

Six Things to Do in Cotton Marketing

THE utter incompetency of our present marketing methods was tragically illustrated last year. As a matter of fact, the folly of our present system, or lack of system, is illustrated every year that comes, but last year the lesson was so seriously burned into the consciousness of every Southern man that some lasting reforms ought to result.

Time for Reform in Cotton Grading

ONE place where reform is needed is in the matter of grading. It is probably true that no other producer of a commercial product in all the civilized world has lost more through undergrading than has the cotton grower of the Southern states. It is a maxim of law that "No man should be judge in his own cause," and yet from time immemorial the cotton buyer has been the judge as to the grades of cotton handled by him, while not one grower in ten has been able to tell whether that grading was properly done or not. If anybody wishes to know in detail what the results have been, let him send five cents to the Division of Markets, United States Department of Agriculture, and get the bulletin on cotton marketing in Oklahoma. We know of another leading cotton county in which the state and National Departments of Agriculture sent cotton graders last fall, and the farmers of that county say that never until then did they get recognition for grades above good middling. And in this connection the statement is made by Senator J. L. McLaurin, Warehouse Commissioner of South Carolina, that not one bale of cotton out of a thousand is sold to the mills on which the buyer does not make a profit on the grading in addition to his legitimate profit as a buyer.

Insuring Proper Grading of Cotton

SOME remedy must be found, and found quickly, for this condition. Here is a report that comes to us from Robeson County, N. C.:

"As a result of agitation and demand by the County Union, the recent Legislature appointed a public cotton weigher and grader for Lumberton and Maxton. Any other market that wants one can get same by petitioning the board of county commissioners. This weigher and grader will do all the weighing and grading and the buyers must be governed by his decision. For his work he will receive eight cents per bale, four cents to be paid by the seller and four by the buyer. These graders will have a public yard for grading, and after the bale has been weighed and graded a card giving the weight and grade will be tied to the bale."

What we really need, however, is not local legislation applying only to a single county, but general state laws for licensing graders and regulating their business. Such legislation, of course, should be very carefully considered, but as a basis for action we are glad to notice the bill introduced into the Georgia Legislature by Mr. Adams of the Thirty-third Senatorial District. Its essential features, apart from regulation of fees, penalties, etc., are given in the following sections:

"Section 1. * * * That from after the passage of this act, baled cotton offered for sale in the state of Georgia shall be graded and classified according to the standard grades fixed by the United States Agricultural Department.

"Sec. 2. That any person grading baled cotton offered for sale shall obtain a license from the State Warehouse Commissioner, who shall issue a commission to such a person to grade cotton in the state of Georgia, only after examination, which shall satisfy him of the competency of the applicant to properly classify and grade cotton according to the United States standard grades. * * *

"Sec. 5. Be it further enacted by the authority aforesaid, that any person who shall wilfully misgrade a bale of cotton offered for sale in Georgia shall be guilty of a misdemeanor, each bale constituting a separate and distinct offense, punishable by a fine of not more than \$100 or imprisonment for not more than thirty days. A variation of twenty-five points from the United States standard grade shall constitute prima facie evidence of wilful intent on the part of the person grading the cotton offered for sale."

Every farmers' organization in the South should give attention to this problem, and a satisfactory bill should be worked out in cooperation with state marketing bureaus and the Division of Mar-

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kets of the United States Department of Agriculture. (See what Mr. Brand says about cotton standards on another page.) Then this grading bill should be introduced at the next session of each Southern Legislature and pushed through to success.

The Problem of Cotton Tare

NOT only does the Southern cotton farmer lose millions of dollars annually as a result of the lack of system in grading his cotton, an evil right at his own doors, but he is also the victim of a colossal international conspiracy in the matter of cotton tare. Practically every summer for ten years The Progressive Farmer has called attention to this evil, but it still continues.

Europe takes most of our cotton crop, and naturally fixes the price of cotton. Now Europe buys cotton on the basis of 6 per cent tare. That is to say, on each 500-pound bale of cotton she assumes that the bagging and ties will weigh 6 per cent or thirty pounds. In other words, Europe buys a 500-pound bale of cotton on the assumption that she will get only 470 pounds of lint. But as a matter of fact the Southern farmer does not put on thirty pounds of bagging and ties, and so he gives the buyer more lint cotton than he pays for. And while it has been denied by some, we believe it is

tary of Agriculture D. F. Houston, Washington, D. C., and urge their help in getting an international conference on cotton tare.

Arkansas Cotton Marketing Plans

PROGRESSIVE Farmer readers will recall the interesting article we published two years ago about a farmers' cotton marketing association at Scott, Ark., in which case twenty-four growers combined their interests, named a marketing agent, and obtained profits of from \$2.50 to \$5 a bale on the lint and \$4 a ton on cotton seed compared with standard prices obtained by unorganized farmers in that section.

This Scott organization was effected by President H. S. Mobley, of the Arkansas Farmers' Union, who has done some notable work in this respect. In an interview in a Little Rock paper last November he gave the gist of his plan as follows:

"Our members are encouraged to bulk their cotton in as large quantities as possible," he said. "Samples of each bale are then forwarded to the office of markets at the old State House in Little Rock, where they are graded by a cotton grader sent from the Bureau of Markets at Washington. This bureau returns the classification to the agent of the parties owning the cotton, and at the same time the samples are displayed in the office of our State Secretary, J. H. Fry, which is also located in the old State House. Buyers from all sources are invited to visit this office and inspect the samples and they make bids to Mr. Fry or myself as the case may be, which bids are forwarded to the owners of the cotton. Thus the members of the Union are provided with expert information as to the grade or merit of their cotton and at the same time are furnished the opportunity of receiving bids from sources outside of or beyond that which would be offered in their local markets.

"It almost always results in their getting a higher price than could be had by the non-competitive manner of selling only to local buyers. One instance of this was the sale last Thursday at Paragould. The use of this method resulted in the sellers of over 200 bales receiving bids of \$3.75 a bale above the prices offered locally before this method was made effective in that market, and the total saved to the producers of this lot of cotton was a little more than \$750. This was quite a snug sum and really benefited many more producers than those immediately interested in that particular sale, since it influenced the street price on other cotton sold in that market."

In a letter just received in which he encloses this clipping, Mr. Mobley says:

"Last year we handled about 10,000 bales of cotton and possibly 100 cars of cotton seed at good advances to the grower over local prices paid for individual or small lot sales. This year we expect an enormous increase in the business, * * * and our membership has doubled since we inaugurated these plans."

Buyers' Offices Should Be Grouped Together

THERE are plenty of excellent and honorable men in the cotton-buying business, of course, and in what we have said in this article we do not mean to indict them as a class. But so long as such a large proportion of the growers are ignorant both of prices and grades, the opportunities for fraud are so great that honest cotton-buyers have to face an almost disastrous competition. This good suggestion comes to us from one thoughtful buyer who wishes to see better conditions prevail. He says:

"There is great need for establishing genuine 'cotton exchanges' in towns and cities such as market as many as, say, 10,000 bales. The buying of cotton is worked in such a way in most places as to make it very tedious to the buyers and farmers. For instance here the buyers are badly scattered over town and no one of them gets a chance at one-half the receipts, and some are so poorly located that they get a chance at less than one-fifth the receipts. The result is the farmer is deprived of that much competition and the buyer who might pay one-fourth cent more, does not get a chance at the cotton.

"If the cotton were sampled by a cotton exchange superintendent and displayed on the tables of the exchange where all buyers would

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SIX THINGS COTTON FARMERS SHOULD DO NOW

THREE GENERAL NEEDS

1. Demand a state cotton warehousing system in every cotton-growing state.
2. Demand an international conference to end the cotton tare robbery.
3. Demand state laws to insure proper grading of cotton.

THREE LOCAL NEEDS

1. Get cotton growers of your neighborhood to meet at once and arrange for pooling cotton and selling together this fall.
2. Pool cotton seed also and get a fair cash price or a fair exchange in meal.
3. See your local banks, find out how much they will lend on cotton, and support the bankers who support the farmer in this way.

pretty well established that exporters do put on the full 6 per cent of tare, although not allowing the farmer to do so.

Demand an International Conference on Tare

COMMISSIONER Graham of North Carolina in a recent letter to Secretary Houston gives the historical explanation of the matter by saying:

"Prior to 1865 the weight of a bale of cotton was generally 350 pounds. The bagging and ties then, as now weighed 21 to 22 pounds, that is, 6 per cent of the weight of a bale at that time, and that amount was fixed by the Liverpool authorities on this subject as the tare. Since that time the weight of the bale has been increased to 500 pounds or more, but 6 per cent is still fixed as the tare, which is 30 pounds or about eight pounds more than the actual weight of the tare, or practically a dollar a bale. This is fixed at Liverpool and is deducted in fixing the price."

The remedy lies, we believe, as the Association of Southern Agricultural Workers asserts, in an international conference to revise the tare standard. South Carolina has passed a law requiring buyers to allow farmers to put on the full 6 per cent, but naturally there is difficulty in enforcing one tare rule in one cotton-producing state and another rule in another state. The real solution lies in having the United States Government arrange for a conference with English representatives and provide that hereafter the tare should be only, say, 4½ per cent. Then Europe would allow for only 22½ pounds of bagging and ties on a 500-pound bale of cotton and pay for cotton a price correspondingly higher than that which she now pays on the basis of allowing thirty pounds for tare.

Every farmer interested in this matter should write to his United States Senator and to Secre-