



201 N. 19th Corpus Christi, Texas 78408
Phone: (361) 882-5489
Fax: (361) 882-8081

November 29, 2017

Dear Cotton Merchants,

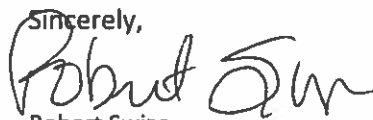
The 2017 crop is the largest in the 67-year history of Gulf Compress. We estimate over 930,000 bales will be handled by Gulf Compress, which is double our 5-year average. Issues with the effects of the hurricane, labor, transportation, large crop, and other challenges continue to impact all segments of the South Texas cotton industry.

As of November 29th, Gulf Compress' warehouse space is very limited; we continue to restack warehouses weekly in order to keep up with the inbound bales. We have limited yard storage by moving bales to our Raymondville warehouse. A few gins are finished and over the next 2 weeks we expect more to complete their season.

We continue to have a space issue on inbound cotton and more importantly on outbound loads. For the past 2 months late load pickup has ranged from 40 loads to over 100 loads. We are completely blocked in with shipping orders at 3 of the 4 locations. Movement of the late loads is required in order to provide additional outbound space for increase flow. At this date 51,832 bales are ready for pickup and merchants can pick these up early without an early pickup charge. Please check the load to make sure the load is ready, you may do so at our website www.gulfcompress.com.

On December 8th, we are adding a day of loads (December 8th only) under our expedited service for each warehouse code. These loads must be picked up on time to be able to have available outbound space for future loads. Normal late fees will apply on these expedited loads.

Our goal is to provide more expedited services each week of December; however, this requires timely movement of all scheduled loads by merchants. Please call our office by December 4 if you wish to schedule expedited service for December 8.

Sincerely,


Robert Swize

President / CEO

Gulf Compress

201 N. 19th Corpus Christi, Texas 78408

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