

# News Release

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March 27, 2017

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## Leading Global Industry Benchmark Report Released

**Just released! The 2016 Preferred Fiber and Materials Industry Benchmark Report shows companies are setting ambitious targets for uptake of more sustainable raw materials.**

Lamesa, Texas – 71 Companies have stepped up to the mark and put themselves forward for benchmarking against their peers and competitors in the Textile Exchange Preferred Fiber & Materials (PFM) Benchmark Program, linking their efforts to the UN Sustainable Development Goals (SDGs).

61% of companies have set targets for switching to a more sustainable source of cotton, three quarters having a specific target for organic.

Liesl Truscott, Materials Strategy Director for Textile Exchange said:

“Millions of people - cotton farmers, foresters, and other textile feedstock providers - form the base of the textile supply network and are impacted by the decisions brands and retailers make every day. Influencing improvement in fiber and material production is one of the greatest opportunities textile brands and retailers can contribute to securing a sustainable future. “

“Preferred” is another way of saying “more sustainable.” Textile Exchange defines a “preferred” fiber or material (PFM) as one that is ecologically and socially progressive and has been selected because it has more sustainable properties in comparison to conventional options.

“The mix of fibers in your product range can be just as important as the sustainability profile of each fiber,” Truscott added. “It’s great to have a forward-thinking cotton program, but if most of your range is synthetic you should be concentrating on recycled choices. Our benchmarking will point companies towards that.”

Textile Exchange recommends a “portfolio approach,” building a suite of preferred fiber and materials from a choice of preferred options, through the consideration of impacts and product range priorities. The goal is that PFMs are produced to a globally accepted standard, with strict criteria that qualifies the product as preferred, and can be traced through the supply chain.

Nanda Bergstein, Head of Vendor Relations & Sustainability (Non Food) for Tchibo, said “Our goal of a 100% sustainable business model challenges us to think about completely new, innovative models of doing business. One of them is our partnership with the Appachi ECO-LOGIC Cotton Project in India which brings together a value chain from the farmers to the customers. The key is the partnership and working together – and we see this as pivotal for the entire industry.

This is why we are proud to support the Preferred Fiber and Materials Benchmark. It is not only a tool to benchmark our individual progress as a company within the index community, it also creates motivation for the industry to increase the conversion from conventional into sustainable materials and products.”

71 companies (up from 57 last year), ranging from adidas to Woolworths, completed a bespoke online survey and have received confidential Company Feedback Reports revealing their individual results. An Industry Report – containing the combined results of all participating companies – is to be released this week.

### **About Textile Exchange**

Textile Exchange (TE), founded in 2002, is a global nonprofit organization that works closely with all sectors of the textile supply chain to find the best ways to minimize and even reverse the negative impacts on water, soil, air, animals, and the human population created by this \$1.7 trillion USD industry. TE accomplishes this by providing the knowledge and tools the industry needs to make significant improvements in three core areas: Fiber and Materials, Integrity and Standards, and Supply Chain. A truly global organization, TE is headquartered in the United States with staff and ambassadors located in more than 10 countries. To learn more about Textile Exchange, visit: [TextileExchange.org](http://TextileExchange.org) and follow TE on Twitter at @TextileExchange.

### **PFM Benchmark Program**

To find out more about the program, visit our website - <http://textileexchange.org/preferred-fiber-materials-benchmark/>

## FREQUESNTLY ASKED QUESTIONS

### 1. Why is the sustainability of fiber and materials so important to the textile industry?

Textile companies, with the roots of their businesses in the fields, forests, and deep underground, have an important role to play in the transition to a more resilient, regenerative and circular economy. Millions of people - fiber farmers, foresters, and other textile feedstock providers - form the base of the textile supply network and are impacted by the decisions brands and retailers make every day. Influencing improvement in fiber and material production is one of the greatest opportunities textile brands and retailers can contribute to securing a sustainable future.

### 2. Why has Textile Exchange created a PFM Benchmark?

One of Textile Exchange's key organizational objectives is to accelerate the uptake of preferred fiber and materials. This objective is built on the urgency to respond to key risks for the textile industry and the huge potential to make improvements in areas such as water, land, air - and peoples' lives. These risks and opportunities are most likely to occur during the production of raw materials. By creating a benchmark program for companies, Textile Exchange not only measures and reports company and industry progress, but provides strategic direction for the companies that participate. Through program engagement alone, companies embark on a "bench learning" journey, with the support of Textile Exchange staff and fellow participants. The contributing and receiving of knowledge creates a virtuous circle of learning and improving.

### 3. What is the PFM Benchmark Program?

In 2015, Textile Exchange (TE) launched the Preferred Fiber & Materials (PFM) Benchmark Program for measuring how a company systematically integrates a preferred fiber and materials strategy into mainstream business operations. Industry-led, voluntary and self-assessed, the PFM Benchmark is establishing itself as a leading global benchmark for the textile industry.

The PFM Benchmark offers a quantified index ranking and reveals a company's position in relation to peers and the overall industry (universe of participants). It provides an indicator of progress, helps companies identify strengths and gaps, and encourages year-on-year improvement and a "race to the top." Company participants see a lot of detail about their performance, and industry averages are reported for public consumption.

All participants receive customized and confidential Company Feedback Reports. Company Feedback Reports offer a useful tool for each participating company to share with important internal and external stakeholders, including the investment community.

Explicit links are made between the PFM Benchmark and the Sustainable Development Goals – in particular SDG 12: Sustainable consumption and production. Companies are starting to adopt the framework of the SDGs and TE's PFM Benchmark is built on foundations that align with this work.

#### **4. Who is eligible to participate?**

All brands and retailers of textile products are eligible to participate in Textile Exchange's Preferred Fiber and Materials Benchmark Program. In fact, the more companies taking part, the more meaningful the results for all involved.

In 2016, 71 companies participated in the PFM Benchmark Program. Of these, 65% were apparel or multi-sector brands and retailers, 20% were outdoor/sports, and 15% were home textiles. The retention rate (on 2015) was 79%, with the few not returning usually being due to internal changes within the company that prevented a submission that year. With 28 new participants in 2016, this represents an overall growth of 25%. Over the 2 years of the program, a total of 105 companies have embarked on the PFM Benchmark journey with Textile Exchange, including 21 companies making partial submissions or shadowing the process.

#### **5. How much does it cost?**

Due to the generous support of C&A Foundation and German multi-sector company Tchibo, there is no fee to participate. Further, as mentioned above, the priority is to grow participation rates by making the PFM Benchmark accessible for all.

#### **6. How long does it take to complete the survey?**

This depends upon a company's starting position and its size. If you have all the information to hand, the survey can be completed in a matter of hours. However, most participants gather information as they go, so the process takes longer. Returnees receive a "pre-populated" survey, which means that the previous year's answers are carried over where appropriate. All the company then needs to do is review and adjust where necessary. Annual reporting of consumption data is the main area for fresh calculations and input. For companies new to the survey, there is some work involved in organizing data streams and in determining who needs to be involved, and who will lead on the coordination of the survey submission. Textile Exchange is here to guide participants every step of the way. We have developed various resources, such as guidance notes and a Quick Guide to PFMs, and are available by email, telephone, or to meet in person.

#### **7. How long do company's have to complete the survey?**

Each year, the survey opens in May and companies have six weeks to make their submissions. As mentioned, Textile Exchange is always on hand and happy to support this process. Once the survey closes, Textile Exchange undertakes a systematic review of all submissions and checks for consistency, completeness, and accuracy. Note that this is NOT an audit – submissions are considered self-assessment. However, we do expect a sign-off from a senior member of staff declaring that all information is truthful.

#### **8. How do we get started?**

To express your interest in joining the PFM Benchmark Program, do not hesitate to contact the TEam by emailing [Support@TextileExchange.org](mailto:Support@TextileExchange.org). To find out more about the program, visit our website - <http://textileexchange.org/preferred-fiber-materials-benchmark/> - or to register or sign back in (if you are a returnee) you can go directly to <http://pfm.textileexchange.org/portal>.