerative agricultural programs plus tailored programs to fit specific needs. Staplcofn's ultimate goal is to improve its members' marketing opportunities by ensuring integrity, service, transparency, and traceability within the textile supply chain.



The U.S. Cotton Trust Protocol has launched a Field Partner Program to collaborate with merchandisers to deliver traceable "Trust Protocol Regenerative Cotton." The program leverages existing Trust Protocol infrastructure to support private initiatives offered by Trust Protocol members while providing greater sourcing choices for Trust Protocol brand members. The pilot program is designed to enhance value and benefits for Trust Protocol members while providing Field Partner Programs the framework, verification, and traceability that are foundational pillars of the Trust Protocol.

Staplcofn's New Regenerative Practices Pool

A new offering for the 2025 crop is the Staplcofn Regenerative Practices Pool (Staplcofn RPP), which is currently in the pilot implementation stage. RPP is a collection of Staplcofn growers who use certain crop production management practices that are commonly considered regenerative to soil health. To be included in this voluntary pool of inventory, growers must exhibit a combination of practices including

cover crops, minimal/no-tillage, nutrient management, and crop rotation while also achieving certain biodiversity and soil carbon outcomes. This program is delivered to the marketplace as a Field Partner Program of the U.S. Cotton Trust Protocol. For more information on participation in the Staplcofn RPP or the Field Partner Program, contact your Cotton Specialist.

THE POWER OF ROTATION: FEEDING THE SOIL, FUELING THE FARM

Healthy soil is the foundation of every successful crop, and for many Southern growers, rotation is the key to keeping that foundation strong. Across the Cotton Belt, farmers who grow cotton, peanuts, and corn are finding that rotating these crops not only helps manage pests and disease but also restores the nutrients that keep their soil—and their yields—thriving.

Breaking Cycles and Building Yields in Florida

In Malone, Florida, just below the Alabama line, Mike Jordan of 3J Farms has seen firsthand how rotation benefits both his crops and his bottom line. Jordan started farming with his father in 1980, and by the early 1990s, he began experimenting with cotton as a rotation crop for peanuts. Over time, he shifted away from corn and soybeans to focus primarily on cotton and peanuts—a decision that continues to pay off.

“You can’t rotate soybeans and peanuts because they’re both legumes and host the same nematodes,” Jordan explained. “But cotton isn’t a host for the peanut root-knot nematode, so planting cotton breaks the nematode cycle, allowing peanut yields to rebound. And peanuts, in turn, put nitrogen back in the soil, which helps cotton tremendously.”

Today, Jordan, who is in partnership with his wife, Rene, and his brother John, irrigates nearly all of his fields and prefers a two-year cotton, one-year peanut rotation to keep his soil and yields in balance. “I’ve tried three years of cotton before switching back to peanuts,” he said. “That first year is great, but by the third, yields can drop by as much as 30%. The soil just needs that break.”

Jordan works closely with Staplcotn Cotton Specialist Stan McMikle, whom he calls his “go-to man.” “I really appreciate how Staplcotn sticks with you year after year and makes sure you get the best value possible,” Jordan said. “Our cotton yields have improved every year, and between the nitrogen from peanuts and the nematode break from cotton, they really are good for each other.”

Corn’s Role in Rotation in Georgia

A couple of hours northeast in Sylvester, Georgia, Joel Carter balances a slightly different mix of crops. He farms both dryland and irrigated acres and includes corn in his cotton and peanut rotation. The sandy loam and red clay soils of Georgia’s Coastal Plain make it well-suited for all three crops, though irrigation plays a key role in his planting decisions.



Joel Carter



Stan McMikle and Mike Jordan

“When cotton prices were stronger, I planted more cotton and less corn,” Carter said. “Now that prices are down, peanuts are my main cash crop, and I’ve moved corn to the irrigated land and cotton to dryland.”

For Carter, both corn and cotton serve as rotation crops for peanuts, and he aims for two years of cotton or corn followed by one year of peanuts when market conditions allow. “Corn adds organic matter back into the soil, which helps my peanuts,” he said.

Staplcotn Cotton Specialist Tom Pinson, who works with Carter, noted that Carter can often get a good local price for corn from deer hunters during hunting season—a helpful offset when commodity prices fluctuate.

The Common Thread: Cotton

While each farmer manages different soils and markets, both Jordan and Carter agree that rotation is essential to their long-term success—and cotton plays a leading role in that balance. Whether it’s breaking pest cycles, building soil health, or strengthening farm profitability, the power of rotation is what keeps the soil—and the farm—thriving.

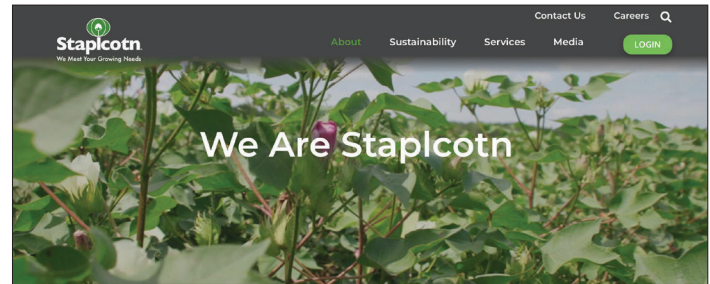
WHAT'S NEW?

An Updated Staplcotn Website, a Staplcotn App, and an Increased Social Media Presence

Staplcotn proudly launched its new website on October 1, built around our new tag line: We Meet Your Growing Needs. Featuring a dynamic rolling video on the homepage and continuous movement throughout, the new site reflects the ever-evolving world of cotton—one that's innovative yet firmly grounded in knowledge and expertise.

While some of the dropdown menus and content remain familiar, the site now includes updated information on sustainability initiatives and the various programs available to growers in which they can participate. It also offers valuable insights into why spinning mills, textile companies, brands, retailers, and other end users around the world should choose Staplcotn cotton.

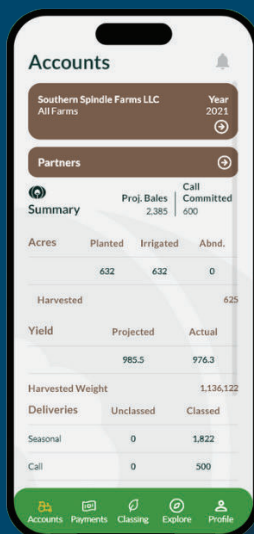
The new website continues to serve as a launch pad for growers to access their accounts. In addition, Staplcotn has introduced a new mobile App that gives growers the same



access and information they have on a computer—anytime, anywhere. This added flexibility makes it easy to view account information on the go. Simply scan the QR code below that corresponds with your phone to download the app and log in with the same information as you use on the website. If you have difficulty logging in or have any additional questions, contact your Cotton Specialist.

To complement these digital advancements, Staplcotn has been strengthening its social media presence since July. Our posts aim to keep members and industry partners informed, highlight our growers and staff, advocate for the cotton industry, and promote Staplcotn to global purchasing sources. We encourage all members to like and follow us across our social media platforms to stay connected and engaged.

Our app gives you one more way to conveniently access your account(s). Scan the QR code to download.



Android
Google Play



iOS
Apple Store

Follow us on all platforms for your Staplcotn and cotton industry news, tips and updates.





www.staplcotn.com
214 W. Market Street 38930
P. O. Box 547 • 38935-0547
Greenwood, MS

Address Service Requested

NONPROFIT
ORG.
U. S. Postage Paid
Greenwood, MS 38930
Permit No. 49

COMMUNITY BULLETIN BOARD



2026 GROWER MEETINGS

ALABAMA

Athens

Friday, January 9, 11:00 a.m.
First National Bank

GEORGIA

Millen

Wednesday, January 7, 5:15 p.m.
Jenkins County Agricultural Center

Colquitt

Thursday, January 8, 11:00 a.m.
Cotton Hall

Tifton

Thursday, January 8, 5:15 p.m.
ABAC's GA Museum of Agriculture

LOUISIANA

Ferriday

Tuesday, January 13, 11:00 a.m.
The Duck's Nest II

MISSISSIPPI

Columbus

Monday, January 12, 11:00 a.m.
Venue 208

Greenwood

Wednesday, January 14, 11:00 a.m.
Staplcotn Corporate Office

NORTH CAROLINA

Edenton

Tuesday, January 6, 11:00 a.m.
Nixon Catering

Halifax

Tuesday, January 6, 5:15 p.m.
Halifax Extension Service

SOUTH CAROLINA

Latta

Wednesday, January 7, 11:00 a.m.
Shuler's BBQ

TENNESSEE

Memphis

Monday, January 5, 11:00 a.m.
Bass Pro Shop



StapReview

Fall 2025

Vol. 37 No. 1

StapReview is published
as a service to
members of Staplcotn.

Correspondence
should be sent to
The Editor

P. O. Box 547
Greenwood, MS 38935-0547

Editor:

Jean Kelly,
Communications & Public
Relations Director