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Who Made My Cotton

#1

Conducting an investigation within the denim industry to identify the roadblocks toward radical transparency on cotton's origins

step 1
brands
and
retailer



SIMPLY
SUZETTE

When tracing supply chains back, designers and brand consultants can't seem to get past the wall of of knowing #WhoMadeMyCotton. We are often left with the country or region of origin with no ability to understand who has been involved in the cultivation or ginning processes.



With the help of **Marzia Lanfranchi** from **Cotton Diaries**, we are conducting an in-depth and ongoing study of the full cotton supply chain to identify the roadblocks for radical transparency. We will explore the challenges faced at the brand and retailer level, the mill, the spinner, the ginner, the merchant, and the farmer.

This study is not meant to name and shame, but to understand the reasons preventing the denim industry from seeing clear through its supply chain.

The material nature of cotton implies that wherever it travels, there must be some track record. But, we often hear that it is impossible to trace back the entire chain for those who try. In this report, we dive deep into the data on cotton that brands and retailers, small and large, can retrieve from their suppliers, and what the major roadblocks are at the brand and retailer level.



Photo by Lois Campbell

step 1

brands and retailer

We interviewed 27 freelance consultants, designers and CSR managers working for brands of the denim industry to find out what they know and what they'd like to know about the cotton in the jeans they're making.

To the question:

Would you like to trace your cotton up to the farm?
92.7% of the participants answered yes.

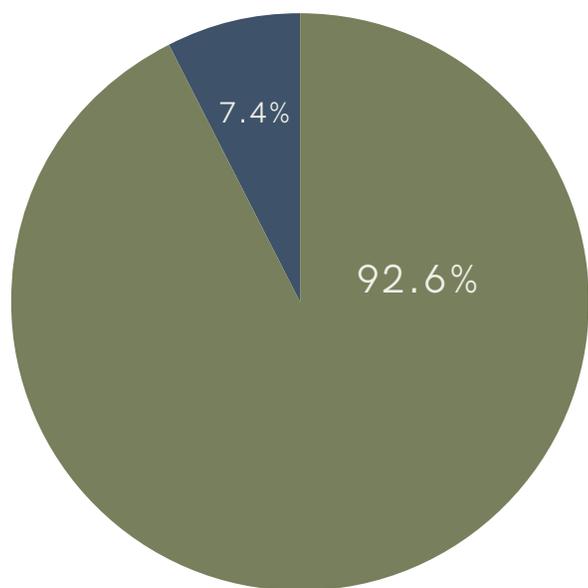


Figure 1. Would you like to trace your cotton up to the farm?



→ Most of interviewees ask their suppliers for the origins (60% always / 36% sometimes).

→ When the cotton is certified, most of the time they get the certificates (53,8% always / 38,5% sometimes) and sometimes the transaction certificates (23,1 always / 57,7% sometimes).

→ However things got more complicated with conventional cotton (we saw a drop to 16% in people who claim to always know where there cotton was sourced, and 52% of people said sometimes).

This leads us to believe that there are very few (if any) that are able to know exactly where the cotton in their jeans comes from. However, one of our sources pointed out that tracing technologies were available for non-organic cotton, leading us to believe both organic and conventional are possible to trace.

As Laura Dixon summarizes it, "We tried to ask the questions and we tried to get as many answers as possible, but do we get all the answers that we need? Not necessarily."



Why do they want to trace their cotton?

It is promising to know that 92.7% of interviewees would like to know where their cotton comes from, but we also wanted to understand the motives behind retrieving this information. The most common reasons we found were to collect accurate data for measures of impact, fight greenwashing, restore connection with farmers and ensure fair working conditions.

→ Need for accurate data:

76,9% of the participants admitted that they never get any data on the cotton they're using.

They also specified that they would like to know the working conditions in which the cotton was cultivated, the water consumption or contamination during growing stages, the types and quantities of chemicals used, as well as the state of the soil's health.

The recent report "[Cotton : A Case Study on Misinformation](#)" published by Transformers foundation insists on the importance of local data collection for implementing better practices.

"It is crucial for industries and society to understand the best available data and context on the environmental, social and economic impact of different fibers and systems within fashion, so that best practices can be developed and implemented, industries can make informed choices, and farmers and other suppliers and makers can be rewarded for and incentivized to operate using more responsible practices that drive more positive impacts."

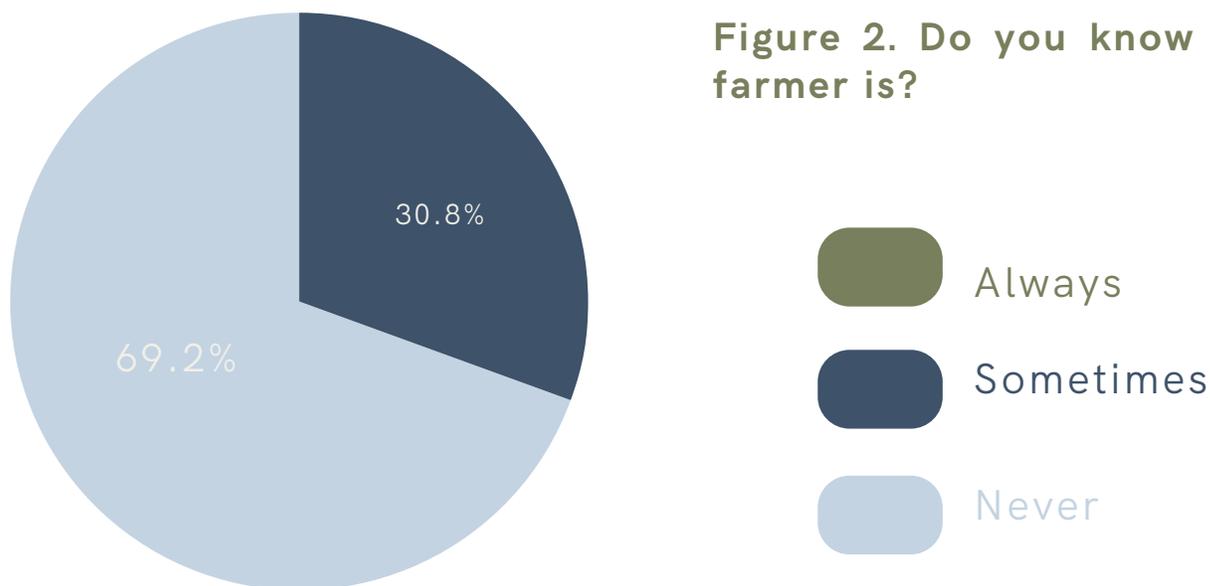
Collecting farm data instead of using unreliable global averages is the only way brands can accurately measure their impact and ultimately improve their products or processes. On a global scale, this would also contribute to improving data collection worldwide.

→ Fair working conditions for farmers & field workers:

The connection with farmers needs to be restored in order to ensure that farmers are rewarded for the cotton they grow, field workers receive fair wages, and all are operating under good working conditions.

"Everybody is talking about sustainability and the importance of good and fair working conditions in production - for me, this starts at the beginning, here with the cotton sourcing." - Anonymous

30,8% of the participants "sometimes know who the farmer is", but a majority of 69,2% said they never do.



This shows us why supply chain issues, like the Xinjiang scandal, can occur. We strongly believe "traceability leads to accountability" and with Due Diligence legislation coming into play, brands and retailers will be held accountable for the blind spots in their supply chain. This will force brands to check in on the working conditions at every level of the chain, including the farm.

Once the connection with cotton growers is restored, brands can get a better understanding of the data that is collected, as well as an understanding of what the challenges are on the field. This makes room for brands to be a partner in improving farmers and field workers working conditions. For example, instead of expecting farmers to carry the weight of organic or fair trade certifications, they could support them financially and technically, and share the investments they require to improve their practices, especially while in transition.

Rather than problem shifting and moving from one supplier to the next, brands need to live out the true meaning of partnership, helping their suppliers improve their practices and we believe traceability is a great tool to prevent this bad practice.



Examples of good practice

In an interview for Cotton Diaries, Lavinia Muth, CSR manager at Arnedangels, explains how their connection with farmers has allowed them to establish programs that support them.

“With a partner in India, we have founded our own internal control system, our own small ICS cooperative. Through it, we are supporting 507 small-scale farming families in India to convert 7,040,000 m² from conventional to organic cotton. We pay a small premium during the conversion years to motivate the farmers to stay in the system.”

We also spoke with Leisl Ohai, Social and Environmental Impact Manager for Outland Denim, who has worked on setting up a pilot program with Precision Solutions Group, named Sağ Salim, that supports field workers in the Aegean region in Turkey where most of their organic cotton is coming from.

Leisl explained that most seasonal cotton workers move from farm to farm and that the brand did not need to know exactly from which farms their cotton was coming from before getting involved in the program.

“There are regional and global issues for the seasonal and migrant worker communities on farms, so the issues still have to be acknowledged and addressed even if an issue wasn’t directly known to be from one of the farms in our supply chain. The likelihood of the issue also affecting those in our supply chain is still high, due to the proximity of the farms and the working patterns of the seasonal migrant workforce.”

Once Outland Denim identified their cotton’s origin they set up a regional program to get a better understanding of the workers' experience and share relevant information (ie. on human rights, accessing healthcare & visas) to them.

Examples of good practice

“Knowing where your cotton comes from is just the start. This knowledge has to be combined with robust due diligence in those regions as well. We see traceability as a step to guide and enhance our due diligence processes, but not enough on its own.

The **Sağ Salim program** has been set up as a regional approach rather than a farm specific approach, however, there is opportunity to ask for feedback directly from workers from a specific farm (with traceability). We could ask: How does the program affect you? Is it positive? Is it negative? Is there impact? The program could really provide detailed insights from the vulnerable communities themselves, as to what types of remediation are effective and what is not.”

- Leisl Ohai

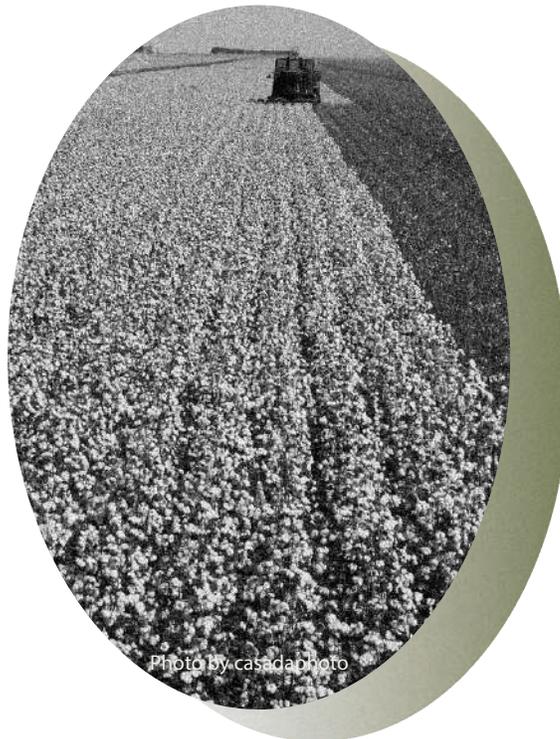


Photo by casadaphoto

The Sağ Salim program is in partnership with the brand’s key denim mill **Bossa Denim** and has also been joined by the brand **Nudie Jeans**.

→ Fight against greenwashing:

The last and most common desire for cotton traceability was to fight greenwashing. Brands are desperate to better communicate their social and environmental initiatives, but are terrified to get it wrong.

Most believe traceability will enable them to back up their claims with hard data, while reconnecting with cotton farmers to create an emotional connection between a wearer and their jeans.

"This is the ultimate way to avoid greenwashing!"



"To create a business of value for the brand itself and for consumers."



"We need to be transparent with the consumers and we need to be able to make the right choices."





Roadblocks at brands / retailers' level

We noticed a huge difference in transparency commitment and approach between older brands and newer ones that have been built on best practices.

In some companies, the transparency journey has only just begun and tracing back to spinners has already proven to be a challenge. Based on our research, only 30,8% always know who the spinner is / 50% sometimes / 19,2 never). But, knowing where fibres are from are not even in some larger brands targets, yet.

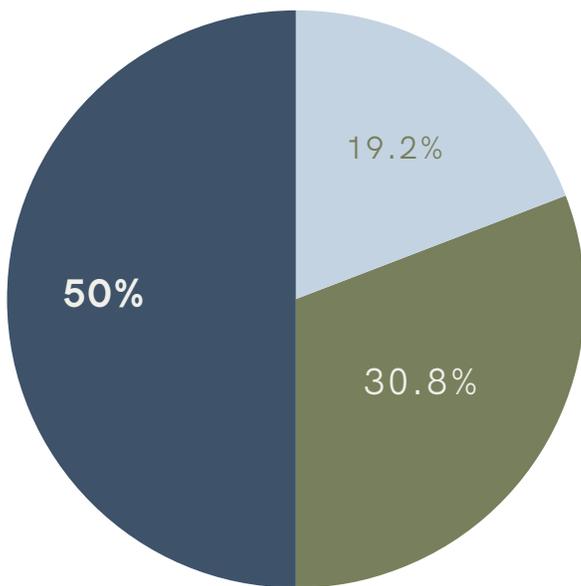
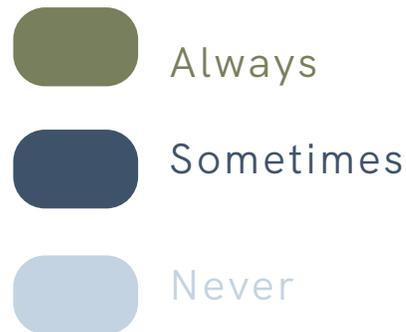


Figure 3. Do you know who the spinner is?



So what are the roadblocks? ->



→ Companies' structure / Division of Labour:

Large companies are made up of different departments that operate in silos. This means the process of selecting denim is so fragmented that even with the best intention, a designer is not able to make much difference in a large company.

For example, in the product development process, a designer may sample in a fabric they have selected using traceable organic and recycled cotton. But, by the time that style is ready for production, buying teams might have chosen a cheaper fabric to cut down costs, which is something the designer has no control over. Based on this example, you can see how designers and buyers can have incompatible, and even contradictory, constraints.

Each role is very defined and stops where the next one starts. And unfortunately, price dictates decision making.

"Companies develop the sample set with a supplier but then they move the production with another one, so even if I am able to get some information, the sample is not the same for production." - Anonymous

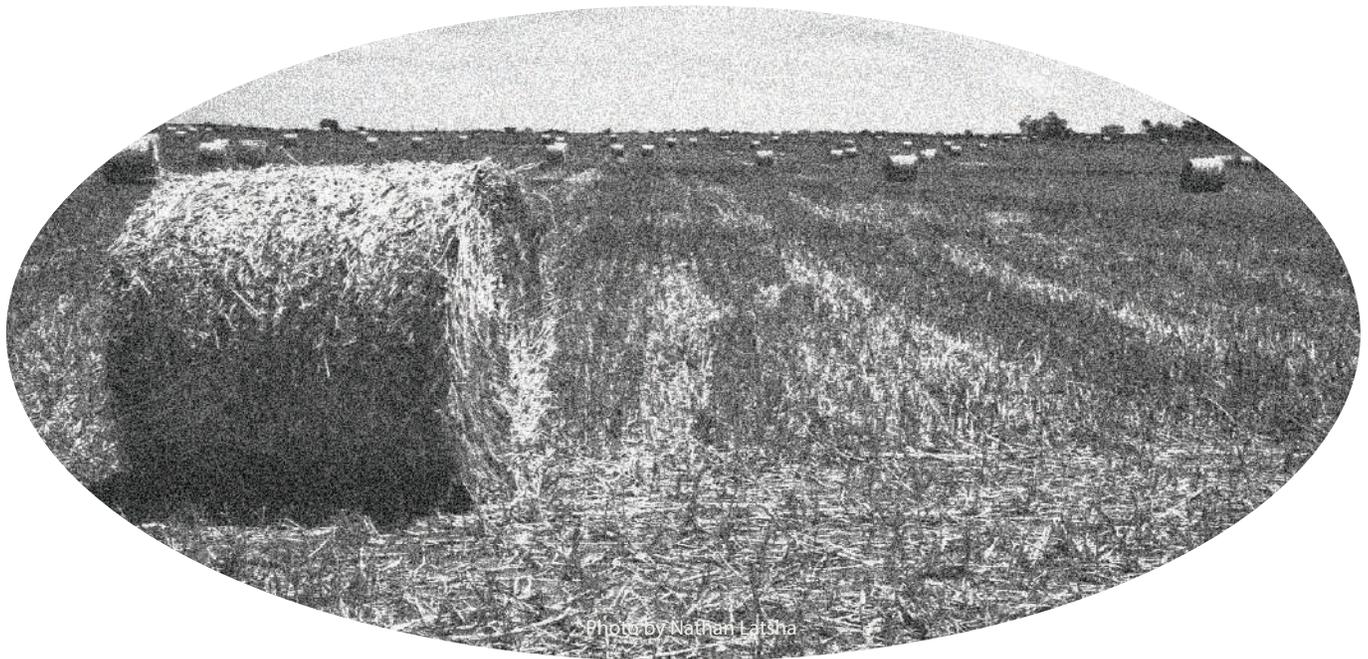
Another consequence of the fragmentation is that there are so many people involved in the making of a pair of jeans (just at the brand level) that not one person knows everything about that pair of jeans. And because there's so many people a lot of information slips through the cracks.

We interviewed a consultant who works for a big retailer who was publicly claiming that they had policies in place on how they should be sourcing their materials.

One day, the fabric team informed this consultant that they had booked them an appointment with an unknown supplier. When the consultant asked who they were and if they had been audited (by the retailer or by anybody), the head of fabric team admitted they had absolutely no idea.

“CSR seems quite detached from the everyday work”
- Anonymous

When CSR and sustainability roles are attached to the marketing department versus the sourcing teams, this also hinders educating



Food For Thought:

Should big retailers assign responsibility to supply chain managers to ensure traceability and CSR policies are implemented in the sourcing teams?
Should someone be in charge of turning these commitments into real practices?

→ Time and Money:

Smaller players regret being limited by the time they can allow investigating cotton transparency. Their small team (often 1 person in charge of CSR) has to « pick their battles » and often we heard the phrase “we haven’t gotten there yet.” “Yet”, is better than not getting there at all, but lack of resources is a huge challenge for smaller brands.

Time also means money when hiring the manpower needed to research and apply to a wishlist of certifications. Small brands can’t afford to pay for all kinds of certifications. It’s more affordable for them to take the time to explain their working process and be transparent about their supply chain.

Bigger brands wouldn’t pay the extra premium to ensure the traceability of the cotton. They also rely on the RMG factories to find cheaper local denim suppliers. Some of them are completely under our radar - never met them - don’t have a website let alone any kind of certifications.

Smaller brands who want to do the right thing have a hard time doing so due to their low quantities. Because their orders are small, mills can’t be bothered working extra hard for them to go out and find more information for them. It isn’t worth it for them.

Another challenge smaller brands run into is the MOQs to develop fabric. Often they are left piggy backing off large orders and are unable to develop fabrics with their desired fibres. So even if a brand asked a mill to work with a specific farm to develop their fabric, it would not be possible.

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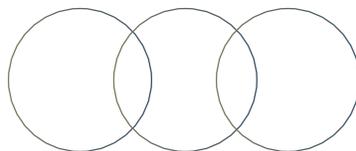
→ The limits of certifications :

Certifications play an important role and are one of the most common systems used by brands for cotton traceability measures.

Several smaller brands mentioned that they feel pressured to only purchase organic cotton as some of their retailers wouldn't buy jeans made with non-organic cotton. These constraints make it riskier for them to invest in "cotton in transition".

The demand for organic cotton is booming while there's no proportional increase in the volume and land converted. Zoé Daemens, CR manager at Kuyichi hopes that "the big brands that are interested in buying organic cotton are also making sure there is organic cotton for them".

While we understand that certifications are of great help for brands to ensure good conditions for cotton growing practices, they also have their limits. Not one certification program covers nor is adapted to the specific needs of each farm. And as we previously learned, what works somewhere might not work somewhere else.

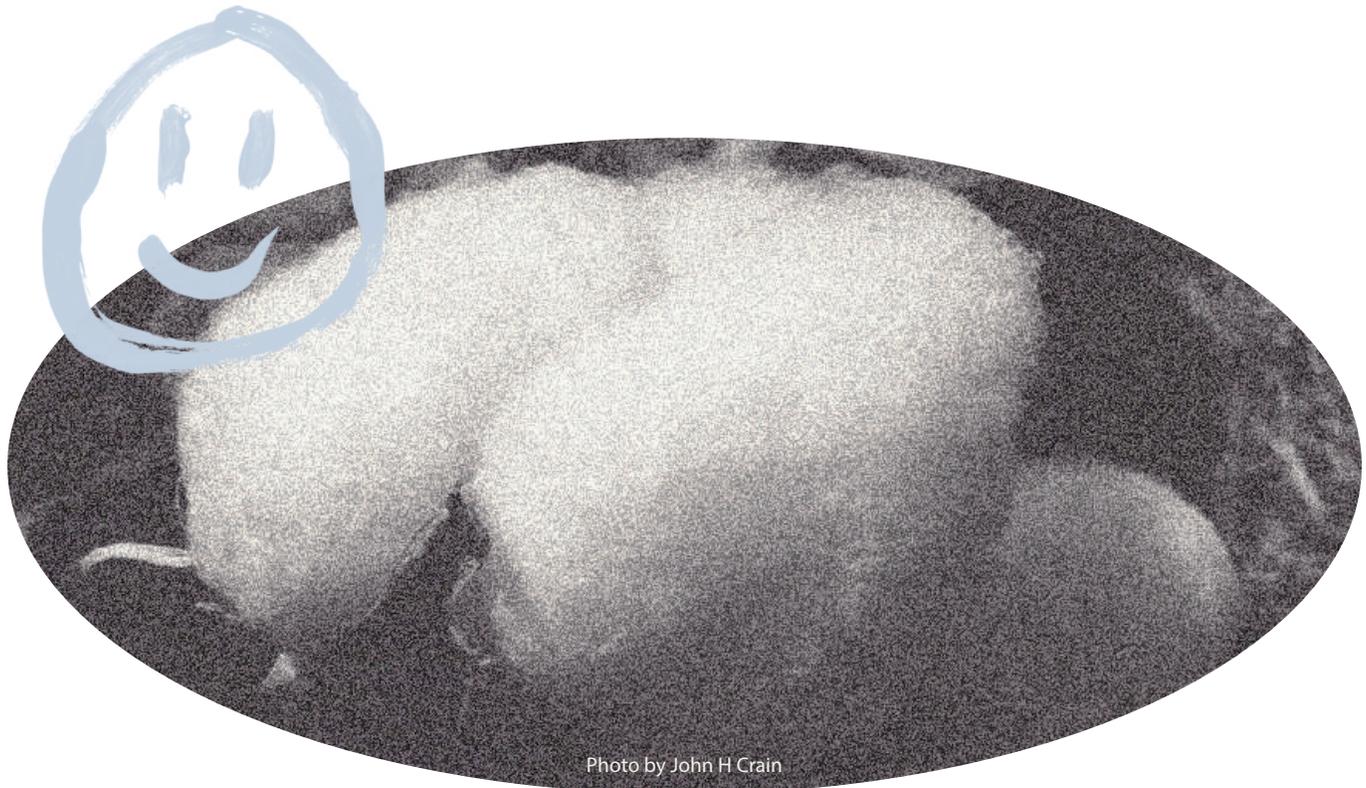


To give you an idea of why certifications may not be the answer is look deeper into the GOTS certification social policy. When It comes to farm workers, they wrote on [page 21/22](#): "The same principles and requirements apply also to the farm level, taking account of its specific nature and recognizing the limited direct monitoring and assurance possibilities with this Standard." This leads us to believe GOTS wishes they could certify their standards are applied at the farm level, but they cannot guarantee it.

On top of this, the starting fees of certifications can be so large that brands have to choose between them or can't even afford to join at all.

“It would be awesome if there were some kind of governmental subsidies so that smaller companies could participate in these [certification] projects.”

Zoé Daemens, Sustainability Manager, Kuyichi



In Lavinia Muth’s interview with Cotton Diaries, it was also mentioned how the Fair Trade certification enabled Armed Angel to achieve full traceability on their cotton. However, we discovered there are two types of Fairtrade certifications for cotton. One that enables full traceability through a physical segregation process and another that works on a mass balance system, making it more challenging to trace.

Since certifications play a large and important role in brand’s traceability efforts, we will be diving deep into this subject in **step three** of the study.

→ Tracing technologies:

There are tracing companies flooding the market utilizing different methods and measures of traceability. But, who are these tracing platforms built for and how do we use them?

A respondent said, "I know so much great work is happening - Oritan, Fibertrace, Textile Genesis, Tailorlux, Haelixa, Bext360, etc. but I still feel a disconnect on how I can use it in my work."

So the question still remains, why do we want this data?

When mills were asked about their traceability methods, a few could use these technologies to trace the cotton back to the farm while others said they could prove that their cotton was not coming from Xinjiang in court, but this still leaves us with no answer as to where the cotton came from. This method of traceability is suited for the enforced custom restrictions on cotton made goods entering the US and isn't made for the retailer or end consumer.

So, even if we can trace our cotton back, it doesn't stop there. Traceability is an enabler to accountability and improving the entire chain.

"The question I keep coming back to with tech fixes is: 'So what?'" Puvan Selvanathan [CEO of Bluenumber, a traceability solution for palm oil and garments from the farmer and worker level upward] said, referring to the kinds of solutions offered by Oritan, but also by other firms that promise transparency via DNA markers or blockchain. "Say you can track the supply chain between Brazil and the Netherlands with element tracing or blockchain or whatever. So what? Does that prevent a worker from being paid an unfair wage, or the product from being grown in a stripped 100,000 hectares in the Amazon rainforest? The answer is no."

- Guardian



Teaming up with mills

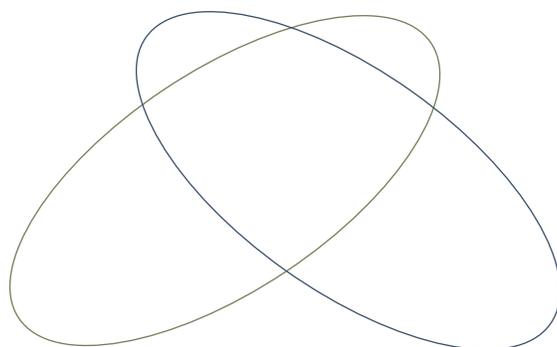
Designers and brands first contact in the cotton supply chain are their mills and they rely on them to ask the questions. But many times, this connection goes through a commercial agent who doesn't always have the information or knowledge to answer your questions.

Is it fear of competition? Or the case for small brands that it just isn't worth their time?

Mills tend to protect their information and they are even less likely to reveal this information to a new client, even less if not a client yet. But, as some of our interviewees have experienced, establishing long lasting partnerships with mills builds trust and leads to a more willing exchange of information.

Being backed up by programs such as "B-corp" were also found to help justify their need for information, as well as being on certain transparency lists that would garner positive media attention for the mill. But, it can still be a challenge to get suppliers to open up over fear of competition.

During our research, someone suggested that provenance be featured on the hangers of each fabric's tech sheets and should not be information that should have to be chased after. It should be automatically provided.



Out of the brands and designers working for brands we interviewed, 34,6% are partnering with mills working with regional cotton programs. Some of these programs include: Milliner Organic in partnership with WWF-Pakistan and Government of Balochistan, Cotton connect - Reel program in India, Sağ Salim 'Safe and Sound', and Calik Denim's own organic cotton farm.

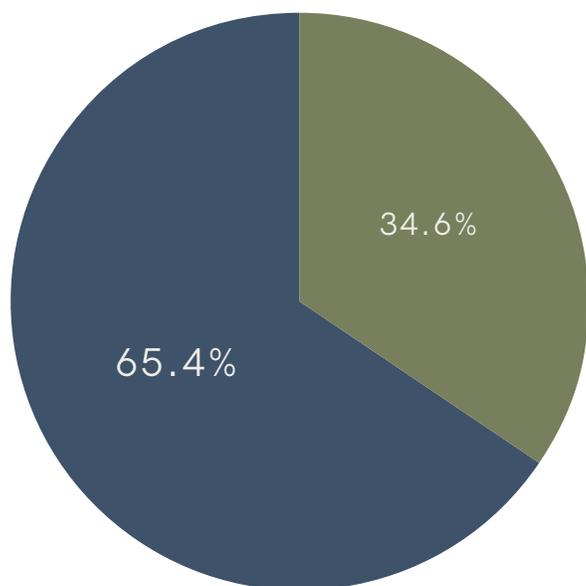


Figure 4. Is there a particular cotton program in the region you are working with?



We are also starting to see farm-to-retail solutions, which is extremely exciting for proving cotton traceability. The Reformation X Bossa X Fibretrace collaboration proved that cotton in denim can be traceable from farm to retail and we have recently seen Seven For All ManKind partner with Fibertrace to offer traceable collections, as well.



Photo by UTIA

the next step mills and spinners



Photo from Shutterstock

With mills as the natural next step in the line of our cotton traceability quest, our next step will be interviewing mills that are willing to share their experiences and challenges with us. If you know anyone who may be interested in participating in the study, please get in touch with us at ani@simplysuzette.com and anne.oudard@gmail.com.

#WhoMadeMyCotton

Appendices

A survey was developed to gather an understanding of how much work is being done by brands and retailers to trace their cotton back to its origins.

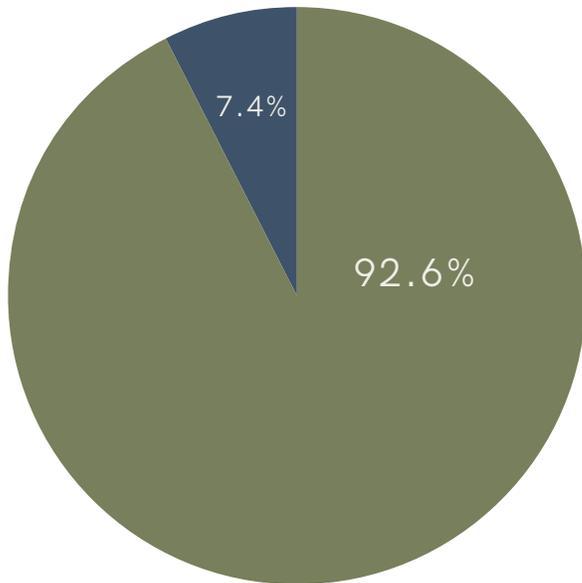


Figure 1. Would you like to trace your cotton up to the farm?

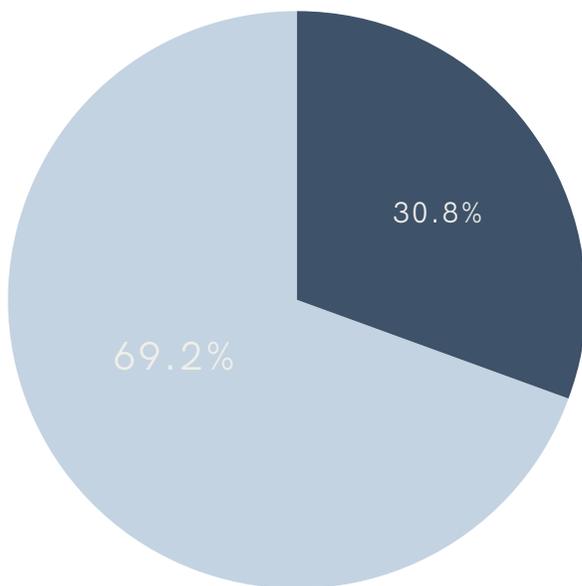
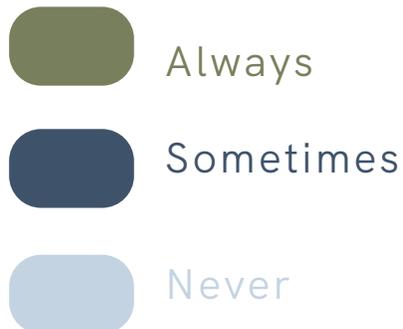


Figure 2. Do you know who the farmer is?



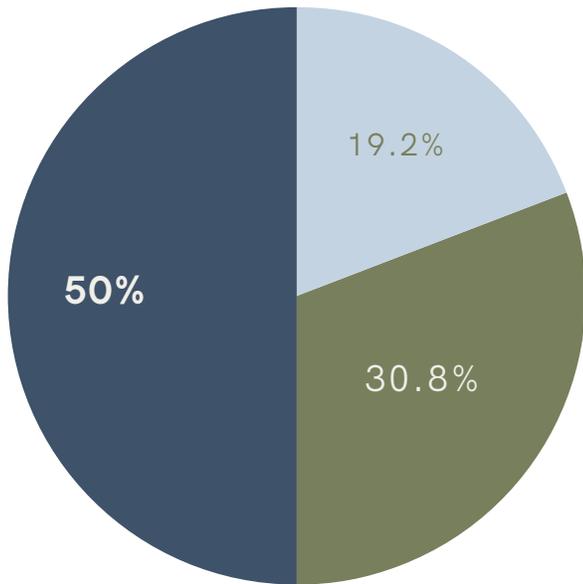


Figure 3. Do you know who the spinner is?

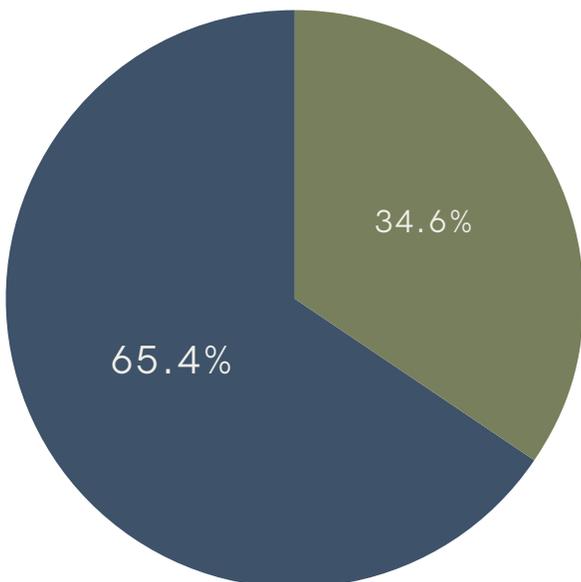
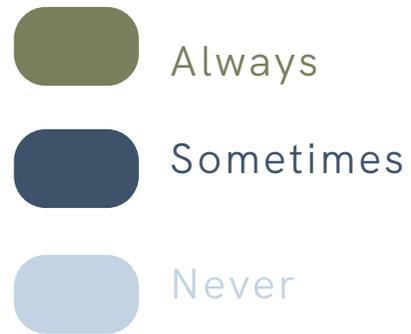


Figure 4. Is there a particular cotton program in the region you are working with?



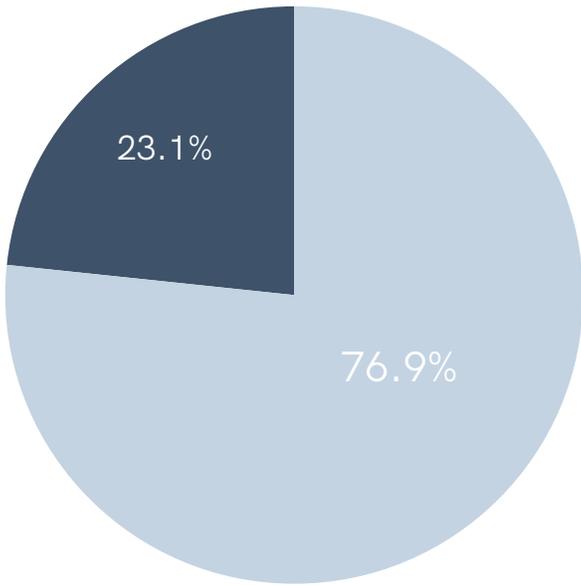


Figure 5. Do you get any farm data?

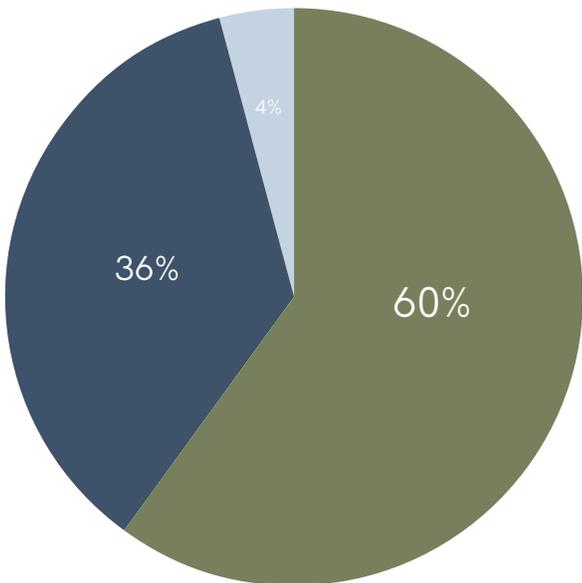
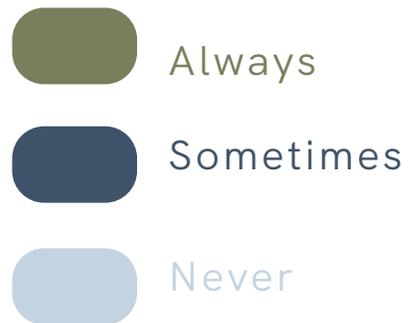


Figure 6. When sourcing denim, do you ask your supplier for the cotton origin?



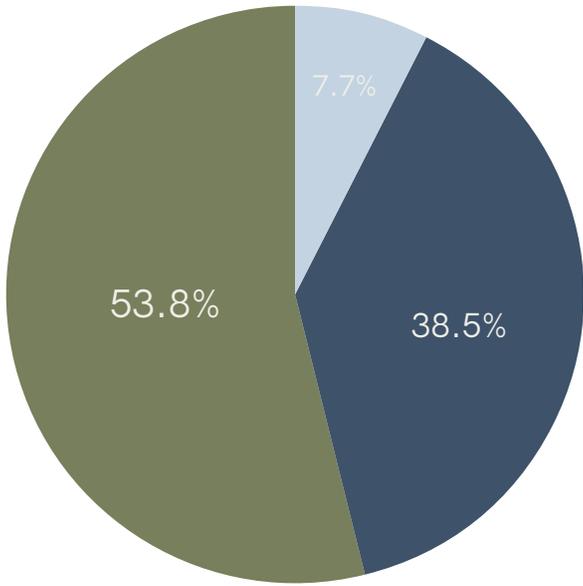


Figure 7. When the cotton is certified (GOTS, OCS...) do you get the certificate?

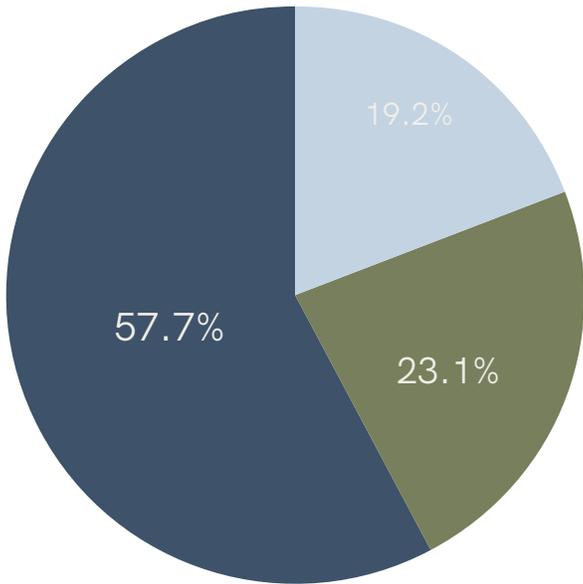


Figure 8. And the transaction certificate?

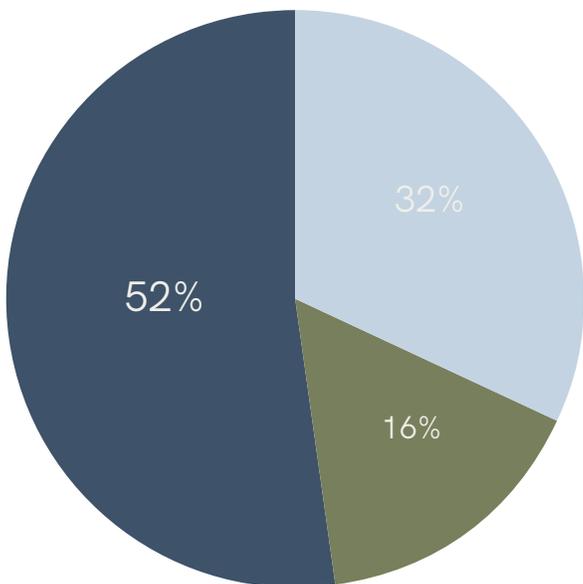
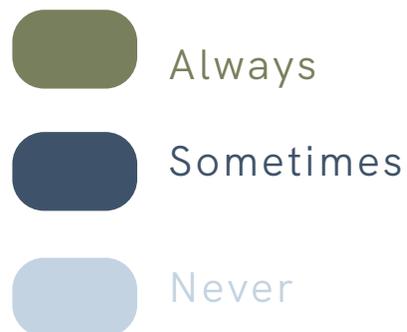


Figure 9. When the cotton is "conventional" (not certified) do you get the provenance?



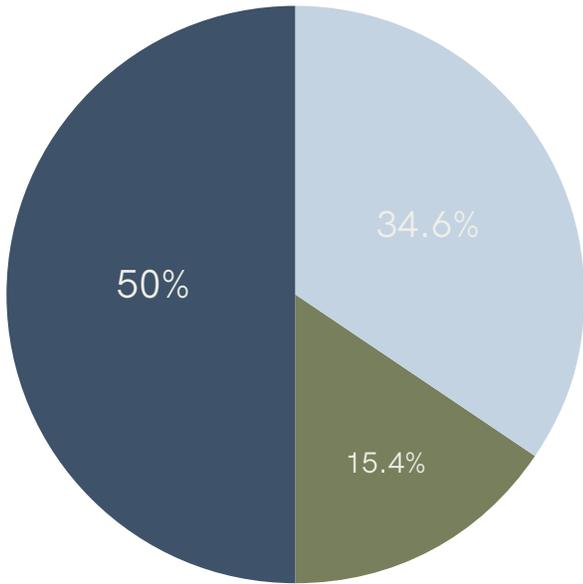


Figure 10. Do you know who the cotton merchant is?

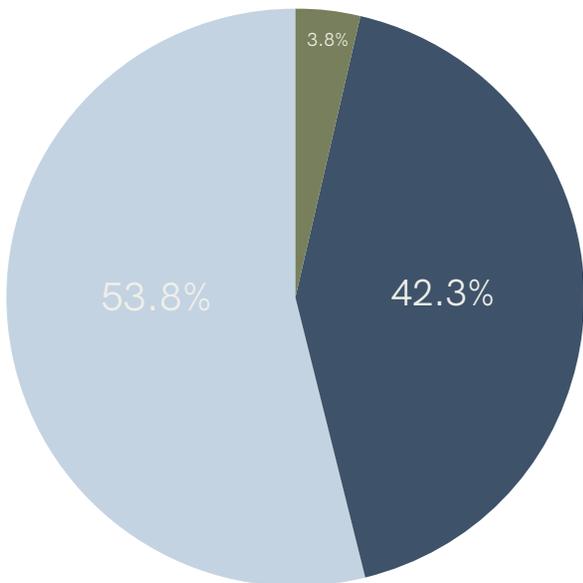
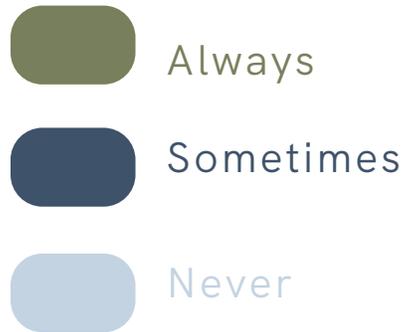


Figure 11. Do you know who the ginner is?

