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Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public

Information about Form 990 and its instructions is at [www.IRS.gov/form990](http://www.irs.gov/form990)

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 01-01-2014, and ending 12-31-2014

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization
COTTON INCORPORATED

% DAVID BYRD

Doing business as

Number and street (or P O box if mail is not delivered to street address)
6399 WESTON PARKWAY Suite

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
CARY, NC 27513

F Name and address of principal officer
DAVID N BYRD
6399 WESTON PARKWAY
CARY, NC 27513

H(a) Is this a group return for subordinates?

☐ Yes☒ No

H(b) Are all subordinates included?

☐ Yes☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status

☐ 501(c)(3)☒ 501(c) (6) ◀ (insert no)☐ 4947(a)(1) or☐ 527

J Website: ▶ WWW.COTTONINC.COM

K Form of organization☒ Corporation☐ Trust☐ Association☐ Other ▶

L Year of formation 1967

M State of legal domicile TN

Part I	Summary																																
Activities & Governance	<div>1 Briefly describe the organization's mission or most significant activities SEE SCHEDULE O</div>																																
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets																																
	<table><tr><td>3</td><td>Number of voting members of the governing body (Part VI, line 1a)</td><td>3</td><td>101</td></tr><tr><td>4</td><td>Number of independent voting members of the governing body (Part VI, line 1b)</td><td>4</td><td>101</td></tr><tr><td>5</td><td>Total number of individuals employed in calendar year 2014 (Part V, line 2a)</td><td>5</td><td>152</td></tr><tr><td>6</td><td>Total number of volunteers (estimate if necessary)</td><td>6</td><td>101</td></tr><tr><td>7a</td><td>Total unrelated business revenue from Part VIII, column (C), line 12</td><td>7a</td><td>0</td></tr><tr><td>b</td><td>Net unrelated business taxable income from Form 990-T, line 34</td><td>7b</td><td></td></tr></table>	3	Number of voting members of the governing body (Part VI, line 1a)	3	101	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	101	5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	152	6	Total number of volunteers (estimate if necessary)	6	101	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	b	Net unrelated business taxable income from Form 990-T, line 34	7b									
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Part II

Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer

DAVID N BYRD SENIOR VP AND CFO

Type or print name and title

Date

2015-08-12

Paid Preparer Use Only

Print/Type preparer's name
Mike Sorrells

Firm's name ▶ BDO USA LLP

Firm's address ▶ 7101 WISCONSIN AVE SUITE 800
BETHESDA, MD 208144827

Preparer's signature
Mike Sorrells

Phone no (301) 654-4900

Date

Check ☐ if self-employed

PTIN P00001737

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2014)

Part IIIStatement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1Briefly describe the organization’s mission

COTTON INCORPORATED, FUNDED BY U S GROWERS OF UPLAND COTTON AND IMPORTERS OF COTTON AND COTTON TEXTILE PRODUCTS, IS THE RESEARCH AND MARKETING COMPANY REPRESENTING UPLAND COTTON THE PROGRAM IS DESIGNED AND OPERATED TO IMPROVE THE DEMAND FOR AND PROFITABILITY OF COTTON

2Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If "Yes," describe these new services on Schedule O

3Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If "Yes," describe these changes on Schedule O

4Describe the organization’s program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ including grants of \$) (Revenue \$)

The Consumer Marketing Committee is comprised of the Consumer Marketing Division and the Corporate Strategy and Program Metrics Division The Consumer Marketing Division is tasked with creating awareness of, and interest in, cotton among consumer and trade audiences This is accomplished through an integrated platform of traditional and digital advertising, engagement with the media, and activities and events that directly contact consumers In television advertising, the Hayden Panettiere “Fabric of My Life” television commercial achieved continued increases in recall and likeability across both target demographics (women 18-34 and 35-54) as the spot was aired for the second year in a row Recall reached 71% with women 18-34 during the second quarter of the year, and maintained that level in the third quarter Supporting the commercial, a redesigned and multi-featured consumer website (TheFabricOfOurLives.com) was launched in June The site focuses upon lifestyles (rather than fabrics) and is intended to attract both female and male consumers with compelling videos, shopping collections, care tips, do-it-yourself projects and profiles of interesting cotton artisans Many elements of the new site appear across the web in numerous other sites sampling such things as our Common Threads video series and The Cotton Makers profiles This media buy is intended to create a broad reach of cotton messages and to also encourage consumers to come to the site to see and experience more new content In conjunction with the television and digital media buys, Advertising made a commitment to search advertising beginning in the fourth quarter This allowed the placement of pertinent messages and information directly in front of consumers that are searching for something specific Public Relations oversees a generic consumer program in China in conjunction with Cotton Council International The Mian (cotton) is campaign continued in 2014 and was used as the basis for a three-part video love story starring two attractive and popular young film stars These videos, supported by a full-featured website and social media program, generated over 30,000,000 views through the beginning of October This effort was supported by a consumer press outreach that resulted in coverage of the benefits of cotton, fashion-related topics, and tie-ins to company research and promotional activities Public Relations was also actively involved in supporting and promoting all major company endeavors Strategic Alliances major fourth quarter activity was the third iteration of the Cottons 24-Hour Runway Show in South Beach, Miami 1,440 cotton looks provided by 80 brands and designers going down the runway, one a minute, for 24 straight hours The event was streamed live on TheFabricOfOurLives.com, People.com and seven other web sites, drawing an audience of over 1,200,000 during the live feed It also resulted in significant editorial coverage, social media traffic and pre- and post-show buzz A couple of television commercials were produced and aired for several weeks prior to the show to increase awareness Several celebrities (TV media, fashion, and musical) were included in the program The other, on-going Strategic Alliance program is the Blue Jeans Go Green denim drive In 2014 the program became a sponsor of NASCAR’s Nationwide Series, renaming the sponsored race as the Blue Jeans Go Green 200 The event took place at the Phoenix International Raceway in March Denim was collected in the Phoenix market for weeks leading up to and during the race Significant publicity was obtained, both locally and nationally A video of the NASCAR sponsorship appeared on national movie theater screens last spring In mid-summer a video was produced featuring a young man from Toledo, Ohio, Erik Hanson, who is known in his metro area as Eco-Erek For five straight years he has pioneered a local denim collection drive that contributes to the Blue Jeans Go Green program The video provided an opportunity to capture Ereks story The video was placed on national movie theater screens for two weeks during the late summer All other aspects of the ongoing Blue Jeans Go Green program continued in 2014 according to plan collections on college campuses, retail programs, mail-ins directly to our warehouse site in Arizona, and distributions of denim insulation to Habitat for Humanity groups and other grant recipients The Corporate Strategy & Program Metrics Division (CSPM) informs the company and the industry through market and economic research and analysis Over the course of 2014, CSPM completed and distributed its ongoing analysis of economic data, as well as the Lifestyle Monitor™ and Retail Monitor™ surveys There were more than 200 requests for CSPMs in-depth market and economic information in 2014 These data were also provided internally to assist with strategic direction for the Product Development, Global Supply Chain Marketing and Consumer Marketing divisions CSPM was also active in reaching major brands, retailers, and sourcing and textile companies Staff conducted nearly 200 presentations and meetings with key industry contacts to deliver economic and consumer market research analysis CSPM also reached out to retailers and manufacturers with the athletic apparel webinar, “Winning in the U S Activewear Market”, 68 economic publications, 17 Supply Chain Insights (10 Global Lifestyle Monitor) publications, a four-part Chinese Cotton Policy podcast series, 40 economic “Ag” radio segments, a national radio tour initiated by Public Relations focusing on consumer dissatisfaction with fiber substitution, as well as sustainability issues To advance the strategic knowledge of the company and industry stakeholders, CSPM conducted 12 tactical research projects in 2014 with over 30,000 participants The projects encompassed issues of strategic relevance to the cotton industry and included Activewear, Denim Wear Test, Intimates, Chinese Nonwovens Focus Groups, Environmental Sustainability, and Indian and Chinese consumer studies conducted jointly with CCI The division continued to manage ongoing research with Nielsen, which provides the third-party assessment for the national advertising campaign and conducted strategic, quantitative research to help define key concepts for the 2015 consumer and trade advertising campaigns CSPM staff also continued to facilitate work in the Sustainability Working Group (SWG) to advance sustainability efforts and complete maintenance activities to develop the 2015 update to the lifecycle assessment data and analysis first compiled in 2009

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

The Global Supply Chain Marketing and Cotton Management Systems (CMS) Divisions comprise the Global Supply Chain Marketing Program Committee Over the course of 2014, the Global Supply Chain Marketing (GSCM) Division executed a range of educational programs for industry, advanced the concept of cotton sustainability, and obtained technology adoptions for cotton by well-known brands and retailers The Great Ideas in Cotton Conference was developed and executed by the division staff as a premier event to promote technology, fashion and sustainability strategies to the industry Participation in the event numbered nearly 300 participants from 119 companies and 11 countries The conference included technology and fashion exhibits as well as a Presidents Dinner featuring cotton leadership and top executives from Hong Kong and Asia-based companies Several adoptions of Cotton Incorporated technologies were achieved in 2014 with companies such as Brooks Running, Exit, The North Face, Eddie Bauer, and the Nicklaus, Callaway, Ben Hogan, and PGA Tour golf apparel brands Significant adoptions of cotton were achieved in the nonwovens market, as well, with the introduction of new cotton-containing diapers and hygiene products at CVS and Target stores The Farm Tours program sponsored by the Importer Support Program was offered to 62 individuals from 29 brands and retailers as a means of providing a face-to-face opportunity to meet with cotton producers, and tour farm, gin, warehousing, and classing office facilities The Cotton LEADS program builds on the need to make retailers and brands more aware of the science and best practices used in the U S Cotton LEADS continues to move forward and in 2014 staff were dedicated to promoting and developing this program There are now 248 companies worldwide that have signed on as partners in the program Our partner organizations in Australia have funded joint promotions efforts at major trade events and have worked side-by-side with Cotton Incorporated, the National Cotton Council, and Cotton Council International to promote the program Through staff efforts in 2014, the USDA designated cotton from Cotton LEADS countries as certified under the USDAs BioPreferred Program Cotton University, a major initiative of the Importer Support Program and the Global Supply Chain Marketing division grew to include more than 9,000 registered users, nearly a 100% increase in users over last year Cotton University has evolved as a major marketing platform for reaching industry personnel involved with product development and sourcing of cotton products CMS addresses two categories Software Development and Maintenance, and Customer Service and marketing to the fiber processing links of the global cotton supply chain Software Development and Maintenance includes ensuring through updates that MILLNet software applications are compliant with new hardware and operating systems, and that they meet changing customer needs in global markets, evaluating the contribution of MILLNet software to new bale flow systems, and studying low volume instrument measurements of cotton bales that lack high volume instrument data The Customer Service and Marketing function of the division includes on-site service visits to EFS licensees, customer support through telephone, e-mail and TeamViewer, the identification, signing, and training of new EFS licensees, and the development of EFS Value Metrics and Financial Models Among the accomplishments of the Customer Service and Marketing arm of the division in 2014 were the completion of all on-site service visits, except for Thailand, where a user group seminar was arranged at the Hong Kong office due to political instability in Thailand Software updates were installed during each service visit Support to more than 2,500 customers was provided over the course of the year, as needed The department also completed the initial development of new MILLNet marketing materials, as well as a cooperative internet portal with Agncultural and Environmental Research Four new EFS licensees came onboard in 2014, all related installations and training were completed Rounding out the department highlights for past year was the completion of the first EFS evaluation study

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

The Research and Development Committee is comprised of the Product Development and Implmentation as well as the Fiber Quality Research Divisions Product Development and Implementation (PDI) focused on three objectives 1) the identification of and research into technology innovations that can preserve or grow market share for cotton, and 2) the optimization and implementation of products and technologies that can advance cotton in global markets, and 3) providing technical assistance and training, and participate in key industry forums Due to the increased interest in eliminating certain chemistries traditionally used in textile technologies, PDI undertook research and successfully developed non-fluorine alternatives to the water-repellant finishes used in the TransDRY and STORM technologies Research is also underway to find suitable replacement chemistry for WICKING WINDOWS Evaluations of products continue to optimize performance and compatibility with other performance finishes Another chemical of high concern for the cotton industry is formaldehyde, which is released after cotton fabrics and garments are finished for wrinkle resistance Since most of those chemical developments come from Europe, a two-week trip was conducted to meet with the major suppliers of such products to learn any new progress made in the elimination or reduction of formaldehyde for this important market category In addition, experimentation is continuing in-house and with research partners Other developments currently being researched for performance finishes include thermal regulation, antimicrobial functions, dyeing and finishing in one stage, and cotton comfort evaluations Over the course of the year, Textile Chemistry Research achieved promising results using water-less technology that had been developed for polyester that may lead to the technologys adaptation for cotton dyeing The division was active at industry events, attending the major textile trade shows around the world At the Intertextile Trade Show, alone, PDI met with more than 376 people from 95 companies In addition, staff participated in the Cotton USA mill tour to China, provided expertise and support to the 2014 Importer Support Program workshops, as well as educational outreach through Cotton University For 2014, Fiber Quality Research, made progress in improving breeder sample protocols and testing For improving breeder sample testing efforts, researchers used a Favimat (individual fiber tensile tester) to show that individual fiber elongation and strength are positively correlated This means that it is feasible to produce fibers that are strong and have good elongation Additional studies were mentioned that continue to show that fiber elongation is more critical than fiber strength for cotton to survive fiber processing stresses Part of these findings came from a U S /Australia funded Fiber Quality Fellowship that allowed a Texas Tech researcher to work in Australia for three months A new expermental system for bias-free length measurement was developed by the department The system uses electrostatic charges to lengthen the individual fibers Solid progress is being made with the design and construction To address accurate testing, two new potential measurements projects were initiated in 2014 One attempted to measure extraneous matter in cotton It has proved successful at effectively analyzing different types of trash and is an improvement on the current measurement system The second project entailed using ozone to measure soils on clothing, but is encountering some measurement challenges Two new prototype samplers for the CottonScope using a corer punch have been designed and built and will undergo evaluations This device will potentially replace the guillotine style sampler in use today The laundry study added 1,080 more loads of laundry for 2014 Overall the results show little impact from low water on most clothing attributes, but issues related to color transfer and stain removal in low water may emerge In 2014 the department purchased a Karl Fischer Titrator, which will be vital in the measurement of moisture content in cotton and other analytical testing Over the course of the year, a variety of proficiency testing trials were completed in fiber, yarn, and fabric to help ensure that the lab instruments and lab staff are performing at optimal levels

4dOther program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4eTotal program service expenses

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	Yes
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	Yes
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	Yes
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	Yes
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	Yes
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	Yes
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	150	
1b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	152	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	No
b If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O</i>		3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	Yes
b If "Yes," enter the name of the foreign country <u>CH , HK , JA , MX</u> See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		7a	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	
d If "Yes," indicate the number of Forms 8282 filed during the year		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		8	
9a Did the sponsoring organization make any taxable distributions under section 4966?		9a	
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		13b	
c Enter the amount of reserves on hand		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>		14b	

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	No
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	Yes
b	Other officers or key employees of the organization	15b	Yes
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶NY , NC , TN

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
▶DAVID BYRD
6399 WESTON PARKWAY
CARY, NC 27513 (919) 678-2220

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

Part VII

[illegible]

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	2,645,999	0	909,814

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **35**

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A)	(B)	(C)
Name and business address	Description of services	Compensation
BDO USA LLP, 5430 Wade Park Blvd Suite 300 RALEIGH, NC 27607	Audit/Tax Services	112,200
DONALD BAILEY, 7620 Rock Quarry Rd RALEIGH, NC 27610	Importer Support Con	149,493
MARKET SHARE SPORTS LLC, 135 Shorecrest Dr DAVIDSON, NC 28036	MARKETING CONSULTANT	353,884

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 3

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations 1d				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	77,118,352			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	77,118,352			
Program Service Revenue	2a	Business Code				
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f	0			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	0		
4		Income from investment of tax-exempt bond proceeds	0			
5		Royalties	0			
6a		Gross rents				
b		Less rental expenses				
c		Rental income or (loss)	0	0		
d		Net rental income or (loss)	0			
7a		Gross amount from sales of assets other than inventory				
b		Less cost or other basis and sales expenses		70,991		
c		Gain or (loss)		-70,991		
d		Net gain or (loss)	-70,991			-70,991
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18				
b		Less direct expenses				
c		Net income or (loss) from fundraising events	0			
9a		Gross income from gaming activities See Part IV, line 19				
b		Less direct expenses				
c		Net income or (loss) from gaming activities	0			
10a		Gross sales of inventory, less returns and allowances				
b		Less cost of goods sold				
c		Net income or (loss) from sales of inventory	0			
	Miscellaneous Revenue	Business Code				
11a						
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d	0				
12	Total revenue. See Instructions	77,047,361				-70,991

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	0			
2	Grants and other assistance to domestic individuals See Part IV, line 22	437,597			
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,503,418			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	11,205,428			
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	6,113,528			
9	Other employee benefits	1,937,192			
10	Payroll taxes	854,790			
11	Fees for services (non-employees)				
a	Management	4,748,312			
b	Legal	149,412			
c	Accounting	171,458			
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	304,466			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,358,171			
12	Advertising and promotion	22,153,491			
13	Office expenses	628,336			
14	Information technology	851,521			
15	Royalties	0			
16	Occupancy	1,804,018			
17	Travel	2,901,121			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	2,244,918			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	1,428,991			
23	Insurance	268,771	0	0	0
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	RESEARCH & PROMOTION	13,506,920			
b	SPONSORSHIP	1,681,267			
c	MAINTENANCE	1,018,615			
d	GRAPHICS	954,486			
e	All other expenses	1,685,316			
25	Total functional expenses. Add lines 1 through 24e	80,911,543	0	0	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X

Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		2,777	1	2,654
	2	Savings and temporary cash investments		2,437,166	2	3,769,174
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		9,032,427	4	8,713,826
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		0	8	0
	9	Prepaid expenses and deferred charges		979,457	9	959,643
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a19,629,206			
	b	Less accumulated depreciation	10b14,512,390	4,340,763	10c	5,116,816
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		404,169	15	0
	16	Total assets. Add lines 1 through 15 (must equal line 34)		17,196,759	16	18,562,113
Liabilities	17	Accounts payable and accrued expenses		12,464,644	17	13,619,685
	18	Grants payable		147,965	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		152,279	25	4,374,739
	26	Total liabilities. Add lines 17 through 25		12,764,888	26	17,994,424
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		4,431,871	27	567,689
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		4,431,871	33	567,689
	34	Total liabilities and net assets/fund balances		17,196,759	34	18,562,113

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	77,047,361
2	Total expenses (must equal Part IX, column (A), line 25)	2	80,911,543
3	Revenue less expenses Subtract line 2 from line 1	3	-3,864,182
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,431,871
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	567,689

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Additional Data

Software ID:

Software Version:

EIN: 62-0786018

Name: COTTON INCORPORATED

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Buddy Allen Board Member	1 0 0 0	X						0	0	0
(1) Albert Andel Board Member	1 0 0 0	X						0	0	0
(2) Lloyd Arthur Board Member	1 0 0 0	X						0	0	0
(3) Coley Bailey Board Member	1 0 0 0	X						0	0	0
(4) Allen Below Board Member	1 0 0 0	X						0	0	0
(5) Marvin Beyer Board Member	1 0 0 0	X						0	0	0
(6) Frank Bezner Board Member	1 0 0 0	X						0	0	0
(7) Andrew Burleson Board Member	1 0 0 0	X						0	0	0
(8) Larry Burns Board Member	1 0 0 0	X						0	0	0
(9) Malcolm Calhoun Board Member	1 0 0 0	X						0	0	0
(10) Link Carlton Board Member	1 0 0 0	X						0	0	0
(11) Steven Clay Board Member	1 0 0 0	X						0	0	0
(12) Ron Coley Board Member	1 0 0 0	X						0	0	0
(13) Jason Condrey Board Member	1 0 0 0	X						0	0	0
(14) John Craise Board Member	1 0 0 0	X						0	0	0
(15) Johnny Crawford Board Member	1 0 0 0	X						0	0	0
(16) John Cromley Board Member	1 0 0 0	X						0	0	0
(17) Jerry Davis Board Member	1 0 0 0	X						0	0	0
(18) Hugh Dollar Board Member	1 0 0 0	X						0	0	0
(19) Steven Droke Board Member	1 0 0 0	X						0	0	0
(20) David Dunlow Board Member	1 0 0 0	X						0	0	0
(21) Kenton Dunn Board Member	1 0 0 0	X						0	0	0
(22) Philip Edwards Board Member	1 0 0 0	X						0	0	0
(23) Robert Englert Board Member	1 0 0 0	X						0	0	0
(24) Jason Felton Board Member	1 0 0 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(26) James Ferguson Board Member	1 0 0 0	X						0	0	0
(1) Kendall Garraway Board Member	1 0 0 0	X						0	0	0
(2) Jeremy Gay Board Member	1 0 0 0	X						0	0	0
(3) Burges Griffin Chairman	1 0 0 0	X		X				0	0	0
(4) William Haddock Board Member	1 0 0 0	X						0	0	0
(5) Dahlen Hancock secretary	1 0 0 0	X		X				0	0	0
(6) Jon Hardwick board member	1 0 0 0	X						0	0	0
(7) Myron Hawes Board Member	1 0 0 0	X						0	0	0
(8) Art Heiden Board Member	1 0 0 0	X						0	0	0
(9) Eddy Herm Board Member	1 0 0 0	X						0	0	0
(10) Gerald Hilbers Board Member	1 0 0 0	X						0	0	0
(11) Mike Hughes Board Member	1 0 0 0	X						0	0	0
(12) Jeff Hux Board Member	1 0 0 0	X						0	0	0
(13) James Johnson Board Member	1 0 0 0	X						0	0	0
(14) Bernard Jordan treasurer	1 0 0 0	X		X				0	0	0
(15) John King Board Member	1 0 0 0	X						0	0	0
(16) Donny Lassiter Board Member	1 0 0 0	X						0	0	0
(17) Charles Lee Board Member	1 0 0 0	X						0	0	0
(18) Ronald Lee Board Member	1 0 0 0	X						0	0	0
(19) John Lindamood Board Member	1 0 0 0	X						0	0	0
(20) Stephen Logan Board Member	1 0 0 0	X						0	0	0
(21) Lawrence Long Board Member	1 0 0 0	X						0	0	0
(22) James Massey Board Member	1 0 0 0	X						0	0	0
(23) Harold May Board Member	1 0 0 0	X						0	0	0
(24) Gregg Mayberry Board Member	1 0 0 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(51) James McGougan Board Member	1 0 0 0	X						0	0	0
(1) Henry McLaurin Board Member	1 0 0 0	X						0	0	0
(2) Weldon Melton Board Member	1 0 0 0	X						0	0	0
(3) Peter Michael Board Member	1 0 0 0	X						0	0	0
(4) Robert Miller Board Member	1 0 0 0	X						0	0	0
(5) Brady Mimms Board Member	1 0 0 0	X						0	0	0
(6) Travis Mires Board Member	1 0 0 0	X						0	0	0
(7) Van Murphy Board Member	1 0 0 0	X						0	0	0
(8) Brent Nelson Board Member	1 0 0 0	X						0	0	0
(9) John Newby Board Member	1 0 0 0	X						0	0	0
(10) Herrick Norcross Board Member	1 0 0 0	X						0	0	0
(11) John Olson Board Member	1 0 0 0	X						0	0	0
(12) Norman Owen Board Member	1 0 0 0	X						0	0	0
(13) Lyall Pacheco Board Member	1 0 0 0	X						0	0	0
(14) Michael Patschke Board Member	1 0 0 0	X						0	0	0
(15) David Pearson Board Member	1 0 0 0	X						0	0	0
(16) Glen Phipps Board Member	1 0 0 0	X						0	0	0
(17) Terry Pollard Board Member	1 0 0 0	X						0	0	0
(18) Charles Provance Board Member	1 0 0 0	X						0	0	0
(19) Barney Pustejovsky Board Member	1 0 0 0	X						0	0	0
(20) Darryl Quigley Board Member	1 0 0 0	X						0	0	0
(21) Nathan Reed Board Member	1 0 0 0	X						0	0	0
(22) Johnie Reed Board Member	1 0 0 0	X						0	0	0
(23) Danny Robbins Board Member	1 0 0 0	X						0	0	0
(24) Ryan Robbins Board Member	1 0 0 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(76) Randolph Rogers Board Member	1 0 0 0	X						0	0	0
(1) Dean Rovey Board Member	1 0 0 0	X						0	0	0
(2) Larry Sayes Board Member	1 0 0 0	X						0	0	0
(3) Harry Schroeder Board Member	1 0 0 0	X						0	0	0
(4) Vance Shoaf Board Member	1 0 0 0	X						0	0	0
(5) Timothy Smith Board Member	1 0 0 0	X						0	0	0
(6) Lewie Joe Smith Board Member	1 0 0 0	X						0	0	0
(7) Sam Sparks Board Member	1 0 0 0	X						0	0	0
(8) Charles Speake Board Member	1 0 0 0	X						0	0	0
(9) Lawrence Starrh Board Member	1 0 0 0	X						0	0	0
(10) Cloyce Stevens Board Member	1 0 0 0	X						0	0	0
(11) Earl Stiles Board Member	1 0 0 0	X						0	0	0
(12) Martin Stoerner Board Member	1 0 0 0	X						0	0	0
(13) Gary Tidwell Board Member	1 0 0 0	X						0	0	0
(14) Phil Vandiver Board Member	1 0 0 0	X						0	0	0
(15) Tom Wade Board Member	1 0 0 0	X						0	0	0
(16) Robert Walker Board Member	1 0 0 0	X						0	0	0
(17) Jim Waters Board Member	1 0 0 0	X						0	0	0
(18) Mark Watte vice chairman	1 0 0 0	X		X				0	0	0
(19) William Weaver Board Member	1 0 0 0	X						0	0	0
(20) Clint Webb Board Member	1 0 0 0	X						0	0	0
(21) Jason West Board Member	1 0 0 0	X						0	0	0
(22) Lance Whitehead Board Member	1 0 0 0	X						0	0	0
(23) Stephen Wilbur Board Member	1 0 0 0	X						0	0	0
(24) Mark Wright Board Member	1 0 0 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(101) Eric seidenberger board member	1 0 0 0	X						0	0	0
(1) J Berrye Worsham President & CEO	40 0 0 0			X				552,448	0	139,692
(2) David Byrd SR VP & Cfo	40 0 0 0			X				238,907	0	76,474
(3) John Morgans VP Administration	40 0 0 0			X				190,082	0	78,021
(4) Richmond Hendee SR VP Consumer MKTG	40 0 0 0				X			246,479	0	94,070
(5) Kater Hake VP Agrniculture/Environment	40 0 0 0				X			236,957	0	102,481
(6) Mark Messura SR VP Global Supply Chain	40 0 0 0				X			254,176	0	93,192
(7) Robert Tyndall VP Prod Dev & Implem	40 0 0 0				X			168,120	0	58,549
(8) Michael Watson VP Fiber Competition	40 0 0 0					X		172,548	0	67,237
(9) Kimberly S Kitchings VP , Corp Strategy	40 0 0 0					X		150,674	0	68,883
(10) Edward Barnes SR Dir , AG/Envir Research	40 0 0 0					X		144,082	0	54,458
(11) Wentao Zheng Manager, EFS	40 0 0 0					X		143,803	0	38,170
(12) GLENN SCIACHITANO sr dir advertising	40 0 0 0					X		147,723	0	38,587

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization COTTON INCORPORATED	Employer identification number 62-0786018
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Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate value of contributions to (during year)	
3	Aggregate value of grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

Part II

Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)☐ Preservation of an historically important land area
☐ Protection of natural habitat☐ Preservation of a certified historic structure
☐ Preservation of open space

2

Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	Total number of conservation easements
2b	Total acreage restricted by conservation easements
2c	Number of conservation easements on a certified historic structure included in (a)
2d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4

Number of states where property subject to conservation easement is located ▶ _____

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ **Yes**☐ **No**

6

Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ **Yes**☐ **No**

9

In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a

Revenue included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 52283D

Schedule D (Form 990) 2014

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

- 3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIII and complete the following table
- | | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 1f | |

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- 2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

3a(i)

(ii) related organizations

3a(ii)

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land			
b	Buildings			
c	Leasehold improvements	2,790,749	1,779,539	1,011,210
d	Equipment	15,348,238	11,359,686	3,988,552
e	Other	1,490,219	1,373,165	117,054
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				5,116,816

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	79,244,253
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	2,125,901
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	2,125,901
3	Subtract line 2e from line 1	3	77,118,352
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	-70,991
c	Add lines 4a and 4b	4c	-70,991
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	77,047,361

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	83,108,435
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	2,125,901
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	70,991
e	Add lines 2a through 2d	2e	2,196,892
3	Subtract line 2e from line 1	3	80,911,543
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	80,911,543

Part XIII

Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
PART X, LINE 2	EXPLANATION THE COMPANY IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(6) OF THE INTERNAL REVENUE CODE, EXCEPT FOR ANY UNRELATED BUSINESS INCOME. THERE WAS NO UNRELATED BUSINESS INCOME EARNED DURING THE YEARS ENDED DECEMBER 31, 2014 AND 2013, AND THUS, NO PROVISION FOR INCOME TAXES HAS BEEN MADE. THE COMPANY ACCOUNTS FOR UNCERTAINTY IN INCOME TAXES USING A RECOGNITION THRESHOLD OF MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPROPRIATE TAXING AUTHORITY. MEASUREMENT OF UNCERTAINTY OCCURS IF THE RECOGNITION THRESHOLD HAS BEEN MET. MANAGEMENT BELIEVES THAT THERE WERE NO UNCERTAIN TAX POSITIONS THAT MET THE RECOGNITION THRESHOLD IN 2014 OR 2013. THE COMPANY'S TAX RETURNS ARE OPEN FOR EXAMINATION FOR YEARS 2010 THROUGH 2013.
PART XI, LINE 4B - OTHER ADJUSTMENTS	LOSS ON DISPOSAL OF FIXED ASSETS -70,991
PART XII, LINE 2D - OTHER ADJUSTMENTS	LOSS ON DISPOSAL OF FIXED ASSETS 70,991

[illegible]

SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.
► Attach to Form 990.
► Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
COTTON INCORPORATED

Employer identification number
62-0786018

Part I

General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1

For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- 3

Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) East Asia and the Pacific	3	14	Program Services	TECH & INFO SUPPORT	5,733,363
(2) North America	1	2	Program Services	TECH & INFO SUPPORT	960,361
(3) Europe (Including Iceland and Greenland)			Program Services	TECH & INFO SUPPORT	1,417,174
(4) Middle East and North Africa			Program Services	TECH & INFO SUPPORT	35,088
(5)					
3a Sub-total	4	16			8,145,986
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)	4	16			8,145,986

Part II

Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									

2

Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶

3

Enter total number of other organizations or entities ▶

Part III

Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☐ Yes

☒ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; do not file with Form 990)*

☐ Yes

☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*

☐ Yes

☒ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*

☐ Yes

☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*

☐ Yes

☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713; do not file with Form 990)*

☐ Yes

☒ No

Additional Data

Software ID:

Software Version:

EIN: 62-0786018

Name: COTTON INCORPORATED

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public
Inspection

Name of the organization
COTTON INCORPORATED

Employer identification number
62-0786018

Part I

General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

3 Enter total number of other organizations listed in the line 1 table ▶

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) RESEARCH	7	437,597			

Part IV

Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
PART I, LINE 2	EXPLANATION GRANTS ARE OVERSEEN BY OUR AGRICULTURAL AND ENVIRONMENTAL RESERACH EMPLOYEES THESE EMPLOYEES MONITOR THE PROGRESS OF THOSE RECEIVING GRANTS, INCLUDING RQUIRED COMMUNICATIONS OF THEIR PROGRESS AND SITE VISITS

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
COTTON INCORPORATED

Employer identification number
62-0786018

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</div><div><div><div><input checked="" type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input checked="" type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.</div></div>	1bYes	
<div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</div></div>	2Yes	
<div><div>3</div><div>Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:</div></div>		
<div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>	4aYes	
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4b	No
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</div>	4c	No
<div><div></div><div>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</div></div>		
<div><div>5</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</div></div>		
<div><div>a</div><div>The organization?</div></div>	5a	
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III.</div>	5b	
<div><div>6</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</div></div>		
<div><div>a</div><div>The organization?</div></div>	6a	
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III.</div>	6b	
<div><div>7</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.</div></div>	7	
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.</div></div>	8	
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</div></div>	9	

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
PART I, LINE 1a	A U S employee worked in China during 2014 and received housing as well as tax indemnification from the company during his assignment. The company also provides for business class tickets for all employees on all international trips, which include first-class tickets when domestic travel is involved on those itineraries.
PART I, LINE 4	J Berrye Worsham had \$32,500 included in his income under section 457(f) but is not receiving payments from the plan. Glenn Sciachitano received severance payments totaling \$41,470.

Additional Data

Software ID:
Software Version:
EIN: 62-0786018
Name: COTTON INCORPORATED

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 J Berrye Worsham, President & CEO	(i)	456,886		49,562	101,279	38,413	692,140	0
	(ii)	0	46,000	0	0	0	0	0
1 David Byrd, SR VP & Cfo	(i)	209,425		6,482	52,486	23,988	315,381	0
	(ii)	0	23,000	0	0	0	0	0
2 John Morgans, VP Administration	(i)	168,036		5,206	37,513	40,508	268,103	0
	(ii)	0	16,840	0	0	0	0	0
3 Richmond Hendee, SR VP Consumer MKTG	(i)	213,562		15,248	56,606	37,464	340,549	0
	(ii)	0	17,669	0	0	0	0	0
4 Kater Hake, VP Agriculture/Environment	(i)	210,614		9,750	66,076	36,405	339,438	0
	(ii)	0	16,593	0	0	0	0	0
5 Mark Messura, SR VP Global Supply Chain	(i)	224,621		9,329	54,466	38,726	347,368	0
	(ii)	0	20,226	0	0	0	0	0
6 Robert Tyndall, VP Prod Dev & Implem	(i)	153,756		5,496	41,507	17,042	226,669	0
	(ii)	0	8,868	0	0	0	0	0
7 Michael Watson, VP Fiber Competition	(i)	157,420		4,866	41,293	25,944	239,785	0
	(ii)	0	10,262	0	0	0	0	0
8 Kimberly S Kitchings, VP , Corp Strategy	(i)	137,008		1,360	27,769	41,114	219,557	0
	(ii)	0	12,306	0	0	0	0	0
9 Edward Barnes, SR Dir , AG/Envir Research	(i)	130,560		3,299	29,975	24,483	198,540	0
	(ii)	0	10,223	0	0	0	0	0
10 Wentao Zheng, Manager, EFS	(i)	71,898		68,808	17,527	20,643	181,973	0
	(ii)	0	3,097	0	0	0	0	0
11 GLENN SCIACHITANO, sr dir advertising	(i)	88,893		51,782	14,264	24,323	186,310	0
	(ii)	0	7,048	0	0	0	0	0

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.****▶ Attach to Form 990 or 990-EZ.****▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.****2014****Open to Public
Inspection**Name of the organization
COTTON INCORPORATED**Employer identification number**

62-0786018

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART I, LINE 1 DESCRIPTION OF ORGANIZATION MISSION	
FORM 990, PART VI, SECTION B, LINE 11	EXPLANATION THE FORM 990 IS REVIEWED IN DETAIL WITH THE COMPANY'S AUDIT COMMITTEE AFTER COMPLETION AT THE AUGUST BOARD OF DIRECTORS MEETING FOR APPROVAL PRIOR TO FILING SUBSEQUENT TO REVIEW, THE CHAIRMAN OF THE AUDIT COMMITTEE WILL INFORM THE COMPLETE BOARD OF DIRECTORS OF THE PROCEEDINGS AND OUTCOME
FORM 990, PART VI, SECTION B, LINE 12C	EXPLANATION ALL DIRECTORS ARE REQUIRED TO ATTEST THAT THEY ARE FREE OF ANY CONFLICTS OF INTEREST
FORM 990, PART VI, SECTION B, LINE 15	EXPLANATION An independent compensation committee determines compensation for all employees of the Company The compensation committee engages an outside consultant to provide recommendations based on comparable pay information as well Minutes of their meetings are maintained
FORM 990, PART VI, SECTION C, LINE 19	EXPLANATION THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST BY AN APPROPRIATE PARTY
FORM 990, PART XII, LINE 2C	EXPLANATION THERE HAVE BEEN NO CHANGES DURING THE YEAR IN THE PROCESS FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS
FORM 990, PART III, LINE 4D OTHER PROGRAM SERVICES	OTHER PROGRAM SERVICES INCLUDE AGRICULTURAL RESEARCH AND CORPORATE SERVICES