

CCI Supply Chain Program With German Menswear Company Nets U.S. Cotton Sales



Over 7,000 Bales of U.S. Cotton Pulled Through Supply Chain - So Far

Participation in CCI's COTTON USA Buyers Tour to S. Asia in 2004 helped convince the German company Bueltel of the benefits of specifying more U.S. cotton for its men's trousers brands. As a result, the company significantly changed its sourcing patterns to include more U.S. cotton.

Since 2004, COTTON USA promotions and Supply Chain Marketing (SCM) efforts with Bueltel have led to sales of more than 3,200 bales of U.S. cotton valued at \$800,750. Sourcing relationships developed by Bueltel led to additional sales of 4,100 bales of U.S. cotton, a value of \$1.0 million. Additional sales are likely in the future as the relationship continues to develop.

Bueltel—whose menswear brands include Hatric, Camel, Mephisto and Trek & Travel—became an active COTTON USA partner after its initial Buyers Tour participation. COTTON USA Buyers Tours, funded by USDA's Market Access Program (MAP) and U.S. cotton industry contributions, constitute a key SCM Program component. Buyers Tours aim to increase sales of U.S. cotton by introducing buyers to key customers of U.S. cotton in target countries.

Bueltel has since participated in two additional COTTON USA Buyers Tours, joined the

COTTON USA Mark licensing program and benefited from CCI's retail sales promotions and individual SCM support.

Bueltel's increased use of U.S. cotton equaled impressive sales results. Bueltel has produced, licensed and labeled 1.4 million pairs of men's trousers and jeans, with a retail sales value of \$103.1 million. Retail partners reported that COTTON USA promotions with Bueltel's Hatric brand led to sales of \$6.0 million, an increase of 15-20 percent.

COTTON USA promotions led to more than increased sales of U.S. cotton-rich products; they also contributed to increased COTTON USA Mark awareness in Germany. A study showed that from 2005-06, awareness increased by 4 percent among the core target group of German men aged 35 and over.

Additionally, joint promotion activities with Hatric and its retail clients achieved 15.3 million consumer contacts from 2005-06. Third party contributions from 270 promotion partners totaled over \$9 million.

Throughout 2007-08, CCI will continue to build on its successful partnership with Bueltel. COTTON USA Mark-labeled Hatric trousers will be promoted in a German department store and mail order catalogues. For spring 2008, a special COTTON USA retail sales promotion will highlight U.S. Pima cotton.

A SYMBOL OF QUALITY

Labeling with the COTTON USA Mark adds consumer appeal to Hatric jeans (left) and khaki trousers (right).

