

Denimatrix Receives 2010 Award for Corporate Excellence

Plains Cotton Cooperative Association's (PCCA) subsidiary Denimatrix was awarded on December 17 the U.S. State Department's prestigious 2010 Award for Corporate Excellence (ACE) in the small-to-medium enterprise category. The award was presented to PCCA President and CEO Wally Darnelle at a ceremony in Washington, D.C., by U.S. Secretary of State Hillary Rodham Clinton.

Denimatrix, located in Guatemala City, is PCCA's denim apparel production company. They were nominated by U.S. Ambassador to Guatemala Stephen McFarland for their corporate social responsibility and their environmental stewardship. A record 78 American companies doing business in other countries were nominated by U.S. Ambassadors around the world. Denimatrix was one of 12 finalists, including companies such as Cisco Systems, and Mars Corporation (who also were winners this year), Coca Cola, GE, Intel, PepsiCo, and Qualcomm.

The award recognized Denimatrix for contributing to the development of the local economy, for reaching out to the community to help disadvantaged youth and the homeless



in Guatemala City, and for their environmental stewardship.

The ACE award was established in 1999 to recognize the important role U.S. companies play abroad as good corporate citizens. The award also is a signal of the Department's commitment to further corporate social responsibility, innovation, exemplary practices, and democratic values worldwide. Past recipients of the ACE award include Cargill, General Motors, Motorola, Chevron/Texaco, and Ford Motor Company.

"We are extremely proud that Denimatrix has been chosen for this award," PCCA President and CEO Wally Darnelle said at the ceremony. "It is very fitting that they have been

honored for their corporate social responsibility and their environmental stewardship," he added. "We believe that these values are critical to a company's success," Darnelle said. "By providing a stable and desirable workplace, we can attract employees whose productivity will make them competitive in a global economy."

"This award means a great deal to us about the future as well as the past," Darnelle said. "It is a recognition of the dedication of several generations of PCCA stockholders to doing the right thing for present and future generations. When our apparel customers come to visit Denimatrix, one of the strongest impressions they take away is the sense of teamwork and of family that pervades our facility." Founded in 2009, Denimatrix is a major manufacturer of high-fashion denim jeans with current capacity to produce 150,000 pairs of jeans per week. It is part of PCCA's fully vertically integrated business model from field to fashion that includes the American Cotton Growers denim mill in Littlefield, Texas. Headquartered in Lubbock, PCCA also is the largest originator of U.S. cotton to textile mills around the world.

Future Bright for the US Agriculture in the Next Four Decades

By *Seshadri Ramkumar*
Texas Tech University

Agriculture will be a growth industry in the United States for the next 40 years, said Joel Kotkin, an internationally recognized author on global, economic and social trends.

Kotkin, a native New Yorker who now resides in California, is well known for his recent book, "The Next Hundred Million, America in 2050." He recently visited Lubbock to deliver a lecture on Texas and North America in 2050 as part of Texas Tech's Presidential Lecture & Performance Series on December 1.

Accumulating and analyzing data from various sources such as the U.S. Census Bureau, USDA and CIA, Kotkin briefed the audience that the United States is the only advanced country with growing population. Population growth means growing need for food, fiber and fuel.

He estimates that U.S. will have 400 million people in 2050, i.e., 100 million will be added in the next four decades.

The growing population, available arable land, entrepreneurial spirit and younger population are some unique advantages the U.S. has which are not found even in developing nations such as China. For instance, the

labor force in the United States (people aged 15-64) will increase by 42 % between 2000 and 2050, where as China's labor force will grow by only 10 %. In fact, senior citizens aged over 65 in the U.S. will decrease to 15 % of the total population in 2020. It was about 20 % in 2000.

The arable land in the U.S. is 1.3 times that of China and the fresh water resources per capita is four times that of Asia. Per capita consumption of food is high in the United States and will also go up.

Commenting on Karl Marx's quote on rural life, "the idiocy of rural life," Kotkin pointed out that it is obsolete today. With the advancements in technology, Joel Kotkin commented, "a farmer in rural area is as top as a trader in Chicago."

Kotkin's comments on the rural life are positive for the U.S. agriculture industry. People's attitude about rural life is changing with 35% of Americans now want to live in the country.

The states that have agriculture, fuel and emerging manufacturing industry such as Texas and North Carolina are seeing a positive inward migration.

In fact, Texas, which is the number one

state in cotton production, will be the largest populated state in 30 years. By 2020, Texas will replace California in high tech jobs, and my view is that agriculture also has a role to play.

Kotkin, commenting on the U.S. trade surplus in agriculture, said that the best industry to be in the world in the next few decades is energy, food and fiber. His point on technology as the great equalizer is of great value to the agriculture industry as it enables a rural person to stay on top of the world buy using electronic gadgets.

Along this note, a recent comment from the National Public Radio's Senior Business Editor is worthy to note. On pointing out where growth opportunities will be in 2011, Marilyn Geewax on Sunday, December 5, indicated that the growth will be in renewable energy, organic and agriculture sectors. Growth seems to be positive for the United States agriculture industry for the next four decades.

My take home message from Kotkin's talk is as long as the U.S. agriculture industry keeps its eye on innovation, it will be a leader and will have a positive outlook for the next four decades to come.