The Future of the Australian Cotton Industry
Adam Kay
R D Watt Lecture 2018
Summary

- New production areas
- Future R&D and Digital Agriculture
- Best Management Practices (BMP)
- The Future of Textiles
- Meeting Customers Needs
Growth and location of industry

- Southern expansion
- Northern Australia
- Rain grown
Growth – Southern NSW
Growth – Rain Grown
Future R&D and Digital Agriculture

- R&D will continue to remain critical to the industry
- Lots of digital agriculture in use currently
- On the cusp of a digital ag revolution
Precision Technology + Robotics
Yield and Fibre Quality Map Data
GPS Soil Surveys And Layering Data

EM Sensor

RTK GPS

Radiometrics Sensor

[Image of a vehicle with GPS and EM sensor on a field]

[Heatmap of soil survey data]

[Histogram of soil depth data]

[Area (ha) vs. DualEM Depth graph]
Soil Moisture Data
Canopy Temperature Sensors Data
Drone Data
Bringing all the data together

Drone Data
Soil Data
Canopy Temperature
Soil Moisture
Yield Map
Fibre Quality Data
Met (Bureau) Data

Better on farm decisions
Best Management Practices (myBMP)

- Initiated 21 years ago
- Voluntary
- Grower-led
- On Farm Environmental Management System
Pesticide issues 20 years ago
All of industry environmental audits
Research in central location
Started with pesticide modules
myBMP
A whole of business approach

- Energy & Input Efficiency
- Fibre Quality
- HR & WHS
- Natural Assets
- IPM Insects, weeds & diseases
- Pesticide Management
- Petrochemicals
- Water Management
- Soil Health
- Biosecurity
- Classing
- Ginning
Independent Auditing

- Independent assessment of growers practices conducted by trained environmental auditor to verify standards
The Future of Textiles: A Changing World
Cotton’s Declining Market Share

![Graph showing the declining market share of cotton compared to wood-based fibers and synthetic fibers.](image)

**CAGR (2015 – 2020p)**

- **Wood-based fibers**: 5-6% p.a.
- **Synthetic fibers**: 3-4% p.a.
- **Cotton**: 1-2% p.a.
- **Total fiber market**: 3-4% p.a.

**Notes:**
1. Wood-based and cotton linter-based cellulose fibers, previously named man-made cellulosics (viscose, modal and lyocell only – excluding acetate, tow and filament).
2. Without wool and other natural fibers.

**Source:** ICAC, CIRFS, Fiber Economics Bureau, National Statistics, The Fiber Year, Lenzing data 2015

Cotton losing share including in high-growth,
New Business Models for Fashion

PRINCIPLE 2
Optimise resource yields by circulating products, components and materials in use at the highest utility at all times in both technical and biological cycles. ReSOLVE levers: regenerate, share, optimise, loop.
NIKEID allows you to design your custom shoe (delivered in 3-5 weeks).

You can start with:
- A material
- Colour
- An innovation
- A blank canvas

How might (Australian) cotton ensure it is on the menu—and selected by consumers if customised scales in clothing?
Rent Your Clothes

**Pay Member Fee**
€20

(1st month, one time)

**Receive Jeans**

**Monthly Fee**
€7.50

(for 12 months)

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**Keep Them**

still like them?

they're yours now. take them with you wherever you go

**Switch Them**

ready for a new pair?

send us your old jeans and receive the new ones

7.50

monthly fee

(for 12 months)

**Send Back**

done wearing?

return the jeans and get a €10 voucher to use at any point of time
More Brands Should Reveal Where Their Clothes are Made

17 Align with Transparency Pledge; Others Should Catch Up

(London) – More apparel and footwear companies should join 17 leading apparel brands that have aligned with an important new transparency pledge, a coalition of unions and human rights and labor rights advocates said in a joint report issued today. The pledge commits companies to publish information that will enable advocates, workers, and consumers to find out where their products are made.
Pressure from NGOs to Change

The story of fashion destroying the rivers of the world

How dirty are your Blue Jeans?

Contribute to Campaign
Uzbekistan, located in Central Asia, is one of the largest exporters of
Public Sustainable Cotton Commitments

- Levi's: 20% of jeans will be Better Cotton by 2015
- IKEA: 100% more sustainable cotton by 2015
- Marks & Spencer: 50% of cotton will be sustainable by 2020
- Adidas: 100% Sustainable Cotton in the group by 2020
- H&M: 100% increase in Sustainable Cotton by 2018
- Nike: 100% of cotton will be sustainable by 2020

Cotton On Group hits 4% more sustainable cotton

FEATURED | 15 JUNE 2017

In 2016, the Cotton On Group set itself the bold goal to use 30% more sustainable cotton in its products by 2019. There are smaller milestones in place to help reach this and the first target – to use 4% Better Cotton.

"100% of all JACK & JONES cotton must come from more sustainable sources in 2020"

IKEA becomes the first major retailer to use 100% cotton from more sustainable sources

By July, 2020, 100% of cotton used in Kmart brand and licensed brand products will be sourced through a more sustainable cotton standard.

With the help of the Better Cotton Initiative, we're committed to getting 100 percent of our cotton from more sustainable sources by 2021. This season alone, we've sourced over 3.8 million pounds of more sustainable cotton that is better for the environment and the people who produce it.
What Our Customers Want

- Sustainable, ethically produced fibre
- Superior quality
- Supply chain traceability
How Do We Deliver?

- Grower & Industry Engagement
- Promote Australian Cotton Brand
- Global Sustainability Initiatives
- Brand Partnerships
- Sourcing Assistance
- Influence the Influencers
Be Accountable and Transparent

- Whole of Industry Environmental Audits (every 10 years)
- Sustainability Reporting (every 5 years)
- Set Sustainability Targets (2018)
- Whole of industry Sustainability Strategy (2018)
Align With Global Sustainability Initiatives
Tell Our Story to Brands and Retailers
Farm Tours for Brands
Think Globally

- Work with other cotton producing countries to lift global standards
Thank you
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