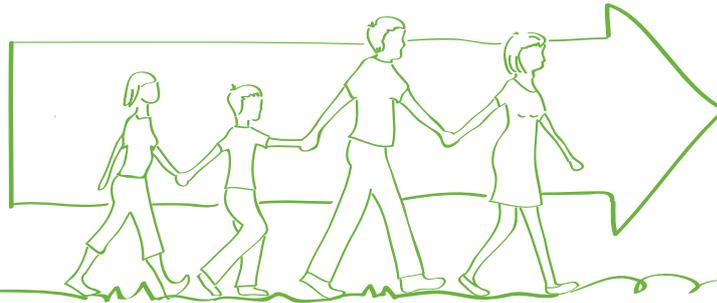


Organic in Action

New Expo, Pisco valley, Peru:
A family affair ...
"all walking in the same direction"



Summary

New Expo is a Peruvian company founded by the Otoyá family. New Expo specialise in children's clothing. The company produces clothing for children from organic cotton fiber and uses only environmentally-preferred dyes.

The 12 ha farm, located in the Pisco Valley, is planted with Pima cotton (a beautiful fine cotton with a long fiber length). The farm uses mainly compost and bio-controllers for soil fertility and pest management, and efficient drip irrigation systems to water their crops.

New Expo produces 17 metric tonnes of cotton annually. All cotton is used for the production of clothes for export. The cotton is certified according to the US NOP. The textile manufacturing side of the business employs 90 people (the majority are women) and has GOTS and Oeko-tex certification. The Otoyá family provides breakfast every day to 75 children living in extreme poverty.

In the beginning

New Expo was founded in 1999 by Javier and Elsa Otoyá, who are from Cajamarca, a city in the northern mountains of Peru, famous for its delicious cheeses and its hard working people. For them, their vision of the textile trade was based on producing the best clothing for children. In the beginning, they used natural dyes, and then they saw that it was a necessity to work with organic cotton because they felt that the use of chemical substances in the clothing trade had to be avoided as much as possible. At first, they bought organic cotton from local companies, but the high cost of organic cotton from the small supply that existed at that time prompted Javier to start growing his own organic cotton in 2005.



First crop from Pelican Farm

In 2008, they obtained their first crop of organic cotton on virgin land, which enabled them to obtain organic certification very quickly. The Otoya family farm is called "Pelican" and is spread out on 12 hectares, located in the Pisco Valley, three hours south of Lima. First, they planted Hazera pima cotton and IPA 59 variety, and last season they planted only the famous "Peruvian pima" variety.



"In 2006, we took some relatives to visit our "Pelican" farm. Puzzled at seeing just a fig tree, they asked us where the farm was. Although they were standing right in the middle of it, they were surprised that a cotton farm could exist right in the middle of the desert. Today, the farm yields four crops each year, and it has been a constant learning process."

Javier and Elsa Otoya,
founder, Pelican Farm, New Expo



PHOTOS (Top to bottom): Javier Otoya;
Javier Otoya Jr; Organic cotton field.

Farm Management

Javier manages his farm with a drip irrigation system, because it enables him to save almost 50% of water that way. He fertilizes the plants with compost that he prepares himself, and uses some products allowed by the organic regulation. Pests are controlled using bio-controllers (wasps *Trichogramma* and by applying *Bacillus thuringiensis*). The cotton field is rotated with corn or with some other type of legume, whether to be incorporated into the soil or to be used in the preparation of compost.

The workers on the "Pelican" farm are locals from Pisco, and they are experts in working with cotton, a crop that has been grown in the valley for a large number of years. The work is intense during the planting and harvesting seasons, and the workers are temporary, although there is a group of permanent workers who receive the benefits required by Peruvian law.

On the farm, pima cotton produces an average of 40 MT of raw cotton (seed cotton), which is then converted into 17 MT of cotton fiber. All of the cotton is used for making clothes, mainly clothes for children, which New Expo then exports to other countries.

Certification

New Expo obtained its first certification in 2006. Organic certification is important. Control Union conducts two annual inspections, and they consider the main critical points in organic certification to be: managing the documentation (keeping it organized and current), and being up-to-date with the organic regulations, primarily in the NOP and the EU.



PHOTOS (Top to bottom): Cotton flower; Compost production; Drip irrigation.

Fast Facts

- The pima cotton variety is the more important in Peru
- Pelicano farm is the first organic farm with drip irrigation in Latin America
- Compost and magnesium sulphate is the base of organic fertilization
- *Bacillus thuringiensis* (Bt) and natural control insect is the main pest control
- NOP, GOTS and Oekotex certification are the certifications
- The production is 17 MT of pima cotton fiber

Success Factors

- The family context has a special advantage: all walk in the same direction
- The drip irrigation system saves 50% of water
- The costs of cotton with drip irrigation is approximately 4,500 USD per ha
- The Pelican farm use 2,393 L of water / kg of cotton (drip irrigation system) vs. 11,100 L / kg of cotton typical in conventional system
- Organic production takes time and patience, and an understanding of natural fertilization and pest control

Cost Benefits and Ecosystem Services – people, planet, profit

In the Pisco Valley, one hectare of Tangüis cotton, grown conventionally and with a classical irrigation system (by gravity), costs approximately 3,500 USD. For New Expo, one hectare of organic cotton, grown with a drip irrigation system, costs approximately 4,500 USD. However, the environmental benefits due to not using agrochemicals, the conservation of water, and working with an integral system focused on an organic market, generates benefits that are not only quantified in economic terms, but also benefit society and the environment.

New Expo also has a social focus. It offers equal employment opportunities to men and women; both receive the same salary and have similar duties and rights.

The initial business of New Expo involved making clothing for children. It has a factory where 90 workers are employed on a permanent basis. It also works with mothers who are single, separated, or who are in financial hardship. New Expo brings the work material to their homes, and they prepare the embroidery accessories, which are then sewn onto the clothes. In this manner, the women are able to be close to their families and to their children. The factory has GOTS and Oekotex certification, and is visited twice per year by the certifying companies.

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