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<i>What's New @ Cottonseed.com</i>	2
<i>E-Newsletter</i>	2
<i>Weekly Cottonseed Crushings</i>	2
<i>Sugar Association Finds Opinion Piece Non-Scientific and Irresponsible</i>	3
<i>December Milk Production</i>	3
<i>NCPA's 116th Annual Convention</i>	3
<i>NCPA Merit Scholarship</i>	4

**Special points of interest:**

- Cottonseed crush forecast at 2.4 million tons for 2011/12.
- EPA rejects palm oil application under RFS2 program.
- NCPA's 116th annual convention April 29—May 1.
- Sugar Association fires back at comments regarding "toxic" sugar.
- NCPA Merit Scholarship applications for 2012.

## KEEPING TRACK OF COTTONSEED

**Cottonseed crushings** for December 2011 totaled 208,803 tons vs 208,6738 tons crushed in November 2011 and 239,824 tons crushed in December 2010, according to NCPA's survey of member mills.....**Stocks of cottonseed** at member mills were reported at 1.68 million tons on December 31 vs 1.65 tons on November 30 and 2.07 million tons on hand at the end of December 2010.....**Cottonseed receipts** at oil mills in December totaled 260,608 tons compared to 710,972 tons in November 2011 and 620,427 tons in December 2010.....**Stocks of cottonseed oil** were at 130 million lbs at the end of Decem-

ber, down from 135 million lbs. at the end of November.... **Stocks of cottonseed meal** on December 31 stood at 62,492 tons. At the end of November, meal stocks were 59,279 tons, and at the end of December a year ago, meal stocks were 34,636 tons.....**Cottonseed hull inventories** were reported to be 18,177 tons vs 13,878 tons at the end of November. Hull stocks were 25,215 tons at the end of December 2010 and 24,999 tons at the end of December two years ago.....US Census reports **cottonseed exports** totaled 15,963 metric tons for November 2011. This compares to

*(Continued on page 2)*

## EPA REJECTS PALM OIL; COTTONSEED OIL STILL UNDER REVIEW

The Environmental Protection Agency (EPA) said that biodiesel made from palm oil doesn't meet the requirements to be added to its renewable fuels program because its greenhouse-gas emissions are too high. In a regulatory filing January 27, the EPA said that palm-oil biodiesel, which is primarily produced in countries such as Malaysia and Indonesia, provides reductions of as much as 17 percent in greenhouse-gas emissions compared to traditional diesel fuel, falling short of a 20 percent reduction necessary to qualify under the law. By failing to meet that threshold, oil companies can't use palm fuels to meet national renewable fuel standards. Other fuels they can use are made from soy beans, animal fat, recycled cooking grease or similar materials.

Environmental groups, which are locked in a fight with the EPA over its approval of corn-based ethanol under the same program, praised the decision as an important marker by the agency. Palm-oil production has led to the deforestation of 6.5 million hectares (16.1 million acres) in Malaysia and Indonesia, according to Friends of the Earth. The National Cottonseed Products Association submitted its official petition to the U.S. Environmental Protection Agency late last year, requesting EPA approve a renewable fuel pathway for renewable fuel produced from cottonseed oil as biomass-based diesel. In the petition, NCPA noted that approval of cottonseed oil as a feedstock for biodiesel will provide an additional

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## E- Newsletter

The NCPA Newsletter will only be available online & via e-mail. Sign up by sending your e-mail address to [ststine@cottonseed.com](mailto:ststine@cottonseed.com).

### COTTONSEED —CONT

*(Continued from page 1)*  
5,368 mt shipped in October 2011 and 18,755 mt shipped in November 2010. **Cottonseed meal exports** were 6,335 mt in November vs 4,400 mt in October 2011.... For complete details, see the *Statistics* section at [www.cottonseed.com](http://www.cottonseed.com).

## WHAT'S NEW @ COTTONSEED.COM

Cottonseed crushings for the week ending January 29 totaled 50,930 tons compared to 49,675 tons the previous week. Weekly crushings are running at about 90% of 2010/11's total of 2.5 million tons and 95% of 2009/10's 1.9 million ton total. If that percentage holds, cottonseed crushings for 2011/12 could total just over 2.0 million tons. Crushings are updated each week in the *Statistics* section and are also

available by signing up on Twitter and following "@NCPA\_seed"....USD A's *Supply and Demand* forecast for cottonseed and cottonseed products (January 13) maintains a crush projection at 2.4 million tons for the 2011/12 season. Cottonseed production for 2011-12 was reduced slightly from 5.31 million tons in the December forecast to 5.26 million tons in the December estimate. The forecast for "Other Disap-

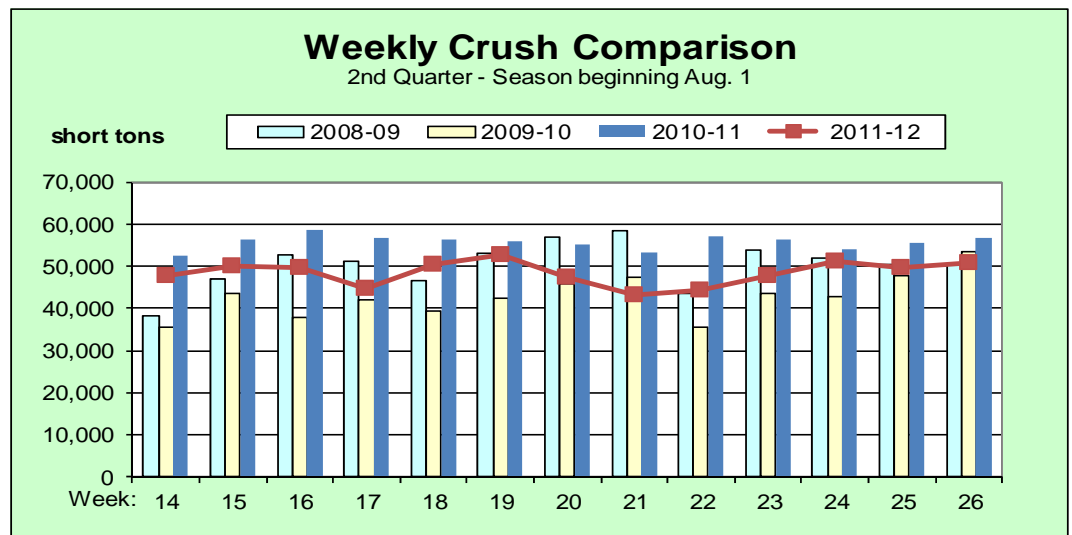
pearance", or whole seed feeding, was also reduced from 2.98 million tons to 2.93. Cottonseed meal exports are forecast at 105,000 short tons for 2011/12. That would be an increase of nearly 15% from the 91,424 ton (82,939 mt) total from a year ago. See the *Supply & Demand Forecast for Cottonseed and Cottonseed Products* in the *Statistics* section of the web site.

## EPA REJECTS PALM OIL APPLICATION—CONT.

*(Continued from page 1)*  
feedstock option to help the biodiesel industry meet and exceed the required volume obligations of the biomass-based diesel and undifferentiated advanced biofuels categories. In addition, biodiesel production plants can use cottonseed oil interchangeably with other oils that have been ap-

proved by EPA to generate Renewable Identification Numbers with a D Code of 4 (biomass-based diesel), requiring no changes in the production process. Cottonseed oil as a feedstock, however, has not been reviewed specifically using EPA's lifecycle greenhouse gas ("GHG") emissions analysis. NCPA's petition

included the information required under 40 C.F.R. §80.1416(b) for EPA to conduct such an analysis. For a complete copy of the Cover Letter, Petition and List of Appendices, follow this link on the NCPA web site to [www.cottonseed.com/whatsnew](http://www.cottonseed.com/whatsnew).



## SUGAR ASSOCIATION FINDS OPINION PIECE NON-SCIENTIFIC AND IRRESPONSIBLE

### DECEMBER MILK PRODUCTION UP 2.7%

Milk production in the 23 major States during December 2011 totaled 15.4 billion pounds, up 2.7% from December 2010., according to USDA. November revised production at 14.7 billion pounds, was up 2.2% from November 2010. The November revision represented an increase of 3 million pounds or less than 0.1% from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,818 pounds for December, 27 pounds above December 2010. The number of milk cows on farms in the 23 major States was 8.49 million head, 99,000 head more than December 2010, and 12,000 head more than November 2011. (Source: USDA, *National Ag Statistics Service*, 1-23-2012)

A recent comment, "The toxic truth about sugar," published in the journal, *Nature*, lacks the scientific evidence or consensus on which the authors base their recommended policy interventions, according to the Sugar Association (SA). The claim that sugar consumption has tripled worldwide in the past 50 years is flawed, according to the trade group. First, the alleged consumption assumes total supply equals human consumption. Total supply includes the amount sold for food plus what is allotted for unsold inventory. Second, when the comment authors used total supply amounts to estimate consumption, they disregard the fact that reliable estimates of consumption require total supply amounts to be reduced by processing losses and consumer waste (estimated at 29 percent in the U.S.), the practice used by the U.S. Department of Agriculture. According to the U.S. Department of Agriculture, people are estimated to consume 425 more calo-

ries per day than we did 40 years ago. Caloric sweeteners account for only 38 of these calories – just one calorie per year. In fact, loss and waste may be underestimated. During the same time that consumption of cane and beet sugar was decreasing, the obesity epidemic, which the authors cite as a "marker" for the metabolic dysfunctions that lead to many of these non-communicable diseases, increased. The Sugar Association commented that "it (is) irresponsible when health professionals use their platforms to instill fear by using words like "diabetes," "cancer," and even "death," without so much as one disclaimer about the fact that the incomplete science being referenced is inconclusive at best." The authors of the comment conclude their piece by proposing that the government all but takes over our food system. (Source: *The Sugar Association*, February 2, 2012)

## NCPA'S 116TH ANNUAL CONVENTION

NCPA's 116th Annual Convention will be held April 29—May 1 at the Ritz Carlton Amelia Island, Florida. Guest room reservations may be made by calling the hotel directly at 904-277-1100 or 800-241-3333, or on-line by following the link under the "Convention" link on the Association's web site. The deadline for making guest room reservations is Wednesday, March 14, 2012. NCPA's group rates are offered two days pre and post main arrival and

departure dates, based on hotel availability. A schedule of events is also available on the web site, and includes the annual scramble golf tournament on Sunday, April 29, receptions on Sunday and Tuesday evenings, Rules Committee meeting and themed-dinner on Monday, April 30, and Business Session on Tuesday, May 1. A convention registration form is also available on the web site, and may be printed out and returned with payment.

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*Representing the cottonseed  
processing industry*



### 116th Annual Convention

Apr 29—May 1, 2012  
The Ritz Carlton  
Amelia Island, Florida

# NCPA MERIT SCHOLARSHIP

Applications are available for the 2012 NCPA Merit Scholarship. The Scholarship provides \$1,000 for dependents of NCPA members. The scholarship is limited to use at an institution of higher learning that is accredited by recognized accreditation agencies and offers at least a degree upon completion of the course of

study offered. The scholarship is made possible through funds established by the Mississippi Valley Oilseed Processors Association, the Texas Cottonseed Crushers' Association, and the NCPA. Information is available under the "What's New" link on the NCPA web site.

## NCPA MERIT SCHOLARSHIP FOR MEMBERS

NCPA is pleased to announce the National Cottonseed Products Association Merit Scholarship for the children and/or legal guardians of NCPA members.



- Scholarship will be in the amount of \$1,000 to be used for tuition, books, and/or room and board xpenses at an accredited institution of higher learning.
- Student applicants will not be required to make agriculture their major course of study.
- Applicants will be asked to write an autobiography plus an essay describing why agriculture is important to them and/or their family.
- Applications are due to the NCPA office no later than **APRIL 15, 2012**.



Please visit the NCPA website, [www.cottonseed.com](http://www.cottonseed.com) and click on "WHAT'S NEW" for more information and applications.