March 14, 2008

Mr. Walter Lukken
Acting Chairman
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, NW
Washington, DC 20581

Dear Mr. Lukken,

Southern Cotton Growers, Inc. represents every cotton producer in the six states that comprise the Southeast Region (AL, FL, GA, NC, SC & VA). We very much concur with the National Cotton Council letter sent to you and several other Commission members on March 11th. Order must be restored to the cotton futures market to reestablish the ability of that marketplace to be a viable price discovery mechanism for the entire cotton industry.

The recent run-up in cotton prices to almost $1.00 was purely speculative-driven. It appears to be more than just a coincidence that such an event happened immediately after "pit trading" for cotton ceased to exist on February 28, 2008.

Producers have been saying for months and months that 80 cents or better for cotton is needed to compete with corn and soybeans for acres. When prices finally rallied to a level where that was possible, no contracts were available. Had the price upswing been based on true market fundamentals (supply & demand), then merchants would not have pulled out of the market. It concerns me that basis quotes on future cotton transactions may have reached a new plateau in response to margin call losses experienced by many. These increased costs will come directly out of the farmers pockets.

As the old adage goes, farmers are the only entity in our society that buys everything retail but sells all he produces wholesale and pays for the freight costs both ways. Restoring the cotton futures market to a functional price discovery and risk management mechanism will require the assistance of the CFTC to augment what is already an industry-wide effort to find lasting solutions and create an even better market place for the cotton trade.

Thank you for your attention to these comments.

Sincerely,

Frank B. Rogers, III, President
Southern Cotton Growers, Inc.