



The Future of Organic and Sustainable Fibers



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organicexchange.org



the world



the consumer



the opportunity





THE FORCES SHAPING OUR LIVES TODAY





A GROWING NUMBER OF PEOPLE WANT TO KNOW:

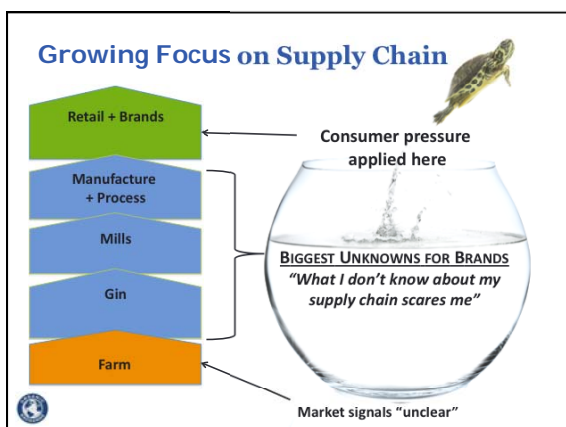



THE CHILDREN BEHIND OUR COTTON



DANGER PELIGRO
FIRE WILL CAUSE TOXIC FUMES
POISON STORAGE AREA
ALL UNAUTHORIZED PERSONS KEEP OUT
KEEP DOOR LOCKED WHEN NOT IN USE

- ✓ What is in your product?
- ✓ Who made it?
- ✓ Where was your product made?
- ✓ Under what conditions?

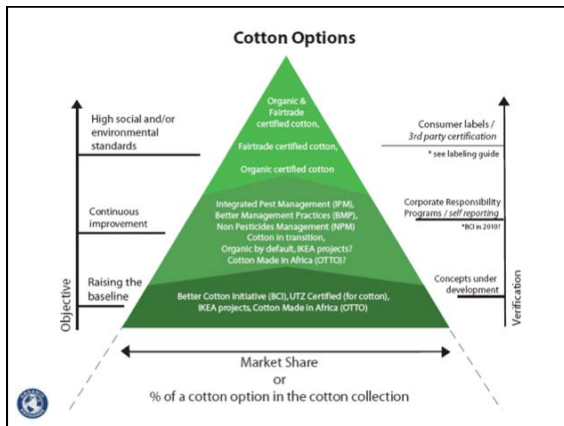



Cotton has 'impact'

Not about good farmer vs. bad farmer.

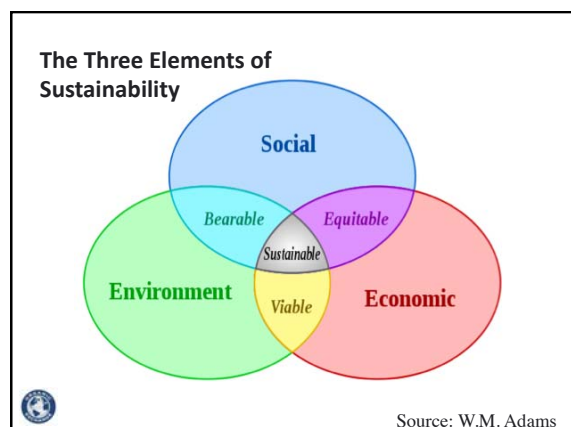
There are many types of cotton production.

It is about examining and improving our production systems to reduce or eliminate negative impacts on people – and the land, water and air that we all share.

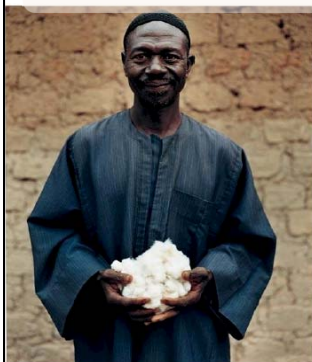


ORGANIC FIBERS — cotton – wool – linen

Organic fibers are grown without the use of toxic and persistent pesticides or fertilizers, sewage sludge, irradiation or genetic engineering, and are certified by an accredited independent organization. Strict laws and regulations are enforced by US Department of Agriculture and have been in place since 2002.



ECONOMIC & SOCIAL ASPECTS OF COTTON: WHAT IS A SUSTAINABLE FIBER PRICE?



A SUSTAINABLE PRICE COVERS:

1. Cost of **production** - inputs, soil fertility, seed research, water management
2. Cost of **basic needs** - food, education, health, and shelter
5. Cost of developing and maintaining a **healthy rural economy** and landscape - infrastructure development and maintenance, human development, landscape and biodiversity management and preservation, a healthy rural economy...

CAPTURING KEY PERFORMANCE INDICATORS

Environmental	Social	Economic
<ul style="list-style-type: none"> • Pesticide reduction • Water harvested or reduction in water consumed • Reduction in water leaching • Biodiversity, trees planted, species counted • Value of wild resources to the community 	<ul style="list-style-type: none"> • Improved health and nutritional from pesticide reductions • Improved access to health care / clean water • Access to income for women • Improved school attendance • Project based literacy programs for adults and children 	<ul style="list-style-type: none"> • 'Fair Price' paid to farmer • Increases in farm income • Investment in local economic development or income diversification • Productivity improvement through agronomic investment • Replacement of family labor with wage labor

GLOBAL ORGANIC COTTON PRODUCTION



Grown in 22 Countries



Top Ten Producers

1. India
2. Turkey
3. Syria
4. Tanzania
5. China
6. United States
7. Uganda
8. Peru
9. Egypt
10. Burkina Faso



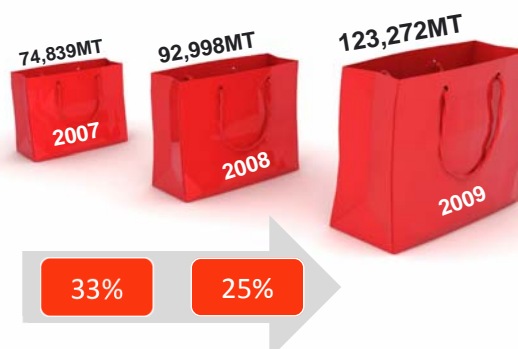
LEADING ORGANIC COTTON BRANDS AND RETAILERS 2005 - 2008

2005	2006	2007	2008
<ol style="list-style-type: none"> 1. Nike 2. Coop Switzerland 3. Patagonia 4. Otto Group 5. Wal-Mart 	<ol style="list-style-type: none"> 1. Wal-Mart 2. Nike 3. Coop Switzerland 4. Patagonia 5. Otto Group 	<ol style="list-style-type: none"> 1. Wal-Mart 2. Nike 3. Woolworth's South Africa 4. Coop Switzerland 5. C&A 	<ol style="list-style-type: none"> 1. Wal-Mart 2. C&A 3. Nike 4. H&M 5. Zara 6. Anvil 7. Coop Switzerland 8. Pottery Barn 9. Greensource 10. Hess Natur
<p>PLUS... more than 1,500 brands and retailers around the world including Adidas, Anvil Knitwear, Disney, Gap, Levi Strauss, Loomstate, Marks & Spencer, Nordstrom, Otto Group, Patagonia, Pottery Barn, Target, and Tesco.</p> <p>Bigger question is who is NOT involved!</p>			

IN THE MARKET PLACE....



PRIOR YEARS MARKET TRENDS AND GROWTH



Global demand for organic products continues to grow....



Most growth comes with Innovation & Planning



- Deeper, more connected organic cotton programs
 - Know where your cotton comes from
 - Long term programs
 - Farm development investments
 - Supply chain planning and transparency
- Link to organic and sustainable fibers and sustainable processing and inputs and social development

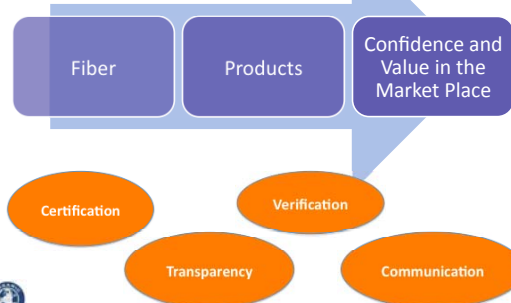
IN ADDITION BRANDS FACE INCREASING:

- Global products and packaging **legislation**
- Obligation to substantiate **labeling** and advertising claims
- Concern about guaranteeing **country of origin**
- Interest in shifting from a supply chain to a **value chain** mentality
- **Consumer** social and environmental activism



Industry Integrity

Embedded within all Programs



FIBER CLAIMS



OE BLENDED

OE 100



TEXTILE Claims



Global Organic Textile Standard (GOTS)



