

## Cotton Growers Cooperative

*Cotton Growers Cooperative began on February 8, 1922, by farmers wanting a more profitable and effective way to market their cotton crops. Today, as the second oldest cotton cooperative in the country, we remain committed to providing those same principles. The Cooperative is governed by 12 producers from North Carolina, South Carolina, and Virginia serving as the board of directors and is 100% owned by the members and producers of the area. Fair pricing, multiple outlets, all merchandising gains returned to the grower, quality premiums paid along with our customer service to each member are many of the reasons our Cooperative remains an important friend to the farmer. With firm financial backing through both the Commercial Banking System and the Commodity Credit Corporation(CCC). The Cooperative continues to be a stable marketing asset for today's farmer. The mission of The Cooperative is to maximize our members' profitability by adding value to the cotton they produce through effective and efficient marketing in a manner that encourages integrity, trust and quality service. The Cooperative has built relationships with both domestic and international customers by applying these principles and delivering our promise. We have established benchmarks in the industry others use to measure against and continue to strive to satisfy our members with innovation while maintaining stability. Since 1922 we have and will continue to deliver our promise. Everyday.*



**Want to Join?  
Call us today at  
1-800-662-7082  
to discuss how our  
marketing programs can  
enhance your  
cotton profitability.**

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# Carolinas Cotton Growers Cooperative

## Marketing Programs

### Flexible Pool Options:

#### Seasonal Pool

#### Call Pool w/Option

#### Protection Program

#### Combination

#### Loan Equity Pool



#### Seasonal Pool

Management makes all marketing decisions: Pricing, CCC Loan, LDP, etc. Initial payment made when bales are delivered at harvest using CCC Loan Schedule.

Progress payments made in February and May with cash settlement/patronage refund in September. Premiums paid based on USDA Schedule.

Seasonal Pool Advantages.....

- Proven History of Outstanding Returns
- Less Worry about the Market
- Not Subject to Margin Calls or Option Premiums
- Minimizes Risk to Grower with Pooling
- Production Contracts
- Contracted by Farm Serial Number
- No Penalty for Loss of Production due to Natural Causes

#### Call Pool

Member makes all pricing and LDP decisions. Price cotton and lock-in LDP through the Cooperative. Lock-in LDP Rate until Jan. 31<sup>st</sup>.

A competitive basis is determined each

year by The Cooperative. A maintenance margin is maintained for safety. No additional quality discounts are applied. USDA discounts only from CCC loan sheet.

#### Option Protection Program

The Option Protection Program works in conjunction with the Call Pool. The member buys puts or calls to set price floors or protect the CCP. No brokerage account is necessary. The cost of options are offset against cotton payments.

#### Combination

Member designates the number of bales to be assigned to the Call Pool option with remaining bales to be marketed in the Seasonal Pool. First bales delivered will be applied to Call Pool before any bales applied to Seasonal Pool. All other rules apply to both pools as stated above.

#### Loan Equity Pool

Cooperative provides loan services and guarantees payments from buyer. Member receives advance of loan with loan schedule premium and discounts. Member makes all pricing decisions.

