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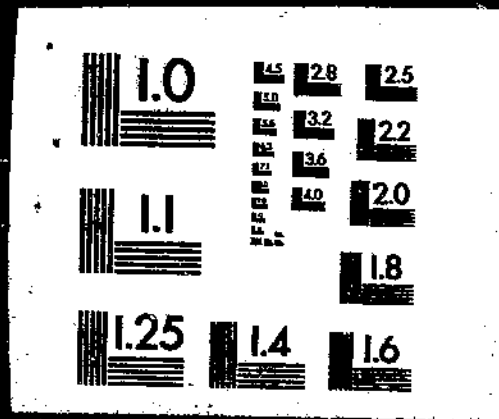
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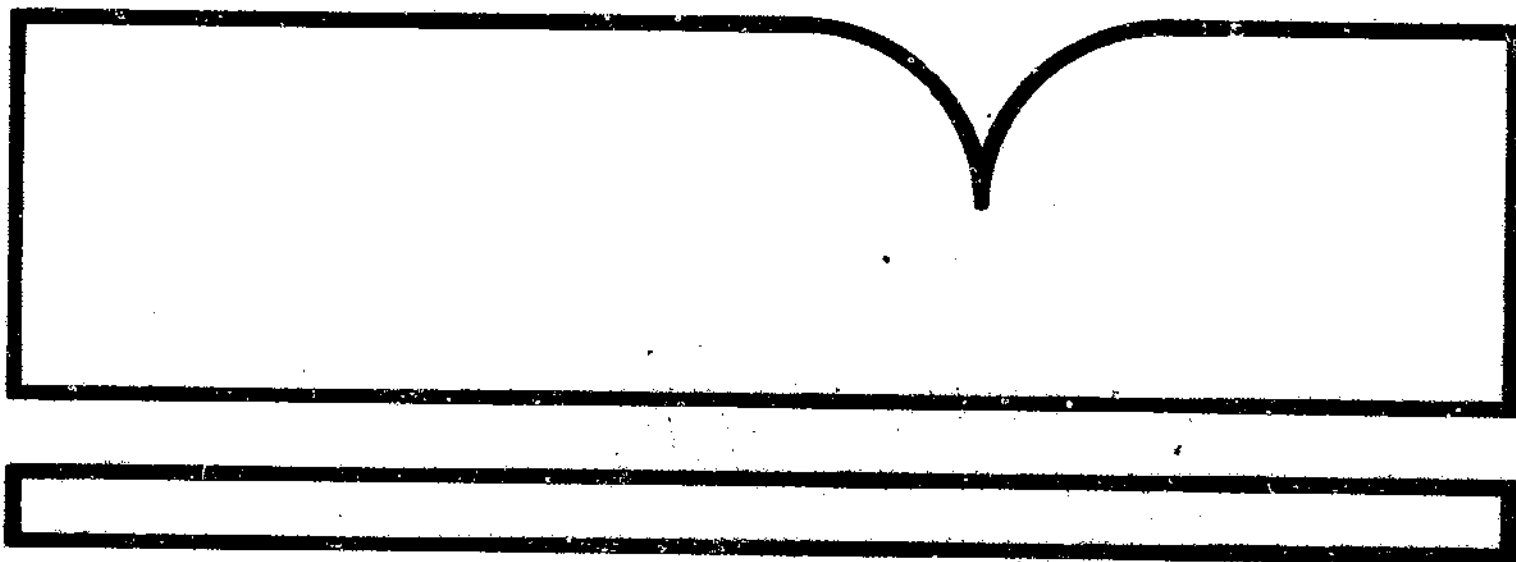
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Cotton Ginning Charges, Harvesting
Practices, and Selected Marketing
Costs, 1980/81 Season

Economic Research Service
Washington, DC

Jul 81



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Cotton Ginning Charges, Harvesting Practices, and Selected Marketing Costs, 1980/81 Season

ESS-14
July 1981



United States
Department of
Agriculture

Economic
Research
Service

Edward H. Glade, Jr., and Ron Cole^{1/}

GINNING CHARGES

The average charge for saw-ginning and wrapping a 480-pound net weight bale of upland cotton in the United States was \$43.77 during the 1980/81 season, an increase of \$4.46 per bale over charges in the 1979/80 season. Average charges varied from \$32.42 in South Carolina to \$52.18 in Texas. Total charges were up in 10 States and down in 4 States. The largest increase in ginning charges was in Georgia at \$8.32 per bale, followed by Texas at \$7.53 per bale. Charges for bagging and ties when assessed separately were \$11.12 in 1980/81, compared with \$11.09 the previous season. Charges for ginning American Pima cotton averaged \$52.23 per bale during the 1980/81 season--up \$7.90 over charges in 1979/80.

The number of active cotton gins for the 1980/81 season was 2,253, compared with 2,332 during 1979/80. Gin numbers varied from 40 in North Carolina to 762 in Texas.

METHOD OF HARVESTING

Machine-picking and machine-stripping are the primary methods of harvesting cotton. The percentage of cotton harvested by the machine-stripped method declined to 27 percent during 1980/81, compared to 37 percent last season. Ginning cotton from field-stored modules continues to gain in importance, with 32 percent of the 1980/81 crop processed in this manner--up from 26 percent last season and 18 percent the season before (1978/79).

POUNDS OF SEED COTTON REQUIRED FOR A 480-POUND NET WEIGHT BALE

The amount of seed cotton required to yield a 480-pound bale of cotton lint increased for all methods of harvesting during the 1980/81 season. The largest increase occurred for machine-stripped cotton, which required over 18 percent more seed cotton to produce a bale of lint.

PURCHASES OF COTTON BY GINNERS

Growers sold 11 percent of their 1980/81 crop to ginner as baled lint--down slightly from last season's 12 percent. Among States, there were considerable purchasing variations, ranging from no reported purchases in one State to purchases by ginner amounting to 51 percent of the Tennessee crop. Eighty-three percent of the purchases made by ginner were made by those acting as agents for other buyers.

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Average charges for saw-ginned upland cotton,
marketing and related inform

Item	Unit	U.S.	Ala.	Ariz.	Ark.
BALES GINNED <u>1/</u> (running bales).....	Thousands	10,817	264	1,383	435
ACTIVE GINS <u>2/</u>	Number	2,253	110	120	198
WRAPPING AND GINNING CHARGES PER BALE:					
Total charge per 480-pound net-weight bale <u>3/</u>	Dollars	43.77	32.53	38.60	37.83
Charges per bale for bagging and ties when assessed separately.....	Dollars	11.12	<u>4/</u>	<u>4/</u>	7.22
METHOD OF HARVESTING:					
Hand-picked.....	Percent	<u>5/</u>	<u>5/</u>	---	<u>5/</u>
Hand-snapped.....	Percent	<u>5/</u>	---	---	---
Machine-picked.....	Percent	72	98	89	99
Machine-stripped.....	Percent	27	2	<u>5/</u>	1
Machine-scraped.....	Percent	1	---	11	---
WEIGHT OF SEED COTTON PER 480-POUND NET-WEIGHT BALE:					
Hand-picked.....	Pounds	<u>7/</u>	<u>6/</u>	---	---
Hand-snapped.....	Pounds	<u>7/</u>	---	---	---
Machine-picked.....	Pounds	1,520	<u>6/</u>	1,511	1,536
Machine-stripped.....	Pounds	2,801	---	1,649	<u>7/</u>
Machine-scraped.....	Pounds	1,917	---	1,870	---
COTTON GINNED FROM:					
Trailers.....	Percent	67	100	59	100
Modules.....	Percent	32	<u>5/</u>	41	---
Ricks.....	Percent	1	---	---	---
Other.....	Percent	---	---	---	---
PROPORTION OF PRODUCTION PURCHASED BY GINNERS FROM GROWERS AS BALED LINT:.....					
	Percent	11	12	9	14
Ginners purchases as:					
Principal.....	Percent	17	100	---	25
Agents.....	Percent	83	---	100	75
CHARGES FOR WAREHOUSING AND RELATED SERVICES:					
Charge per bale for receiving.....	Dollars	1.88	2.57	<u>4/</u>	1.52
Charge per bale per month for insured storage <u>8/</u>	Dollars	1.36	1.33	1.60	1.48
Charge per bale for compressing to Universal Density	Dollars	5.94	5.50	6.02	6.24

--- = 0. 1/ Based on report of April 1981 by Bureau of the Census, but excluding all ginned in Florida and Nevada. 2/ Based on Bureau of the Census information. 3/ Includes any patronage dividends or customer rebates. 4/ Separate charges customarily not made. 8/ Based on published tariffs. For storage under Government price-support programs, v

average charges for selected services incident to
 operation by State, 1980/81 season

Calif.	Ga.	La.	Miss.	Mo.	N. Mex.	N. Car.	Okla.	S. Car.	Tenn.	Texas
3,031	84	450	1,106	173	102	53	201	72	194	3,269
223	58	98	296	72	42	40	88	56	90	762
44.38	41.01	36.70	34.76	45.82	50.21	34.03	37.67	32.42	34.89	52.18
<u>4/</u>	<u>4/</u>	<u>4/</u>	7.50	8.25	7.90	<u>4/</u>	7.50	4.50	<u>4/</u>	12.35
---	<u>5/</u>	2	<u>5/</u>	---	---	---	---	<u>5/</u>	<u>5/</u>	<u>5/</u>
99	100	95	100	100	66	100	9	100	<u>5/</u> 99	20
1	---	3	<u>5/</u>	---	34	---	89	---	1	80
---	---	---	---	---	<u>5/</u>	---	2	---	---	<u>5/</u>
---	<u>6/</u>	<u>7/</u>	<u>6/</u>	---	---	<u>6/</u>	---	<u>6/</u>	---	<u>7/</u>
1,531	<u>6/</u>	1,226	<u>6/</u>	1,641	1,520	<u>6/</u>	1,553	<u>6/</u>	<u>7/</u>	1,494
2,051	---	1,240	---	---	2,498	---	2,133	---	<u>7/</u>	2,866
---	---	---	---	---	2,558	---	2,307	---	---	<u>7/</u>
50	100	97	97	100	90	100	44	99	100	60
47	---	3	3	---	10	---	56	1	---	40
3	---	---	---	---	---	---	---	---	---	---
---	---	---	---	---	---	---	---	---	---	---
2	14	---	5	8	8	2	45	45	51	19
---	100	---	---	100	---	100	5	6	86	6
100	---	---	100	---	100	---	95	94	14	94
<u>4/</u>	2.27	2.00	1.55	1.62	1.83	1.58	2.00	1.71	1.64	1.99
1.43	1.19	1.72	1.49	1.50	1.17	.98	1.10	.93	1.54	1.12
5.47	---	6.15	6.25	6.05	5.92	---	6.18	---	6.46	6.15

American-Pima and upland cotton ginned on roller gins. Also excluded are 7,628 bales
 less bagging and ties, drying of seed cotton and use of lint cleaners, but does not reflect
5/ Less than 1 percent. 6/ Seed cotton usually not weighed. 7/ No data available.
 warehousemen are paid lower rates.

SELECTED SERVICES
INCIDENT TO
MARKETING

For the 1980/81 season, average receiving charges at warehouses increased 7 cents per bale to \$1.88. Charges for insured storage averaged \$1.36 per bale per month--an increase of 9 cents, and universal density compression charges averaged \$5.94 per bale, up 55 cents from charges during the 1979/80 season.

For more information, call Edward H. Glade, Jr., (202) 447-8776, or write: National Economics Division, ERS, U.S. Department of Agriculture, Rm. 212, 500-12th Street, S.W., Washington, D.C. 20250.

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