



Contact: Heidi H. Nelson
Harvest PR, 503.274.0086

FOR IMMEDIATE RELEASE

COTTON HARVEST WINDS DOWN; FOOD INDUSTRY OPTIMISTIC FOR BIGGER CRUSH AND MORE COTTONSEED OIL

Higher-than-expected yields may improve the supply of the stable cooking oil

CORDOVA, Tenn. – (Dec. 4, 2007) – As cotton harvesters make their final passes through fields seemingly bursting with white cotton candy, ginner and crushers await sweet news: bonus cotton yields. Higher-than-expected yields per acre in 2007 could produce a larger cottonseed crush, meaning more cottonseed oil to satisfy the food industry's craving for *trans*-free oils.

"Ever since New York City banned *trans* fats in restaurants in July 2006, we've seen a growing demand for stable, healthy cooking oils, like cottonseed oil," says Ben Morgan, executive director of the National Cottonseed Products Association (NCPA), Cordova, Tenn. Cottonseed oil is a highly stable oil that does not require hydrogenation, the process that produces artificial *trans*.

Cotton plantings were down 20 percent in 2007, but a new report shows higher cotton yields are making up for some lost ground. On November 23, the U.S. Department of Agriculture forecast domestic cottonseed production to reach 6.54 million tons in 2007, up 252,000 tons from the October estimate of 6.29 million tons. NCPA's Morgan, who tracks the cottonseed crush on a weekly basis, reports that while numbers earlier in the season were tracking behind the prior year, "we're on a pace to potentially catch up to last year's crush of 2.6 million tons."

Morgan adds that cottonseed oil production will likely be below levels of the past two years, but only 10 percent below the five-year average.

Lubbock, Texas-based PYCO Industries, one of the largest cottonseed crushers in the South, is looking forward to one of its largest crushes on record, thanks to ideal growing conditions in the cooperative's 25-county region. "The crop just keeps getting bigger and bigger," says Ronnie Gilbert, vice president of oil trading. "Both of our plants will be crushing cottonseed in December."

- more -

Page 2, NCPA, Higher Cotton Yields

While PYCO markets 100 percent cottonseed oil to restaurants and regional potato chip manufacturers, the company is fielding more calls these days from national oil suppliers who want cottonseed oil for their zero-trans vegetable oil blends.

“With the industry’s departure from hydrogenated oils, and reformulations still in the works, we don’t anticipate having any problems selling all of our cottonseed oil this year,” Gilbert says.

Morgan says cottonseed oil still constitutes a fraction of the total edible fats and oils market, but that the uptick in yield this year will make a difference in helping meet demand. Furthermore, he says, “It’s quite possible that the crop estimate will grow even bigger in December, assuming timely rains in parts of the Mid South helped boost yields.”

According to Dr. Bill Pettigrew, a cotton expert with USDA’s Agriculture Research Service in Stoneville, Miss., Mississippi Delta cotton yields per acre were better than earlier expected partly “because many farmers, chasing higher grain prices, shifted some of their poorer-performing cotton acres to corn and soybeans. What’s left was the good stuff.”

For more information on National Cottonseed Products Association and cottonseed oil, contact Heidi Nelson or Amy Dennis at 503-274-0086.

About the National Cottonseed Products Association

NCPA is the national trade association for the cottonseed processing industry. In addition to the U.S. cottonseed crushing industry, association membership includes refiners, who process cottonseed oil into semi-finished and finished products, dealers and brokers who market cottonseed products, and other firms that provide goods and services to the industry.

###