Who We Are


In 2010, Organic Exchange became Textile Exchange with an expanded remit that shifted our focus from organic cotton to more sustainable textiles in order to meet the needs of our members and the industry. From co-chairing the Materials Traceability Working Group with the Outdoor Industry Association to developing standards that span a wide spectrum of materials, we have thrown ourselves wholeheartedly into our new breadth of work.

Our Vision

We envision a global textile industry that restores and protects the environment and enhances lives.

Mission

Textile Exchange inspires and equips people to accelerate sustainable practices in the textile value chain. We focus on minimizing the harmful impacts and maximizing the positive effects of the global textile industry.

What We Do

• We work around the world to make sustainable business practices a realistic option for the global textile industry
• We support and promote the sustainability advantage of organic cotton and its producers.
• We champion integrity as the foundation of sustainable material and product claims
• We believe collaboration is the most effective and efficient way to create the changes we need at the speed and scale in which they’re needed.
• We have line of sight to the whole value chain from raw materials to textile and product manufacturing to retail and end of life.
From our early days as Textile Exchange, when our sole focus was on sharing the necessary information to stabilize then grow a global organic fiber market, fast forward to our 9th year as a global non-profit with an expanded focus on textile sustainability, there have been tremendous changes, both within our organization and in the world around us. Technology, in particular, has changed so quickly with the advent of social media and communication tools like Skype, blogs and smart phones, which has led to overwhelming amounts of information being directed at everyone instantaneously. We’ve had to think long and hard about how we could build upon and leverage our own systems in order to accelerate wider adoption of sustainable business practices across the global textile industry.

Through the years and all of the changes in the world around us, we believe that if we had to use one word to describe how Textile Exchange effectively moves the industry forward – that word would be Synergy.

Synergy is a dynamic process that involves finding commonalities then adapting and learning, joint action in which the total effect is greater than the sum of effects when acting independently. It creates an integrated, systems solution. Synergy helps dissolve boundaries and allows everyone to come together for one shared purpose.

As always, it is an honor to work with a great team within TE, inspiring to work with the TE board, membership, partners, and the extended organic and sustainable textile industry leaders. We have been and continue to create integrated solutions that address poverty and access to resources in rural communities as well as improving the environmental impacts that the textile industry can have on water, land and the world in which we live.

Thanks for your continued interest, support and engagement in our work!

LaRhea Pepper
Managing Director, Textile Exchange

Eraina Duffy
Board Chair, Textile Exchange
Sustainable Materials Research, Nike, Inc.
2011 Year in Review

It’s been said, “It takes a village to raise a child.” Well, it definitely takes a village to change the course of an industry. Our role at Textile Exchange has been and continues to be as a catalyst, a convener, a safe space in which challenging dialog is encouraged in order to hash out differences and issues and create scalable solutions for all. We’re also a key source of vetted, easy to access information, which is sorely needed especially amongst students, universities, and companies without significant research or innovation departments.

Partnership. Transparency. Communication. Education. Systems. Collaboration. Integrity. The challenge in 2011 was to take our expanded sustainable textiles remit, unsnarl the key issues that needed to be addressed in this vast, complex, and fast-moving world, and prioritize those things that created greater industry unity and removed barriers to entry or change. We looked across our five platforms which define the scope of our work: Integrity, Industry Engagement, Communications + Resource Development, Farm Engagement, and Operations and created an ambitious workplan for 2011 that focused on:

• Developing processes and systems to get information faster and more easily to our members and the industry no matter where they were in the world, including a newly designed website.
• Supporting shifts to encourage greater transparency and accountability, including standards revisions, new standards development, and working group participation.
• Educating and influencing companies, students, universities, and other stakeholders through a blend of workshops, conferences, individual consulting, and tool development.
• Strengthening and supporting the global organic cotton industry through education, business development, and business-to-business marketing.

Making Sustainability a Reality

Building Strategy with Brands and Retailers

TE continued to support the development of strong programs and is the textile sustainability consultant to a number of key brands and retailers. Brands that continue to drive innovation and growth include H&M, C&A, Nike, Greensource, Anvil, Target, Disney, Otto Group driving sustainable sourcing strategies into their organizational DNA. New leaders are emerging as well, for example, Inditex (owner of Zara, Bershka, Stradivarius, Pull & Bear, etc.), who has taken a leadership position with their focused strategy, supporting the teams to develop sound materials’ programs (including cotton) as well as expanding the sustainability culture and practices throughout the group companies via creative workshops and strategic planning.

TE has also supported other brands throughout 2011, some of which include Skunkfunk and Hoss Intropia, both in Spain. We developed a preferred materials tool for The North Face and assisted several members such as Eileen Fisher, Adolfo Domínguez, G-Star, Nautica, Nordstrom, and Tejidos Royo on an ad hoc basis. We worked with Nike to develop their pilot program for String and OE standard certification in support of their integrity goals.

Strategic Workshops were delivered at Tchibo (organic cotton sourcing), MQ retail, C&A, Oysho, and Tempe.

The Trading Post is our online marketplace for the exchange of organic cotton (fiber, cotton products, and other farm products). Producer groups are able to actively market their product availability in real-time – and those interested in procurement can search availability or post a notice expressing their interest. Listings are publicly available.

Throughout 2011, TE engaged key international input suppliers. These companies play a key role addressing issues related to chemicals and toxicity in our industry.
A Foundation of Integrity

Awareness of the importance of knowing the value chain and developing strong systems for insuring the integrity of market claims made on sustainable and organic products is growing exponentially every single day. Toward this end, Textile Exchange owns and manages a suite of standards including the OE standards (blended and 100%) and the Global Recycled Standard (GRS) and supports other standards including the Global Organic Textile Standard (GOTS).

In 2011 1,821 units were certified to the OE standards; 327 units were certified to the GRS.

The content and concept for the Content Claim Standard was developed, a chain of custody standard to be used to verify the material content of products. In January of 2011, TE became the owner and manager of the Global Recycle Standard which was previously owned and developed by Control Union; a revision to include chemical requirements, recycled input certification and other issues was begun.

Work on a centralized database to streamline the certification and verification processes began with the development of a scoping document and stakeholder input by certification bodies.

2011 Sustainable Textiles Conference

Our 2011 conference in Barcelona, Spain attracted 285 decision makers from 39 countries, including ten organic cotton farmers from around the world. With a focus on Impacts, Innovation, and Integrity, several sessions have led to working groups such as the Down Traceability Working Group, the Materials Traceability Working Group, and the Biopolymers Working Group, whose progress will be reported on at the 2012 Sustainable Textiles Conference in Hong Kong.

The Cotton Dialogues took place before the start of the conference and were hosted by Helvetas Swiss Intercooperation and Textile Exchange. The meeting served as an opportunity for the Organic Cotton Platform Community and Textile Exchange conference goers to take part in a face-to-face meeting to discuss critical issues. Over 50 people attended the Dialogues, and ranged from producer group leaders in developing countries through to manufacturers, and small, medium, and large brand and retail representatives. Textile Exchange contributed financially to the attendance of ten producer attendance. The Dialogues revolved around three ‘round tables’: non-GMO seed availability, responsible business practice, and supporting sustainable growth. Outputs and action has been discussed extensively on the Global Organic Cotton Community Platform and have fed into and helped shape the course of action Textile Exchange has engaged in through the work of the Farm Engagement team.

Greenpeace provided an in depth review of their Detox Campaign in an early morning meeting and answered many questions posed by various parts of the value chain including how the campaign began, what is expected of brands and retailers, and what’s coming next.

Regional Work

Quantitative KPI design and trial in Africa: Textile Exchange has been piloting a number of quantitative KPIs in West Africa, developed over the past four years. These quantitative KPIs aim at providing the global sustainable cotton community with a tool that can help to quickly assess economic and environmental impacts allowing comparison between different sustainable cotton options and for the same option from one year to another.

Addressing Seed Issues in India and South America: In 2011 work on this issue included awareness raising, government-level meetings, meeting of stakeholders, compiling names of available seed germplasm, and keeping track of seed initiatives of producer groups and supporting where possible in India and South America.
Sharing Knowledge

**Tools & Resources**

**Farm and Fiber report:** the definitive source of information on global organic cotton fiber production and use is produced annually. New for 2011 was the additional **Mid-Year Predictions Report 2011**. This report provided a brief up-to-the-minute snapshot of activities in the sector and forecasts for the next harvest and beyond. There is both a concise overview of the global picture and a deeper look at regional activities.

The **2010 Sustainable Textiles Market Report** included information on our core competency of organic cotton and for the first time, a wide range of sustainable materials. The report ranked the top ten users of organic cotton for 2010.

The **FastFacts** series introduced our stakeholders to a wider range of impact-related topics such as waste and nanotechnology.

The **Beginner’s Guide to Sustainable Fibers** provided members with an overview of the sustainable attributes of key fibers such as organic cotton, recycled polyester, and others.

The bimonthly farm bulletin **Engage** brought relevant news, views, and information to the organic cotton community. The bulletin is sent to more than 500 farmers offered in English, Spanish, and French. In 2011, a special edition of Engage celebrated World Environment Day by highlighting some of the key indicators of sustainable development and showcasing how investment in organic cotton production is a powerful contribution to achieving a more sustainable world.

**Using Education to Transform an Industry**

The seminars in Brussels, **Belgium** (in partnership with Made By) and Izmir, **Turkey** (in partnership with EGSD) were built on the successful model of seminars in year’s past. The agenda for both included an overview of sustainability in textiles, and how to address the sustainability of your products.

A workshop was held in San Diego, **USA** with a similar concept to the European seminars, but with a much smaller audience and the opportunity for interactive learning.

In Barcelona, **Spain**, previous to TE’s Annual Conference, we built on our previous Organic in a Day, titled Sustainable Textiles in a Day.

In partnership with CODIAM, a meeting was held in Cotonou, **Benin** to train area farmers on organic farming techniques, and to discuss issues such as water efficiency and the availability of non-GM seed.

TE taught at a number of fashion and business schools including **North Carolina State University, IED Madrid and Universidad Pompeu Fabra** in Barcelona. We helped promote research into the diversity of organic cotton farms in universities in Peru.

The team delivered **presentations** during a number of industry events:

- Performance Days
- Munich Fabric Start
- The Sustainable Fashion Academy
- Adolfo Dominguez Green Week
- Planet Textiles in Shanghai
- Outdoor Retailer
- Intimate Fabrics and Accessories
- ACTE
- Taiwan Textile Federation Sustainability Forum
- WCRC in Mumbai
On the Web

In 2011, we launched the new **TE website**, giving our members and the industry much more information that’s been segmented in more accessible ways. Knowing that our website might be the only point of contact with have with different members of the textile community, we designed it to house the knowledge and tools we’ve amassed over the years and act as a platform for dialogue on key topics. We also contracted with an inbound marketing firm so we could interpret the information we received from our website and improve our users’ experience. Being able to see that a significant amount of universities and students were accessing various portions of our site allowed us to create a campaign just for them and improve their access to both companies and information.

The online **Farm Hub** provides an online ‘one-stop shop’ for organic cotton by introducing organic cotton’s environmental, social and commercial benefits and raising the visibility of organic cotton producers and to provide an online marketplace for trade in organic cotton. Features include: Find a producer, Growing Regions, Learning Journeys, Farm Resources Directory, Case Studies, Trading Post, Field Diaries and much more.

Our online presence grew through **blogs** and key campaigns which worked to highlight different industry-critical issues and create conversations with our stakeholders. We also began hosting **webinars** to lower the barriers to information for industry players around the world.

Partnerships

Around Cotton

Our work with **CottonConnect** continued as we developed and finalized the Organic Cotton Toolkit for brands and trained their staff in London. Through our partnership and the support of the **Shell Foundation**, the organization has continued to grow and thrive, reaching out to improve the sustainability of cotton strategies in India and East Asia.

In 2011 our partnership with **Fairtrade USA** was formalized. One aspect of this relationship has been to share information on the amount of Fairtrade cotton produced in the world to supplement our Farm & Fiber report. Work has also been done to support a French cooperation program developed in Benin on organic and fairly-traded cotton in West Africa.

The Organic Cotton Community Platform continued to bring professionals together on the topic of organic cotton from around the world. This platform is a joint project with **HELVETAS Swiss Intercooperation**, **ICCO**, and **SECO**. Discussions were held on the influence of high cotton prices on organic and fair trade, the future of non-GM seed supply, internal control systems, and creating synergy between sustainable cotton projects. These discussions continued face-to-face at the Pre-Conference Cotton Dialogues, held prior to the 2011 Sustainable Textiles Conference in Barcelona, Spain.

In 2011, TE co-authored a paper, **COTTON: Review of the World Situation** with **ICAC** (International Cotton Advisory Committee). This is now an annual activity, which not only helps build the relationship between organic and conventional stakeholders but enables Textile Exchange to extend its reach to the wider cotton industry.

We were supported by the Retail Management Department of **Texas Tech University** in the development of a new system of data gathering for our 2011 Market Report. The new system is designed to gather material on the production of organic, Fairtrade, BCI, and other types of cotton.
Supporting Integrity

As a result of the joint Consortium made up of TE, ICCO, and Solidaridad, two forums have been created in India designed to create collaboration within the organic fiber community in order to strengthen the systems and therefore the integrity of certified organic cotton in India; the Certifiers Forum and the Producers Forum aims to be well established by the end of 2012. The Consortium also created opportunities for dialogue between brands and certification bodies about the accessibility of certification.

From the dialogues of the Consortium, TE worked with the Global Organic Textile Standard (GOTS) to finalize standardized templates for scope and transaction certificates for the GOTS, OE standards, and GRS.

Textile Exchange, in collaboration with the Outdoor Industry Association’s Materials Traceability Working Group established task forces designed to address gaps in the system of standards to support sustainability claims in the industry. With the initial focus being on down feathers and the determining how best to ensure plucking was done humanely and to verify the feathers in a particular product came from processors using humane treatment.

How We Were Able to Do It

We are able to complete our mission due to the strong support from our members, donors, and key partners. Core revenue streams include: Grant and Program Funds ($542,469); Membership ($366,400); Annual Conference ($272,577); Certification Fees ($216,350); Consulting, Training & Other ($102,418); and Annual Fund Drive ($34,670).

Total 2011 Revenue: $1,534,884

Investing in the following key areas supports the overall organization and thus sustainability in the entire textile industry: Farm Engagement ($660,432); Membership and Communications ($304,850); Annual Conference ($302,627); Industry Engagement ($284,451); General, Administrative, and Fundraising ($234,460), and Industry Integrity ($120,158).

Total 2011 Expenses (including balances from prior years for special projects): $1,906,978
2011 Membership Overview

The table shows a ‘paying membership’ of 6 percent from Farm Groups. However, thanks to ICCO funding we are able to support a foundation membership package for all the 180+ producer groups globally (particularly in India, Africa, and Latin America). Although this does not generate revenue directly for TE it adds value to our services, and allows us to be inclusive of all members of the value chain, and fulfill our mission to connect suppliers to the market.

2011 Fund-raising Campaign

Textile Exchange (Farm Engagement) teamed up with Gossypium and Mantis World to produce ‘Love. Organic Cotton.’ our first fund-raising T-shirt; proceeds supported farmer participation in both the conference and the Cotton Dialogues meeting.

In order for the work to continue, the support we have received over the years must also continue. We are indebted to members, companies, and individuals for their generous support to a shared vision of what the future of the textile industry could look like. These partners have given their advice, time, voice, money, and experience to make the vision become a reality. If you would like more information about how you can become a more active part of the work we are doing, please send us a note at Info@TextileExchange.org.