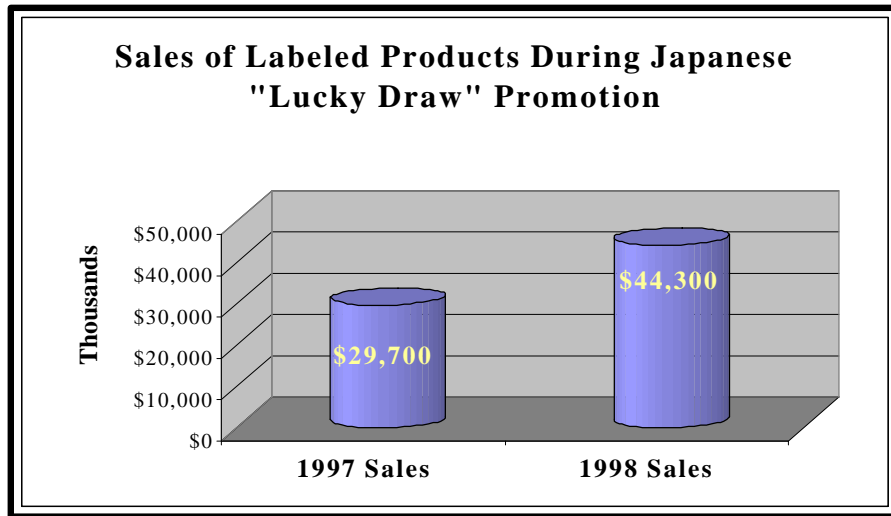


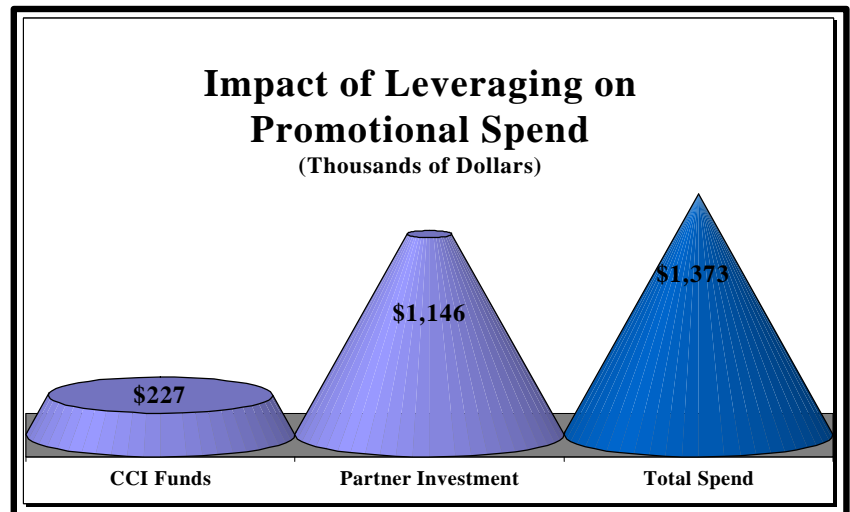
CCI's COTTON USA Promotion in Japan Increase sales Of U.S. Cotton and Highly Leverages CCI Investment

For the third straight year, Cotton Council International (CCI) joined forces with Japanese COTTON USA Mark licensees to sponsor a "closed lottery" lucky draw to stimulate sales. Buyers of U.S. cotton rich product's labeled with the COTTON USA Mark entered a drawing to win prizes ranging from merchandise to trips to the United States cotton belt and Disney World in Florida. To be eligible to use the COTTON USA Mark, products must be made from 100 percent cotton and at least 50 percent must be U.S. grown cotton. In Japan, the percentage of U.S. cotton in labeled products is typically much higher, normally it approaches the 84 percent level.



This year's sales for participating licensees were even more impressive than last year with over \$44.3 million worth of U.S. cotton rich products sold during the promotion. By comparison, only \$29.7 million worth of products were sold during 1997. This increase in sales represents a significant volume of additional U.S. cotton moving into the market which otherwise might not have been consumed.

The increased sales volume was certainly good news for CCI's licensee partners in Japan as it was for the U.S. cotton producers and exporters who supplied the raw cotton fiber. What's more, this promotion required only a minimal investment by CCI. Using limited funding from the U.S. Department of Agriculture's Market Access Program (MAP) and the U.S. cotton industry, CCI was able to motivate Mark licensees and promotion partners to invest an additional \$1.1 million. In other words, for each \$1 invested by CCI, \$5 was invested by CCI's Mark licensees and promotion partners.



Leveraging has been a hallmark of the COTTON USA program since its inception in 1989. As the example above illustrates, a modest sum of money invested properly and in coordination with appropriately motivated partners can generate significant financial returns for U.S. cotton producers, exporters and CCI's textile industry partners.