Proceedings

São Paulo, Brazil
October 19, 2010
Committee of Management members from the following countries attended:

Brazil  
China  
Egypt  
France  
Germany  
India  
Italy  
Japan  
Kenya  
Korea Rep.  
Pakistan  
South Africa  
Switzerland  
Taiwan, China  
Turkey  
USA

ITMF Officials: The Director General

In the Chair: Halit Narin (Turkey)  
President of ITMF
## Contents

3  Opening Remarks by the President
3  Proceedings of the Last Meeting and Matters Arising There From
3  Appointment of Auditors, Solicitors and Bankers
3  Financial Report by the Honorary Treasurer
4  ITMF - Activity Report by the Director General
10 Report by the Spinners Committee
11 Report by the Joint Cotton Committee
13 Report by the Committee of Home Textile Producers
14 Report by the International Committee on Cotton Testing Methods
15 Statutes
15 Membership
16 Date and Place of Next Annual Conference
16 Elections of Honorary Officers
16 Concluding Remarks by the Newly Elected President
Opening Remarks by the President

Mr. Halit Narin (Turkey) welcomed the members of the Committee to the meeting. He thanked everybody to have come to Sao Paulo and thanked the Brazilian Textile & Apparel Industry Association (ABIT) for having hosted the conference.

Proceedings of the Last Meeting & Matters Arising There From

The Proceedings of the last meeting of the Committee of Management of ITMF, held in Shanghai/China on October 25, 2009, were duly circulated on January 19, 2010 and were approved by way of correspondence. There were no matters arising from the Proceedings other than those included in this agenda.

Appointment of Auditors, Solicitors and Bankers

The following appointments were confirmed:

Auditors: Universe (AG für Unternehmensberatung und Revision), Zürich
Solicitors: Dres. Pestalozzi Lachenal & Patry, Zürich
Bankers: Credit Suisse, Zürich

Financial Report by the Honorary Treasurer

The following report was presented by Mr. Bassem Sultan (Egypt), Honorary Treasurer of the Federation:

The Balance Sheet and the Statement of Income and Expenditures as authorized by Universe, Zürich, were circulated to the Members of the Committee on March 16, 2010 and approved by post.

At the end of 2009, the Federation’s net assets stood at CHF 713’810, an increase of 10% from their level in 2008 (CHF 647,516). The main reasons for this increase in assets are higher cash and bank balances (approx. +111% or approx. +CHF 92,000) as well as higher market valuation of the marketable securities (approx. +5% or approx. +CHF 20,000) as a consequence of the recovery of stock and bond markets.

The Federation’s total income in 2009 rose by +CHF 112,019 to CHF 646,611 compared to 2008 (+21%). The main reason for this increase is the higher valuation of the Federation’s portfolio (securities). Due to the recovery of bond and stock markets in the aftermath of the global financial crisis during the entire year 2009 the contribution of net investment and interest income amounted to +CHF 26,456 as compared to the negative contribution which amounted to -CHF 127,319 at the end of December 2008.
While the value of the portfolio dropped by -20.5% in 2008, its value recovered in the course of 2009 increasing by +8.0%.

Fees from member associations amounted to CHF 292’800. Compared to the CHF 315’370 in 2008 this represents a decrease of -CHF 22,570 or -7.2% which is a result of resignations of several smaller member associations mainly in Europe and Africa. Subscription fees of most other member associations – mainly of the industrialised world – are shrinking to due lower textile production on which member associations are being levied. Income from associate members fell from CHF 119’712 to CHF 102,500 (-14.4%), while fees from corporate members fell by -9% to CHF 124,000.

Revenues from sales of publications were down by -CHF 7,250 compared to the previous year reaching CHF 109,836. Joining fees in 2009 amounted to CHF 49’863 as compared to CHF 25,507 in 2008.

The loss on receivables – mainly payment defaults on outstanding invoices from 2007 and 2008 – rose compared to 2008 from CHF 49,513 to CHF 58,894.

It is proposed that for 2011 the basis of calculation of Member Associations’ subscriptions remains unchanged:

- The minimum levy shall therefore be CHF 4,000.
- Subscription which fall between the upper and lower limits shall continue to be calculated according to the subscription formula based on an unaltered unit rate of CHF 0.065064.
- No Member Association shall pay a subscription representing less than 60% of total national yarn production by the spinners, and consumption by the weavers, in the cotton-system sector.

It is also proposed that Associate Members’ levies shall for 2010 be as follows:

**Textile Associations**

| CHF 15,000 | Taiwan Textile Federation |

**Cotton Associations**

| CHF 7,000 each | American Cotton Shippers Association |
|               | Cotton Incorporated |
|               | International Cotton Association |
|               | National Cotton Council of America |

| CHF 5,000 each | Australian Cotton Shippers Association |
|               | Bremen Cotton Exchange |
|               | Cotton Egypt |
Textile Machinery Associations

CHF 15,000  German Machinery Manufacturers Association (VDMA)

CHF 12,000  Swiss Machinery Manufacturers Association

CHF 7,000  American Textile Machinery Association

Corporate Members

*Corporate Members* shall pay an annual levy on the basis of turnover, the minimum amounting to CHF 5,000 p.a. for companies with a turnover not exceeding USD 100 million. For a turnover between USD 100 and 200 million, the fee will raise to CHF 7,500 and for a turnover in excess of USD 200 million to CHF 10,000 (maximum).

The report by the Honorary Treasurer was unanimously approved by the Committee.

ITMF - Activity Report by the Director General

The main activities of the Secretariat since the last meeting of the Committee held in Shanghai/China on October 25, 2009 are summarized hereunder in chronological order:

**December 2009**

- Meeting with representatives of the Brazilian Textile and Apparel Industry Association (ABIT) in Sao Paulo/Brazil in preparation of the ITMF Annual Conference 2010 in Sao Paulo (Oct. 17-19, 2010). Inspection of hotels and various locations for holding the conference and conducting social activities plus discussion on the format of the program, the contents of the different general sessions and possible speakers as well as on the budget (Dec. 6-12, 2009).

- Visit of SSM AG (Schärer Schweiter Mettler AG), a textile machinery manufacturer located in Horgen/Switzerland and discussion on the inclusion of the segment of air-texturing machinery in the International Textile Machinery Shipment Statistics (Dec. 15, 2009).

**January 2010**

- Meeting with Dr. Sigrist (Swissmem) in Zurich/Switzerland and discussion about the possibility of holding the ITMF Annual Conference 2011 in Barcelona/Spain in conjunction with ITMA 2011 (September 22-29, 2011) (January 8, 2010).

- Meeting with Mr. Greig Fleming, Credit Suisse (former ITMF Economist) and discussion on his active participation in this year’s ITMF Textile Machinery Workshop & Dinner and on the development of a global textile industry business index (Jan. 8, 2010).
• Meeting of the Natural Fiber Steering Committee in Frankfurt/Germany on the occasion of the Heimtextil Fair 2010 and discussion on the future cooperation between associations representing natural fibers (Jan. 13, 2010).

• Meeting with Mr. Olaf Schmidt, Vice President, Textile Fairs, Messe Frankfurt, and discussion on future cooperation (Jan. 14, 2010).

• Meeting with Mr. Michael Jänecke, Brand Manager Techtextil, Messe Frankfurt, and discussion how to include natural fibers (cotton) in the Techtextil Fair 2011 in Frankfurt/Germany (Jan. 14, 2010).


• Meeting of the ITMF Board in Frankfurt/Germany during the Heimtextil 2010 (Jan. 16, 2010).

• Meeting with Mr. Jürg Rupp (Textile World) in Zurich/Switzerland and discussion about the cooperation during the ITMF Annual Conference 2009 in Shanghai/China and the possibility of a similar cooperation in 2010 in Sao Paulo/Brazil (Jan. 21, 2010).

• Meeting with Prof. Edmund S. Phelps, Columbia University, New York, USA, in Davos/Switzerland and discussion about his participation in the ITMF Annual Conference 2009 in Shanghai/China and the inclusion of his presentations in the ITMF Annual Conference Report 2009 (Jan. 26, 2010).

• Several meetings since the beginning of the year with Mrs. Charie Jenny, accountant, for the preparation of the official audit of the ITMF Financial Statement 2009 by Universe AG/Zurich.

February 2010

• Meeting with Mr. Martin Werder and Mr. Felix Meier from Rieter AG (Winterthur/Switzerland). Discussion about the status of the latest ITMF publications such as the Intl. Textile Machinery Shipment Statistics (ITMSS) 2010 and the Intl. Production Cost Comparison (IPCC) 2010 (Feb. 10, 2010).

• Audit of the ITMF Financial Statements 2009 in the ITMF office by Mr. Kuhn from Universe AG, Zurich (Feb. 11-12, 2010).

• Meeting with Mr. Peter Meier, USP.Consulting, and Mr. Greig Fleming, Credit Suisse (formerly ITMF Economist). Discussion about their participation in the ITMF Textile Machinery Workshop in April 2010 (Feb. 17, 2010).

March 2010

• Meetings in Sao Paulo/Brazil together with Mrs. Renate Rosing, assistant of the ITMF Director General, with Fernando Pimentel, Executive Director of ABIT, representatives of Byside, Brazilian event organizer, and representatives of the Hilton Hotel (Conference Hotel 2010). Discussion about the conference program, negotiations with the Hilton on the contract, and inspection with Byside of possible locations for the Gala Dinner as well as discussions on the various social activities during the conference (March 2-8, 2010).
• Meeting with Mr. Marc Albrecht, Uster Technologies (Uster/Switzerland), and discussion on the participation of the CEO of Uster Technologies, Dr. Geoffrey Scott, in the ITMF Textile Machinery Workshop 2010.

• Meeting with Dr. Lukas Sigrist, Swissmem, in Zurich and discussion about the possibility of holding a joint ITMA/ITMF event in Barcelona/Spain in 2011 on the occasion of the ITMA 2011 Exhibition and the ITMF Annual Conference 2010 (March 10, 2010).


• Meeting with Mr. Salvador Maluquer, Executive Director of the Spanish Cotton Textile Industry Association (AIPA), in Barcelona/Spain and inspection of various hotels in connection with the planned ITMF Annual Conference in Barcelona/Spain in 2011 in conjunction with the ITMA 2011 exhibition in Barcelona/Spain. Discussion with Mr. Maluquer on the possibility of AIPA to host the ITMF Annual Conference in one way or the other (March 30/31, 2010).

April 2010

• Meeting with Dr. Lukas Sigrist, Swissmem, on a joint event of ITMA and ITMF in Barcelona/Spain in 2011 (April 11, 2010).


• Participation of the ITMF Board Meeting in Zurich/Switzerland (April 16, 2010).

• Meeting with Roger Geck, APO Insurance Broker (Zurich). Discussion on the benefits of contracting APO for the surveillance of all insurance contracts (April 20, 2010).

• Participation in the RESALE exhibition 2010 in Karlsruhe/Germany. RESALE is an exhibition for used machinery including used textile machinery. Discussions with traders of used textile machinery on the possibility of quantifying the amount of second-machinery shipped per year. Meeting with Mr. Walter Simeoni, ITMF Past President (2006-2008), during the RESALE in Karlsruhe/Germany and discussions on the next ITMF Spinners Committee to East Africa in July 2010 (April 21/22, 2010).

• Participation in the conference of the African Cotton and Textile Industries Federation (ACTIF) in Nairobi/Kenya on April 28, 2010. Presentation during the conference on the latest results of the ITMSS 2009 with a special focus on new investments in textile machinery in Africa (April 28, 2010).

• Participation in the (Re-) Launch of ACTIF during a Gala Dinner in Nairobi/Kenya (April 28, 2010).
- Meeting with Mr. Barry Fisher, USAID Compete, and discussion on the status of the preparation of Spinners Committee visit to East Africa in 2010 (April 29, 2010).

- Meeting with the Personal Assistant of the Executive Director of the United Nations Environment Programme (UNEP), Ms. Corli Pretorius, in Nairobi/Kenya. Discussion about the participation of Mr. Steiner Executive Director, UNEP, as a keynote speaker in the ITMF Annual Conference 2010 in Sao Paulo/Brazil (April 29, 2010).

- Visit of two textile and garment manufacturers (Fine Spinners Ltd. and Alltex Ltd.) in and around Nairobi/Kenya. Discussions with Mr. V. Nagarajan, General Manager, Fine Spinners Ltd.), and Mr. Sudath Perera, General Manager, Alltex Ltd., on the business environment for textile production in Kenya (April 30, 2010).

May 2010

- Participation in the meeting of the Advisory Committee of the DiTF Management Research (Fiber and Textile and Management Research Institute) headed by Prof. Thomas Fischer, in Denkendorf/Germany (May 4, 2010).

- Meeting with Mr. Jürg Rupp, Textile World, Zurich/Switzerland. Discussion on the project “ITMF Textile Mill Reports Brazil 2010” (May 14, 2010).

- Participation in the ATME-I Exhibition (May 18-20, 2010) in Atlanta/USA. Meeting with Mr. Werner Bieri, representative in the ITMF Committee of Management of the Corporate Member Buhler Yarns (USA) and member of the ITMF Spinners Committee. Discussion about the upcoming visit of the Spinners Committee to East Africa. Meeting with Mr. Mike Hubbard, Director, National Council of Textile Organizations (NCTO), based in Washington/USA, and discussion about textile data on the US textile industry as well as the question of ITMF membership of NCTO. Meeting with Cass Johnson, President, NCTO, Washington/USA, Discussion on the current state of the US and global textile industry. Meeting with Mr. Clay Tyeryar, President of the American Textile Machinery Association (ATMA), which is an Associate Member of the ITMF. Meeting with Mr. Ed Land, President & CEO, Roberts, Curry & Company, Charlotte/GA (USA). Discussion about the upcoming IPCC 2010 for which he provided the cost factors for the USA. Meeting with Mr. Kurt Scholler, CEO, American Trützschler, and discussion about the membership of ATMA and outstanding invoices. Meeting with Mr. Boris Abadjieff, Export Marketing, VDMA, Frankfurt/Germany. Meeting with Mr. Robert Barker, Vice President, American Fiber Manufacturers Association (AFMA), Arlington/USA, and discussion about the future of the US man-made fiber industry (May 18/19, 2010).

- Visit and tour of Buhler Quality Yarns in Jefferson/GA (USA), a fine count spinning mill. Meeting with Mr. Werner Bieri, CEO, Buhler Yarns, as well as two Buhler staff who explained the challenges and opportunities of producing textiles in a modern US textile mill (May 20, 2010).

June 2010

- Meeting together with Peter Frei, ITMF-Economist with Mr. Robert Bieri, Toyota Textile Machinery Europe, in Uster/Switzerland. Discussion about the compilation procedure and the accuracy of the data published in ITMF Intl. Textile Machinery Shipment Statistics (ITMSS) (June 8, 2010).
• Participation in the Global Department Store Summit in New York/USA (June 10/11, 2010).

• Meeting with Thomas Gladtke, Applied DNA Sciences (Stony Broke/N.Y./USA) in New York/USA. Discussion on the question of cotton identification by means of DNA (June 11, 2010).

• Meeting with Mr. Peter Frei, ITMF-Economist, with ITMF partners (Rieter, Oerlikon-Barmag, GATEX) for the production of the ITMF International Production Cost Comparison (IPCC) study at Rieter’s headquarters in Winterthur/Switzerland. Discussion on the upcoming IPCC edition 2010 (June 30, 2010).

• Meeting with Allen Terhaar, Executive Director, Cotton Council International (CCI), and Mrs. Baumann, CCI (Germany). Discussion on the ITMF Annual Conference 2010 and other topics related to the Federation (June 30, 2010).

July 2010

• Participation of the Director General in the visit of the ITMF Spinners Committee to East Africa and Mozambique (July 2-10, 2010).

• Meeting with Dr. Thomas Schweitzer, Director, Swiss Textiles, in Zurich/Switzerland (July 15, 2010).

• Meeting with Thomas Waldmann, Director, VDMA, in Frankfurt/Germany. Discussion on the ITMF Textile Machinery Workshop & Dinner 2011 which is scheduled for May 5, 2011 in Frankfurt/Germany. Inspection of the workshop location (July 23, 2010).

• Meeting with Dr. Klaus-Jürgen Kraatz, Managing Director, IVGT, in Frankfurt/Germany. Discussion on the upcoming ITMF Annual Conference in Sao Paulo/Brazil, the ITMF Textile Machinery Workshop & Dinner 2011 in Frankfurt/Germany and the ITMF Annual Conference 2011 in Barcelona/Spain (July 23, 2010).

• Meeting with Olaf Schmidt, Vice President, Textile Fairs, Messe Frankfurt. Discussion on corporate membership of ITMF, on the Texworld Fair in Paris/France in September 2010 and the ITMF Annual Conference 2011 in Barcelona/Spain (July 23, 2010).

• Participation in the meeting of the Organizing Committee (CEMATEX, ITMF, WTiN and MPI) of the ITMA/ITMF World Textile Summit 2011 in Barcelona/Spain. Inspection of various conference/congress facilities as well as of hotels (July 25-27, 2010).

• Meeting with Salvador Maluquer, Executive Vice President, Spanish Cotton Textile Industry Association (AITPA), in Barcelona/Spain. Discussion about the planned ITMF Annual Conference 2011 (September 19-21, 2011) in Barcelona/Spain (July 26, 2010).

• Meeting with Xavier Ballus, former ITMF Honorary Treasurer (Spain), in Barcelona/Spain. Discussion about the ITMF Annual Conference 2011 in Barcelona/Spain (July 26, 2010).
Meeting with Herbert Schmid, ITMF Past President (Brazil), in Zurich/Switzerland. Discussion about the upcoming ITMF Annual Conference 2010 in Sao Paulo/Brazil. Discussion about the conference program, the conference budget, etc. (July 29, 2010).

August 2010

- Meeting with Dr. Lukas Sigrist, Director, Swissmem, in Zurich/Switzerland. Discussion about the concept, program, budget, etc. of the ITMA/ITMF World Textile Summit 2011 in Barcelona/Spain (August 24, 2010).

- Meeting with Heinz Bachmann, member of the ITMF Advisory Board (Switzerland), in Zurich/Switzerland. Discussion about the concept, program, budget, etc. of the ITMF Annual Conference 2011 and the ITMA/ITMF World Textile Summit 2011 in Barcelona/Spain (August 26, 2010).

- Meeting with Mr. Werner Studer, Executive Director, Intercontinental Group of Department Stores (IGDS), in Zurich/Switzerland. Exchange of ideas in general and possible speakers for ITMF Annual Conferences in the future (August 30, 2010).

- Meeting with Mr. Sudhir Thackersey, ITMF Past President (India), in Zurich/Switzerland. Discussion about the Federation’s development in general and the ITMF Annual Conference 2010 in Sao Paulo/Brazil in particular (August 31, 2010).

September 2010

- Meeting with Mrs. Loraine Stantzos, Head Global Marketing Communication, Huntsman, in Basel/Switzerland. Discussion about corporate membership and sponsorship of the ITMF Annual Conference 2010 and 2011 (Sept. 1, 2010).

- Meeting with Mr. N.S. Sodhi and Mr. Arnaud Juchler, Consultants, Gherzi Textil Organisation (Zurich/Switzerland), in Zurich/Switzerland. Discussion about the situation and perspective of the textile industry in Africa as well as about the ITMF publications and events (Sept. 2, 2010).

- Meeting with Mrs. Charie Jenny, accountant. Preparation of tax and other official documents (Sept. 7, 2010).

- Participation in the International Retail Forum 2010 (“Simplicity”) of the Gottlieb Duttweiler Institute (GDI), in Rüschlikon/Switzerland (Sept. 9/10, 2010).

- Visit of the textile fair Texworld in Paris/France (Sept. 13/14, 2010).

- Meeting during Texworld with Fernando Pimentel, Director, ABIT, in Paris/France. Discussion about the upcoming ITMF Annual Conference 2010 which is hosted by ABIT on topics like, speakers, budget, social activities, etc. (Sept. 13, 2010).

- Meeting during Texworld with Mr. Olaf Schmidt, Vice President, Textile Fairs, Messe Frankfurt, in Paris/France. Discussion about the situation of the global textile situation and possible cooperation in the future (Sept. 13, 2010).

- Meeting during Texworld with Mr. Mark Jarvis, Editor, WTiN, in Paris/France. Discussion about the budget, sponsorship, program of the planned ITMA/ITMF

- Participation in the CICCA-Dinner in Liverpool/UK (Sept. 30, 2010).

October 2010

- Participation in the ICA Trade Conference and Dinner in Liverpool/UK (Oct. 1/2, 2010).
- Meeting with ITMF President, Mr. Halit Narin, in Istanbul/Turkey (Oct. 5-7, 2010).
- Meeting with two hotels in Barcelona/Spain in preparation of the ITMF Annual Conference 2011 (Oct. 7-9, 2010).

The report was unanimously approved by the Committee.

Report by the Spinners Committee

The Chairman of the Committee, Mr. Andrew Macdonald (Brazil), submitted the following report:

We held our annual meeting on Sunday morning, October 17, 2010, here in Sao Paulo and started by reporting on our visit to Kenya, Uganda, Tanzania and Mozambique in Eastern Africa (July 3-10, 2010). Objectives of the visit were:

- To evaluate the situation of cotton growing and ginning in Eastern Africa.
- To evaluate the evolution and sustainability of BT cotton in Eastern Africa.
- To evaluate the handling and quality improvements.
- To evaluate the potential for increased production over the next years.
- To evaluate the comments of the textile industry and their vision on cotton in Eastern Africa.

I am pleased to report that the objectives set out for the visit were fully accomplished.

We continued the meeting on discussing the consequences of the ban of Indian cotton exports for spinners. The Committee agreed that any cotton export restriction affecting already contracted exports are violating the important principle of sanctity of contract. IT agreed therefore, that ITMF should take action against such policy by writing a formal letter to the government concerned. The Committee agreed to discuss this question in the Joint Cotton Committee (JCC).

Regarding the work of the International Committee on Cotton Testing Methods (ICCTM) the Coordinator of the ICCTM Steering Committee informed the meeting that the ICCTM will no longer “recommend” but wants to “recognize” instruments and methods that are able to perform within allowable tolerances.
On the question of HVI colour readings the meeting agreed that the International Committee on Cotton Testing Methods (ICCTM) should be asked to address this question in its next meeting, with the idea of recommending alternatives to the current system of combining RD and +b to form a colour grade.

With respect to the concept of “Better Cotton Initiative (BCI)” the Committee agreed that the concept of BCI as such is excellent and should be supported. But it also agreed that “better cotton” is wrongly perceived and sometimes misused as a marketing tool and thus creating misunderstandings, confusion and frustration among the cotton industry. The Committee shared the opinion that BCI should adapt measures that prevent any sort of misunderstandings and the impression of being a marketing tool.

The Committee was informed by the Director General about the results of the Cotton Contamination Survey 2009. The results can be summarized in the following sentence: “Despite some improvements in the recent past foreign matter, stickiness and seed-coat fragments in raw cotton continue to be serious challenges to the cotton spinning industry worldwide.” He pointed out that the main challenge of the survey was and remains to have enough cotton spinning companies participating in this survey. In 2009 the number of cotton spinning mills reached 110 as compared to 114 in 2007 and 152 in 2005. The good news is that in 2009 for the first time also Chinese cotton spinning mills have participated and should do so in increasing numbers in the future. It is also noteworthy that the online version of the questionnaire that offered for the first time in 2009 was well received. Around 50% of all questionnaires were received online while 40% were received by fax and about 10% by email with a word-document attached.

The next country visit of the Spinners Committee is planned to take place in Syria and scheduled for May/June 2011.

The report was unanimously approved by the Committee.

Report by the Joint Cotton Committee

On behalf of Mr. Jeff Elder (USA), Chairman of the Joint Cotton Committee, Mr. Andrew Macdonald (Brazil) submitted the following report and presented the following resolutions which were prepared by the Joint Cotton Committee (JCC).

The Committee was advised by the Chairman of Task Force for the Commercial Standardization of Instrument Testing of Cotton (CSITC), Mr. Andrew Macdonald (Brazil), that the round tests for the CSITC were now into their 6th year and were continuing to be a success in bringing standardization with in the area of instrument testing of cotton. However he stressed that the project required the assistance of all the trade and spinners, to encourage their companies and clients to take part in the trails. He informed the meeting that in the latest round test around 135 laboratories worldwide participated which is every reason for the cotton and spinning industry to participate in these round tests to standardize even more accurately instrument results.
Mr. Terry Townsend, Coordinator of the Steering Committee of the ICCTM, reported from the meeting of the ICCTM in Bremen in March 2010. The Steering Committee suggested that the ICCTM should “recognize” those instruments and methods that are able to perform within allowable tolerances and that achieve results that correlate with a reference method.

The Committee also discussed possible shifts in global cotton production as a result of more attractive alternative (food)crops. The presentation by Mr. Fernando Prudente (Bayer CroScience) focused on the importance of the seed quality and the application of best practices during the growing period for the quality of the cotton fibres. Mr. Nich Earlam (Plexus) commented on the reasons and repercussions of soaring cotton prices. Both market fundamentals as well as speculation money is responsible for the surge of cotton prices. Since cotton is in direct competition with food crops it will be difficult to expand cotton production sufficiently. Hence cotton might become “luxury” fibre. With regard to the future markets Mr. Earlam stated that only approximately 15 percent of world cotton production can be delivered on the futures market. A global futures market would provide for delivery of multi growths (i.e. much more of the worlds production) and make sure that the market was a much bigger one for physical cotton and would come back to the physical price much more easily and would thus enable a better/safer price discovery mechanism.

With regard to organic and fair-trade cotton the Committee agreed that despite the fact both organic and fair-trade cotton are expected to continue to grow they are likely to remain niche products. Nevertheless, there is the danger that organic and fair-trade cotton can have negative impacts on conventional cotton in general if in public the perception is formed that organic and fair-trade cotton is “good” and conventional/genetically modified cotton is “bad” cotton.

The Committee was informed of the reply of the International Cotton Association (ICA) on the proposed changes presented by Mr. B.K. Patodia (India) during the last meeting in Shanghai/China in 2009. The meeting agreed that the points which Mr. Patodia addressed regarding the ICA Bylaws & Rules are of relevance and should be discussed with the ICA. The Committee therefore agreed that the Joint Cotton Committee should raise these points put forward by Mr. B.K. Patodia with the ICA by writing a formal letter.

With regard to the future of Indian cotton exports the Committee the following resolution was formulated:

QUOTE

The Joint Cotton Committee recommends that the ITMF should write a letter addressed to the Indian government that actions which distort the international cotton market gravely affects the world cotton and textile industry. The sanctity of contracts must be preserved at all times. Government interventions by restricting exports of contracts previously concluded destabilizes not only the trade but also the image of cotton.

UNQUOTE

With regard to the role and concept of the “Better Cotton Initiative (BCI)” the following resolution was formulated:
The Joint Cotton Committee is aware of a growing misunderstanding of BCI’s objectives within the textile chain which is leading to confusion. This confusion is allowing unauthorized parties to take advantage of the situation by misrepresenting BCI’s objectives. We recommend that the ITMF addresses a letter to the BCI management explaining the situation. The Committee recommends that one of the measures to clarify BCI’s objectives could be a change of the name eliminating the word „better”, which has connotation of quality rather than indicating improved production methods.

With regard to the question of cotton being a natural fibre the following resolution was formulated:

The Joint Cotton Committee was informed that the use of the term “natural fiber” by the cotton industry has been challenged because of the employment of genetic engineering in over half of all cotton produced.

The Committee recommends issuing a press release by ITMF that all fiber produced from cotton plants is a “natural fiber,” regardless of production methodology or seed technology.

The report and the resolutions were unanimously approved by the Committee.

Report by the Committee of Home Textile Producers

On behalf of Mr. Benoît Hacot (France), Vice-Chairman of the Committee of Home Textile Producers, Mr. Bashir Ali Mohammad (Pakistan) presented the following resolution which was prepared by the Committee of Home Textile Producers (HTP).
The Home Textile Producers Committee recommends to the ITMF to express its concern about the future of the global textile industry in view of soaring cotton prices during the past months which are affecting negatively the entire cotton value chain from fibre to retail.

The Committee is of the opinion that the textile industry all over the world cannot absorb any longer cotton price increases of the dimensions seen recently without risking its own existence.

It calls upon the retail industry to change/adapt its business model to this new business environment of higher commodity price.

The Committee recommends that the ITMF invites the global retail industry to discuss the fundamental changes taking place in the global textile value chain in order to better understand the risks and threats involved for all partners and to develop strategies that allow a healthy and viable textile value chain.

The resolution was unanimously approved by the Committee.

Report by the Intern. Committee on Cotton Testing Methods

At its biennial meeting in Bremen in March 2010 the ICCTM re-elected Mr. Vijayshankar (Malaysia) as Chairman and Mr. Axel Drieling (Germany) as Vice Chairman. The Committee also re-elected the members of the Steering Committee with 5 representatives from the cotton and textile industry, namely: Mr. Terry Townsend (ICAC), Mr. Jan Wellmann (Bremen Cotton Exchange), Mr. Darryl Earnest (USDA), Mr. Christoph Färber (Trützschler) and Mr. Andrew Macdonald (ITMF Spinners Committee).

The Committee approved a proposal initiated by the Steering Committee according to which the ICCTM will no longer “approve” or “recommend” any instruments or methods, as these words imply a commercial and scientific endorsement that the ICCTM is not in a position to provide. Instead, the ICCTM will “recognize” those instruments and methods that are able to perform within allowable tolerances, and that achieve a result that correlates with a reference method.

For officially recognizing an instrument or test method, the inventor/instrument manufacturer has to provide information that allows the ICCTM to assess whether it is able to perform within allowable tolerances and achieve a result that correlates with a reference method.

The recognition is divided into a prototype recognition, where it is not possible to deliver data from comparisons of similar instruments, and a full instrument or method recognition, which definitely needs additional results from instrument comparisons.
It was agreed at the ICCTM-meeting in Bremen that the Chairmen and the Task Force Coordinators should either meet or hold a telephone conference in 2011. A good possibility to meet could be during the ITMF Annual Conference 2011 in Barcelona (September 19-21, 2011) which will take place in conjunction with ITMA 2011 (September 22-29, 2011).

The next full Committee meeting will take place in Bremen in conjunction with the Intl. Cotton Conference in Bremen/Germany in 2012.

The report was unanimously approved by the Committee.

Statutes

The Board proposed to the Committee of Management to agree to the following changes in Paragraph (1) of Section X. “Honorary Officers and Officials”:

“There shall be a President, two Vice-Presidents and a Treasurer of the International Federation, who shall be elected from among the delegates and representatives to the Committee of Management and shall hold office for a period of not more than two years.

The President and the Vice Presidents shall hold office for a period of not more than two years. The Treasurer shall hold office for a period of not more than 4 years.”

The changes in the Statutes were unanimously approved by the Committee.

Membership

Since the last meeting the following changes in the composition of the ITMF membership took place:

ENTRIES:

Associate members: Textile Export Council, Egypt
Ready Made Garments Export Council, Egypt

Corporate member: Vijayeswari Textiles Ltd., India
RESIGNATIONS

Member association: Union of Greek Cotton Textile Industrialists, Greece
MODINT/VTN, Netherlands
Textile Federation of South Africa (TexFed), South Africa
Fabric & Apparel Accessory Manufacturers’ Association (FAAMA), Sri Lanka

Associate member: Cotton Association of India (CAI), India

Date and Place of Next Annual Conference

The Committee was informed that the Federation’s next annual conference will be held in Barcelona/Spain from September 19-21, 2011 in conjunction with ITMA 2011 (September 22-29, 2011. An integral part of the ITMF Annual Conference 2011 will be the “ITMA/ITMF World Textile Summit 2011” which will be jointly organised with CEMATEX (owner of ITMA), World Textile Information Network (WTiN) and MP International (event organizer).

Elections of the Honorary Officers

The Committee elected the following Honorary Officers for a term of office of two years:

President Bashir Ali H. Mohammad (Pakistan)
Vice Presidents Josué Gomes da Silva (Brazil)
Tiankai Wang (China)
Honorary Treasurer Bassem Sultan (Egypt)

The new President, Mr. Bashir Ali H. Mohammad (Pakistan), thanked Mr. Halit Narin (Turkey) for his services as Vice President and President for the Federation during the past six years by presenting him an engraved silver plate. Mr. Narin was elected Honorary Life Member of the Federation. He expressed his thanks to his colleagues in the Board and Advisory Board as well as to the members of the Committee of Management for their continuous support during his term of office.

Concluding Remarks by the Newly Elected President

Mr. Bashir Ali H. Mohammad thanked the Committee’s members for a good and efficient meeting in light of the given time constraints. He asked them for their support which is needed to continue the efforts of Mr. Narin to strengthen the Federation by making it even more active, attractive and more meaningful for its members and potential new ones. He invited everybody to convene next year in Barcelona/Spain for the next ITMF Annual Conference 2011.