

# U.S. TOBACCO COOPERATIVE SCOOP...

A newsletter from  
U.S. Tobacco Cooperative  
[www.ustobaccofarmer.com](http://www.ustobaccofarmer.com)

## U.S. TOBACCO COOPERATIVE OPENS 2009 MARKETING CENTERS

Your U.S. Tobacco Cooperative Inc board of directors approved and set the following opening dates for the 2009 Marketing Centers; Mullins, SC, July 21; Nashville, GA, July 23; Clinton, NC, July 29; Williamston, NC, August 4; South Hill, VA, August 13; and Rural Hall, NC, August 18. The markets opened two weeks earlier than last year due to weather related tobacco crop conditions. In the Georgia-Florida belt, an abundant amount of rain fell shortly after transplanting began. As much as fourteen inches of rain fell in Ware County and tobacco drowned. The predominant tobacco diseases reported in Georgia have been Target Spot in the lower stalk position and in northern Georgia Tomato Spotted Wilt virus. It is estimated fifteen to twenty-five percent of the Georgia flue cured tobacco crop has been lost due to drowned and



**U.S. Tobacco Cooperative Marketing Center – Mullins, S.C.**



### Member's tobacco bales placed on grading belt.

diseased tobacco. Our Nashville Marketing Center describes the leaf quality as average to better than average.

In South Carolina, during the early growth of the tobacco plant, the weather pattern can best be described as wet. The weather pattern during the middle and latter growth stages of the tobacco plant had moderate periods of rain to dry periods. The leaf quality



### Leaf Supervisor Mike Byrd listens intently to Mullin's Co-op member

has been described as good to excellent.

Our Clinton, North Carolina marketing center reports a diverse weather pattern for our members. Members in the Clinton area over to the Kinston, North Carolina area

reported excellent weather for growing tobacco; whereas, members to the west and northwest of Clinton such as members in Sanford and Fuquay-Varina reported dry to drought conditions early in the growing season and only began receiving rains in late July to early August. These weather patterns have produced an early and late crop scenario. Some of our members are reporting excellent yields of three thousand



### Clinton's Operations Manager A. Ray Talley watches the unloading of member's bales.



### Clinton buyer Tim Tremble inspects and grades member's bale

pounds or more per acre. The leaf quality (continued on page 2)

U. S. Tobacco Cooperative Inc. is the grower owned and supported cooperative that serves flue-cured tobacco growers in Virginia, North Carolina, South Carolina, Georgia, Alabama and Florida.

Chairman of the Board

Albert Johnson

Vice Chairmans

Kenneth Dasher

Andrew Q. Shepherd

Jimmy Pate

President

Tommy Bunn

DIRECTORS

District 2 Kenneth Dasher  
Live Oak,  
Florida

District 3 Albert M. Johnson  
Galivants Ferry,  
South Carolina

District 4 James C. Pate  
Rowland,  
North Carolina

District 5 Keith Beavers  
Mt. Olive,  
North Carolina

District 6 Blythe H. Casey  
Kinston,  
North Carolina

District 7 Charlie S. Batten  
Four Oaks,  
North Carolina

District 8 Jimmy Crews  
Oxford,  
North Carolina

District 9 Richard Renegar  
Harmony,  
North Carolina

District 10 Andrew Q. Shepherd  
Blackstone,  
Virginia

Public Director James T. Hill, Jr.  
Kinston,  
North Carolina

Telephone: (919) 821-4560

Fax: (919) 821-4564

(continued from page 1)  
is described as average to above average.

In Williamston, North Carolina our members have received little to moderate rainfall during the growth of their tobacco. Again, these weather patterns have produced an early and late crop scenario depending upon location. Excellent yields are being reported in this marketing center, too. The leaf quality is described as good to excellent.

The South Hill marketing center reports average to moderate rainfall during the growth of the tobacco plant in most areas. There is a dry weather pattern north of the Turbeville, Virginia area. Again, due to the weather pattern, there will be an early and late crop of tobacco. The leaf quality is good to above average.



**U.S. Tobacco Co-op – South Hill, VA.**



**South Hill buyer Butch Stone discusses grade with Co-op member.**

The Rural Hall marketing center reports heavy rains fell in the western part of the state in early spring which



**South Hill Co-op employees inspect bale for NTRM.**

delayed the transplanting of tobacco for many of our members, but for members in the Reidsville area they remained dry. The weather pattern is now near drought conditions in central and western parts of North Carolina. Our members are irrigating to hold their crop until Mother Nature can take over and ripen their tobacco crop. Some of our members in Rural Hall and South Hill will be harvesting and curing tobacco up until a killing frost again this year due to weather conditions. Tobacco leaf quality is average to slightly above average.



**Co-op President Tommy Bunn and Board of Director Member Richard Renegar react to light hearted Hassel Brown story in Rural Hall.**

Your cooperative sent a letter to each member and the SCOOP published Key Information for Our 2009 USTC Members in the third quarter article to inform you, our members, of the various ways to increase the value of your crop for you and for the cooperative. To date, (continued on page 3)

the Timberlake factory has reported no intentional NTRM “nest” bales. The importance of the last statement is critical to the efficiency of our Timberlake processing facility. The leaf quality is much improved and even though a lot of this year’s leaf quality can be attributed to the growing season, your bales are much cleaner than in previous years. Your Co-op appreciates your effort on the farm to segregate and separate the black, red, and green tobacco from your mature tobacco. Again, your effort helps to improve your Co-op’s factory efficiency. Finally, your Co-op commends all of our members for working with us to build a stronger cooperative.

## 2009-2010 Leadership Program

The U.S. Tobacco Cooperative is offering a leadership program to who have a Marketing Agreement. In addition to being a member of Cooperative participants in the program must be between 18 and 40 years old and must be nominated by a U.S. Tobacco Cooperative board member or marketing center manager. The leadership program is a two week program (non-consecutive weeks). The first week will begin Monday, November 30, 2009, and the second week will begin in the early part of February, 2010.

The first week of the leadership program includes sessions which introduce participants to all aspects of the U.S. Tobacco Cooperative business model and courses designed to develop your leadership skills. The leadership group will attend meetings with U.S. Tobacco Cooperative management, university personnel, and many others. The home base of the leadership program will be at our main office in

Raleigh, N.C. Also, the participants will travel to the U.S. Flue-Cured Tobacco Growers, Inc., processing and manufacturing facility in Timberlake, N.C. and the Tobacco Growers Services storage facility in Fuquay-Varina, N.C. Participants will see behind the scenes activities and all that it takes to operate the Cooperative business and the benefits of doing business with our Cooperative.

The second week of the leadership program is designed to help participants better understand the political process and procedures in Washington, D.C. A trip to Washington D.C. will be scheduled. Participants will meet with Congressional members and / or their staff to discuss the political process and current issues facing our growers.

Once accepted into the leadership program, active participation is mandatory. The Board and U.S. Tobacco Cooperative comprehend the significant importance of our farmer base. Our young farmers are the future. We will provide the tools to help develop their leadership abilities, to help participants become better citizens in their local communities and become involved in local issues, and help shape the future decisions that affect agriculture. Also, we want participants to leave the leadership program with a better understanding and knowledge about our business model and develop an appreciation and better understanding for the Cooperative.

The participants will be contacted by Mike Parker, USTC Manager of Member Relations after the **deadline date of November 2, 2009** and will be sent the November-December itinerary. Hotel, meals and travel expenses will be reimbursed by U.S. Tobacco Cooperative. A number of Leadership Program packets will be placed in each marketing center. For further Leadership Program information, or to nominate a candidate contact, Mike Parker at mparker@ipass.net or 919-630-1676.

## FDA TOBACCO RELATED HEADLINES

As Dr. Lawrence Deyton began his new position on September 14th as the director of the Food and Drug Administration’s Center for Tobacco Products, U.S. Rep. Henry Waxman (D-California), one of the chief sponsors of the legislation to give the agency regulatory authority over tobacco products, said the center “has moved rapidly to fulfill its crucial mission” and he has “great confidence that it will make major progress in combating tobacco use and improving the public health of all Americans.” (Louisville Courier-Journal 09/14)

Reynolds American Tobacco Company, Lorillard, and other tobacco companies filed lawsuits challenging certain advertising and marketing provisions in the Family Smoking Prevention and Tobacco Control Act. A September 13<sup>th</sup> Wall Street Journal editorial said a public health policy that “hinders the ability of tobacco companies to communicate information to consumers, even when that information could lead to less harmful choices is misleading and constitutionally suspect.” The editorial highlighted the U.S. Supreme Court’s 2001 ruling rejecting outdoor tobacco advertising restrictions in Massachusetts. “So long as the sale and use of tobacco is lawful for adults, the tobacco industry has a protected interest in communicating information about its products and adult consumers have an interest in receiving that information,” Justice Sandra Day O’Connor wrote for the majority in that case. The editorial said the government wanted to show that it is cracking down on the industry by passing the FDA legislation, but the reality is that it is dependent on tax revenues from “Big Tobacco.” The editorial said it understood why Philip Morris supported the FDA legislation (continued on page 4)

(continued from page 3)  
and is not part of the free-speech lawsuit, noting the company stands to entrench its market leadership position from rules that limit the marketing of competitors. The editorial concluded with, "...imposing overly broad commercial speech restrictions that impede competition from safer alternatives are the wrong way to advance public health." (Source: Wall Street Journal – WSJ 9/13)

In a letter to the editor in the New York Times, Martin J. Barrington, executive vice president and chief compliance and administrative officer for Altria Group, Inc, said the paper's September 7<sup>th</sup> editorial on the First Amendment lawsuit filed against certain provisions in the FDA law failed to acknowledge that Altria, the parent of Philip Morris USA and U.S. Smokeless Tobacco Company, had supported the FDA legislation for over eight years, adding that, "it is a disservice that you did not mention that two of the largest operating companies in the United States are not part of the "Big Tobacco" action about which you wrote." Barrington also pointed out that while Altria has voiced constitutionality of certain provisions in the FDA law none of its companies are party to the First Amendment lawsuit filed by other companies. "We respectfully ask that any future articles reflect the difference between the positions and actions of companies in

our industry," he said. (Source: New York Times 9/14)

At the AWMA (American Wholesale Marketers Association) Summit and Business Exchange held on September 14<sup>th</sup> in Atlanta, Georgia, numerous questions arose relating to the first set of regulations banning the sale of any cigarette or cigarette paper that contains an artificial or natural flavor other than tobacco or menthol. The regulation will begin on September 22, 2009. A September 14<sup>th</sup> letter received by AWMA from the FDA stated that the banned products that are sold or held in the U.S. after September 22<sup>nd</sup> "may be subject to seizure" and that manufactures, distributors, and retailers "may be subject to injunction actions, civil money penalties, and / or criminal prosecution for violating the requirements of the Act." AWMA President & CEO Scott Ramminger said the AWMA was drafting a letter to the FDA asking the agency to specify which products are covered by the ban and the steps distributors should take to be in compliance with the law. AWMA is in the process of finalizing its comments on the overall issue of FDA regulation and will submit them by the September 29, 2009 deadline. He urged distributors to attend the 2010 Day on the Hill conference in Washington on May 12-13 and use the opportunity to discuss their concerns directly members of the House and Senate (Source: AWMA 9/16).

## **U.S. TOBACCO COOPERATIVE INC ANNUAL MEETING ANNOUNCEMENT**

**The 2009 U.S.  
Tobacco Cooperative Inc  
Annual Meeting is  
scheduled for 10:00 am  
Thursday, November 12,  
2009 at the Holshouser  
Building on the N.C. State  
Fair Grounds, 1025 Blue  
Ridge Road, Raleigh, N.C.  
Attending Cooperative  
members will be eligible for  
door prizes. Following the  
Annual Meeting, lunch will  
be provided to the attending  
guests.**