Organic Textile Labeling in the United States

Presented by:
Who is Textile Exchange?

We INSPIRE and EQUIP people to accelerate sustainable practices in the textile value chain.
We would like you to learn...

• More about US regulations in organic textile labeling
• Different kinds of organic claims: product and content
• How to use the Organic Content Standard and Global Organic Textile Standards
• How to communicate effectively and clearly
Today’s Speakers

Gwendolyn Wyard
Vice President of Regulatory & Technical Affairs
Organic Trade Association

Lori Wyman
North American Representative
Global Organic Textile Standard

Ashley Gill
Integrity Specialist
Textile Exchange
Organic Textile Labeling in the U.S.
Regulatory & Policy Update

Gwendolyn Wyard
Vice President, Regulatory & Technical Affairs
Organic Trade Association
The Organic Trade Association is the **LEADING VOICE** for the organic trade in the U.S., representing **9,500 businesses** across **50 states**.

Our **MEMBERS** include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and more.

OTA's mission is to **PROMOTE and PROTECT ORGANIC** with a unifying **voice** that serves and engages its diverse members from farm to marketplace.
Global Organic Textiles Standard
OTA Involvement

GOTS Advisory Council
USDA National Organic Program (NOP)
What & Who Has to Be Certified?

A labeling term that applies to **AGRICULTURAL PRODUCTS** produced in accordance with the organic law and regulations.

Any production or handling operation that handles agricultural products represented or sold as:

- 100% Organic
- Organic (95% +)
- Made With Organic (70% +)

Products using the USDA seal or making organic certification claims on the principle display panel.

Some types of operations are **EXEMPT/EXCLUDED** from certification.

**Global program** – products can be produced anywhere in the world but if sold in the US must be certified to the NOP or deemed equivalent.
USDA NOP only covers **raw** agricultural fiber. The regulations do not include standards for processed textiles!

<table>
<thead>
<tr>
<th>Use of the organic claim:</th>
<th>USDA Organic Standards</th>
<th>Private Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Cotton</td>
<td>Yes</td>
<td>*Must be NOP</td>
</tr>
<tr>
<td>Raw Wool</td>
<td>Yes</td>
<td>*Must be NOP</td>
</tr>
<tr>
<td>Raw Silk</td>
<td>Yes</td>
<td>*Must be NOP</td>
</tr>
<tr>
<td>Yarn</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Carded Wool</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Cotton Fabric</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>T-Shirt</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Mattress</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Mandatory - NOP regulates and enforces the term organic on all agricultural products*
USDA National Organic Program Standards? Can be certified organic under NOP?
USDA National Organic Program Standards? Can be certified organic under NOP?
Labeling of Textiles that Contain Organic Fiber Ingredients

• Clarifies that textile products produced in full compliance with production and handling standards may be NOP certified & use the USDA organic seal

• Textile products produced in accordance with GOTS may be sold as “organic” but must not reference NOP certification or display the USDA organic seal

• Agricultural fibers identified as “organic” in a textile must be “certified organic” under the NOP organic regulations

• Labeling requirements are in addition to those required by FTC’s Textile & Wool Act
USDA National Organic Program (NOP)
NOP Policy Memo 11-14

Textile products labeled as organic may:

• Use label claims that identify specific types of organic fibers
• Use statements identifying the percentage of organic fibers
• Fibers identified as organic must be NOP certified organic

Textile products labeled as organic must not:

• Use the USDA organic seal unless NOP certified
• Imply or lead the consumer to believe that the final product is certified under the NOP regulations unless they are NOP certified
• Use a combination of both organic and non-organic sources for a single fiber that is identified as “organic” in the final product
Textiles and fiber products:
• The NOP’s 2011 memo on textiles says that textiles produced in compliance with the NOP regulation may bear the USDA organic seal.

• It stops short of saying that all organic textiles must be produced under the NOP regulation.

• The memo does confirm that products produced under the GOTS standard may be sold as organic in the US, but again, doesn’t say that organic textiles must be produced under GOTS.
Many textile products in the marketplace are advertised as “organic” yet they may only contain some organic content.

**USDA’s National Organic Program (NOP):**
- Regulates and enforces organic claims on agricultural products
- Does not have enforcement jurisdiction over organic claims made on textile products unless they violate the terms of the its policy

**Federal Trade Commission (FTC):**
- The FTC protects consumers by stopping unfair, deceptive or fraudulent practices in the marketplace
- Defers to the National Organic Program when it comes to “organic” claims
Efforts to get FTC’s Green Guides Updated:

• Meeting with FTC over the past 6 years
• Submitted comments urging FTC and NOP to develop a policy on use of the term “organic” on products outside of NOP’s scope of enforcement & update the FTC “Green Guides”
• Prompted FTC & USDA to launch a survey and convene an expert panel exploring consumer perception of organic claims on fiber/textile and other non-food products
• Need to continue to submit examples to FTC on misleading claims and explain the need for increased oversight and guidance
OTA strongly supports best labeling practices:

- OTA supports organic **product** certification under GOTS & organic **content** certification under TE’s Organic Content Standard
  - Organic cotton t-shirt
  - Organic mattress
  - OCS: “Contains 65% organically grown cotton”

- Organic claims made on fiber and textile products that are not certified should be limited to “content” claims only
  - T-shirt: contains 70% organically grown cotton
  - Mattress: contains organically grown cotton batting
Learn More!
OTA Resources on Organic Fiber and Textiles

Global Organic Textile Standard
Policy and Advocacy Updates
Organic Fiber Council
Quick Resources

ota.com/advocacy/fiber-and-textiles
Thanks!

Gwendolyn Wyard
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What is the Organic Content Standard?
What is the OCS?

- An independent global standard with third-party certification
- Verification that input fiber was organically grown
- Strong chain-of-custody from the fiber to the final product
- Multi-stakeholder approach, with representation from affected groups
Benefits of the OCS

Messaging and Story Telling
It presents an excellent opportunity for people to learn about the source of the products.

Credible Certification
A professional, third party certification body audits each stage in the supply chain.

Meet CSR Goals
Set and meet targets for corporate use of organic material.

Get What You Ask for and Pay For
The identity of OCS material is maintained at all times: from the fiber to the final product, through a robust chain of custody.

Drive Industry Change
Support the demand for organic material, even if you are not able to meet higher percentages.
The aim of chain of custody, is to preserve the identity of the claimed material, and to track its movement through the supply chain up to the final product.
Organic Farm Certification:
• USDA NOP
• EU 834/2007
• IFOAM Family of Standards
What kind of claims does the OCS support?

Organically grown content
NOT organic product

Organic Farm Certification:
USDA NOP
EU 834/2007
IFOAM Family of Standards

The further you use third-party certification, the lower your risk.
OCS Labeling

All product labeling must include:
   a) OCS logo
   b) mention of the Certification Body
   c) mention of the last Certified Organization

All OCS artwork must be approved by a Certification Body, prior to printing and application.
These types of claims are not supported by the Organic Content Standard.
OCS Labeling

These types of claims are supported by the Organic Content Standard.

Contains organically grown cotton
CB 12345678

Contains 50% organically grown cotton

95% organically grown cotton
CB 12345678
Don’t qualify for product labeling?

Here’s what you CAN say OFF product…

“Our strategy for sourcing organically grown material relies on third-party certification, such as the Organic Content Standard.”
Resources

http://textileexchange.org/integrity

OCS Logo Use and Claims Guide

Thank you.
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Organic Textile Labeling in the United States – April 2017
“The aim of this standard is to define requirements to ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible assurance to the end consumer.” (GOTS 1.1)

• A GOTS labelled product in the retail market is the final result of the certification procedures of the entire supply chain and the visible commitment to the consumer that the product complies with all requirements of the standard.

• Thus correct and complete labelling is of upmost importance for the credibility of the standard and its certification system.
GOTS Labeling Options:

95 – 100% Organic fibers:

Organic
certified by [certifier’s ref.]
license number

70 – 94% Organic fibers:

Made with (x %) organic fibers
certified by [certifier’s ref.]
license number
All independent certification bodies are listed on our website
GOTS is both a Process and Product Claim

Companies can use product certification to show that a product, service or process has been inspected, tested and approved.

- All organic certification programs are certifying product claims.
- Organic certifications are process claims included in product claims.
- We certify organic products by verifying they are manufactured with a compliant process.
Requirements / checklist for retailers before selling labeled GOTS Goods

✓ Ensure that the direct supplier (manufacturer or wholesaler) is certified
   => ask the supplier for its scope certificate before ordering, consult the GOTS public data base and

✓ Ensure that the GOTS on-product labelling is correct and complete and has been released by the applicable certifier
   => ask the supplier to provide a written label release confirmation issued by the supplier's certifier – especially if the retailer designs the labelling

✓ Ask for Transaction Certificates for the whole quantity of GOTS goods purchased (recommended)
   => the retailer itself must be listed as buyer (Box 3) on the TC to have a valid proof

✓ If the retailer (re-)labels, (re-)packs the labelled textiles, the retailer must be certified itself
Unauthorized referencing to GOTS

• Samples of unauthorized self-claims for non-certified products:
  
  “This t-shirt is made from (x%) GOTS certified fabric (or yarn or cotton)”
  
  “The textile fibers used in this mattress are GOTS certified”
  
=> No reference to GOTS is permitted for (final) textile products, if certification is valid for previous stages or for specific components of the product only
Reasons for unauthorised / incorrect labelling

Even when the labeled products are produced by Certified Entities, there are still unauthorised, incorrect and incomplete labelling found (in the retail trade).

Recurrent reasons for such transgressions and mistakes:

• Brands and retailers design labeling (e.g. for hang tags) and send it to their certified suppliers. They apply it without further checking and without asking for label release to their certifier. “It’s the buyer’s order to use it.”

• Certified Entities don’t inform their certifier about labeling for other reasons

• Certifier has provided a general label release for a prototype but certified entity modifies labelling per client / type of product which is not reviewed

=> Unauthorized labelling: these products may be certifiable or not – this needs to be investigated then and may lead to measures and sanctions up to recall of labeled products (from retail trade), trademark infringement steps and suspension of certification in order to safeguard credibility of GOTS labelling.
• Explains who can use logo and how

• Standardized logo use to add to recognition value

• B2C retailers exempt from certification obligation → “label release form”

• Marketing/publications/advertisements
GOTS MARKETING ADVANTAGE

Risk Reduction
• GOTS is a comprehensive risk management instrument for your supply chain
• GOTS sets strict and extensive environmental and social criteria for the *entire* supply chain
• GOTS criteria are explicit

Credibility
• Third party certification serves as independent external verification versus self-claims
• Certification includes dual quality assurance - onsite inspection and product testing
• Certification provides the credibility and verification of claims that investors, and the public, expect this

Efficiency and Productivity
• GOTS’ wastewater management and other requirements result in improved eco-efficiency
Efficiency and Productivity (continued...)
• GOTS’ social compliance management requirements results in improved socio-efficiency
• GOTS certification facilitates sustainable supply chain management, cutting companies’ costs as they do not need to trace the whole supply chain themselves.

Innovation and Differentiation
• GOTS certification can grant access to new markets, e.g. public procurement
• GOTS is explicitly recognized by governments and leading textile, sport, environmental, and organic organizations worldwide
• Sustainability innovation provides added value over conventional products.

Sustainable Market Development
• Enables companies to be market drivers
• Readies companies for the increasingly stringent regulatory climate.
• GOTS is recognized as the leading processing standard for textiles made from organic fiber worldwide.
Further relevant information for marketing purposes

Organizations
IFOAM – International Foundation Organic Agriculture Movements
International Association of Natural Textiles
Soil Association

Campaigns
Detox campaign Greenpeace
CottonedOn Campaign
Clean Clothes Campaign

Reports/studies
Lifecycle Assessment Textile Exchange (cotton)
Ethical Fashion Consumer Monitor (UK)
Thank you!

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Questions?
Thank you!