



INTERNATIONAL FORUM FOR COTTON PROMOTION

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Report from:

The International Forum for Cotton Promotion (IFCP)

by:

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Regarding:

The Report from International Organizations

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Thank you Mr. Chairman. It is my pleasure to report on the activities of the International Forum for Cotton Promotion, IFCP.

Our mission remains the same. The IFCP acts as a forum for exchanging and communicating cotton promotion techniques and ideas, in order to inspire domestically focused and domestically funded cotton promotion demand enhancement activity. Our objective is to gain market share at the expense of chemical fibers. We continue this effort through communication with our members, sponsors, and friends through our website, and other channels, which includes the trade booth here in Liverpool, that we hope you will visit.

Our program at the Liverpool Plenary this week is the strongest statement we have made to date to support the validity of demand enhancement. Woods Eastland's compelling words give us clarity as to the reasons why promotion is so critically important to the cotton industries. Mr. Eastland speaks not just from his strong personal beliefs, but also from solid experience. As a cotton grower himself, he willingly pays the assessment, and has done so now for many years. Why would he continue to invest in cotton promotion if he did not see tangible results?

The IFCP also demonstrated how working with Higher Education in textile and related fields can make cotton promotion attainable and affordable, taking the long term view that today's graduates are tomorrow's wholesale buyers of cotton products for sale at retail.

The 64th Plenary Meeting is also significant, in that the IFCP has launched a sponsorship program for organizations, companies, and countries that benefit from the cotton value

chain. CottonSponsor, as it is called, is a program that enables these groups to show their support for cotton promotion, in order to secure a healthy future for the cotton sector. We are optimistic that CottonSponsor will increase industry participation, and spur cotton promotion into action.

But globally, cotton has seen its market share of total fiber use slip from 48.3% in 1980 to 38.5% today. In India, cotton's market share was 77.5% in 1984, and had dropped 25 percentage points to 52% as of the year 2000. In China, cotton's market share was 66.8% in 1984 and had dropped to 30.5% in 2000, a fall of 36 percentage points. It was these circumstances that prompted the formation of the IFCP in the year 2000, and yet, no new or expanded cotton promotion activity has occurred that we are aware of since that time. As for why there has not been more activity from the cotton industry itself, the reasons are many, but we can only assume that members of the cotton community have not yet seen the direct relationship between promotion at retail and cotton lint and yarn sales.

Building demand for cotton must be a priority for organizations involved in the world's cotton industry. In many ways our work is just beginning. Cotton consumption continues to be challenged by alternative fibers in every market around the world. In spite of an increase in cotton off take in recent years, cotton continues to lose market share. An optimistic future for the full range of participants in the cotton sector -- from producer, to trader, to manufacturer, to retailer -- can only come if the consumer is convinced of cotton's advantages and acts upon that conviction by purchasing our products.

Thank you, Mr. Chairman.

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