



acsa e-news

From the Chairman

Volume 3 – December 2009

It is both a pleasure and an honour to have been elected ACSA Chairman at our recent AGM. In 2010 I will be ably assisted on the Executive committee by Brett Duczmal of Ecom Commodities as Senior Vice Chairman; Dave Lindsay of Namoi Cotton as Vice Chairman and Tracey Byrne-Morrison as Secretariat. The executive will also retain the experience of Phill Ryan as past Chairman.



2010 looks like being a busy year for ACSA with some new initiatives and the continuation of ongoing projects. Our single biggest task will be the organisation of the 15th Australian Cotton Conference in conjunction with Cotton Australia. Our first whole of industry conference, which was held in 2008, was a great success and we look forward to building on this success with the 2010 conference.

The 2010 conference will again see ACSA bring international guests to the Gold Coast via the Export Market Development (EMD) Program, showcasing the whole Australian industry to our valuable mill customers. In the past ACSA has visited our export markets to deliver seminars to our mill customers but this activity has slowed during the last two low production years. It is planned that ACSA will resume EMD visits to major markets in 2010 delivering the message about Australia's ever improving quality and productivity.

While export markets have been ACSA's traditional focus for promotional programs you will have read in our June edition of e-news that ACSA has been devoting considerable resources to relationship-building with Australian brand owners. This work will continue in 2010 and we hope that you'll be seeing some labelled 100% Australian BMP cotton products on Australian retail shelves in 2010.

Planting of the 2010 crop was completed some time ago and estimates suggest around 180,000 hectares of cotton were planted giving a crop estimate of around the 2009 production number of 1.5 million bales. Unfortunately conditions have been hot and dry since planting so supplementary rainfall will be needed if all the planted hectares are going to reach their full yield potential.

Whilst this 1.5 million bale crop is a long way from the glory days of 3 million bales, we have at least now reached a

consistency in post-drought production that will only climb higher when there is further water availability.

I would like to take this opportunity to wish everyone a very merry Christmas and a happy 2010. Let's hope 2010 sees some good rainfall in our catchment areas setting up production for 2011 and beyond.

Following are some articles regarding productivity and the greater industry that we hope you'll find a worthwhile read.

Arthur Spellson

Yield is King

The Australian cotton industry has adapted to drought and the resultant dry conditions that persist with producers striving to increase yields and produce the best possible fibre from every hectare of land that they plant.

This resilience has seen Australian cotton yields rise to in excess of 2000kg/ha in recent years. This is four times the global average yield and again highlights the important work undertaken by CSIRO Plant Industry in developing higher yielding cotton varieties. What is most valuable in the newer varieties is the multiple trait improvements – not only yield, but disease resistance, water use efficiency and high fibre quality.

Australian growers too have shown they are the most efficient cotton producers in the world - producing more fibre from less land than any other cotton producing nation.

Buyers of our cotton need to be confident that they can rely on Australia for their premium Upland fibre requirements. With reduced planted acreage, the increase in productivity has enabled Australia to supply more customers than otherwise would have been achievable had we not had the benefit of yield increases.

In recent years the lack of available irrigation water and the lack of stored soil moisture in the soil has meant growers have dramatically reduced their land area devoted to cotton.

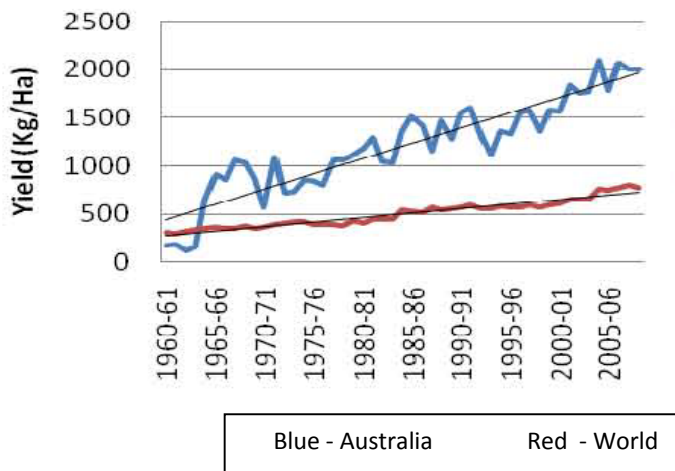


Yield is King cont...

Total production for the 2008/09 season is expected to be around 1.5 million bales. This is less than half the record production of 2001 and was produced on just over one third the land area.

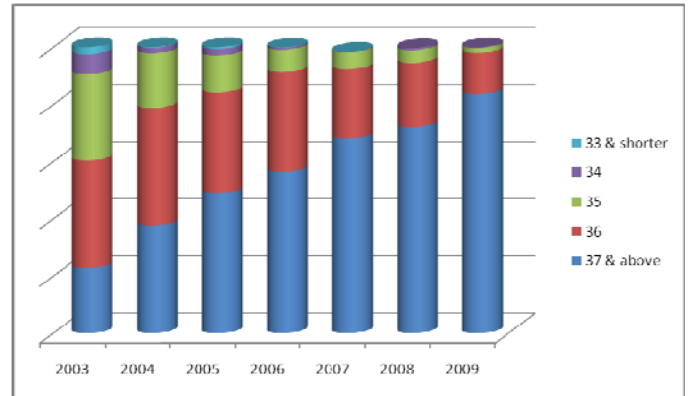
The chart below shows the comparison between Australian and world productivity averages. Whilst world averages have slowly and consistently improved, Australia has made tremendous inroads.

Productivity Growth



with 83 percent of the crop now producing staple length 37 and longer with significant percentages of 38, 39 and 40 staple cottons produced.

The trend is obviously heading towards even longer staple fibre and the new varieties that will be released over the next few years certainly support this with the added benefit of incremental improvements in strength.



Consistent and stable improvements in Australian cotton fibre quality underpin Australian cotton's position as the premium Upland cotton growth while at the same time the elite end of our quality spectrum (SM 1-7/32", 3.8-4.5, 32 gpt) is being used to build recognition as a legitimate long staple cotton that can bridge the gap between Upland and ELS cotton.

Aussie Cotton – longer & stronger than ever

Recent seasons have not been conducive to large Australian cotton crops however the fibre characteristics of the 2009 crop were outstanding. ACSA has recently released the consolidated classing statistics for the 2009 crop and these results are available on the ACSA website www.cottonshippers.com.au. These data reveal that 83 percent of bales had staple 1-5/32" and longer, 80 percent of micronaire was in the 3.8-4.5 premium mic range and more than half of the crop was 30 GPT and stronger. There is no doubt that this would be the longest, strongest and most uniform micronaire crop ever produced in Australia.

All credit to the farmers that have persisted through these drought years and to the CSIRO Plant Breeding team in Narrabri for developing the varieties that consistently produce better fibre and better yields year in, year out and under some very difficult and diverse climatic conditions.

The table in the opposite column tells the story of our consistent improvement in staple length over recent years

This is the focus of the Premium Cotton initiative (PCI), an important post farm gate research project backed by CRDC, CSIRO and ACSA which aims to establish Australian cotton as a legitimate long staple fibre, not just a premium Upland cotton. Results from the initial commercial spinning trial with 2008 crop cotton are encouraging both in terms of yarn quality and fabric quality and performance. Several more trials using 2009 crop long staple cotton will be conducted over the next few months.

Save the Date

ACSA has again partnered with Cotton Australia to host the 15th Australian Cotton Conference. The conference will be held at Queensland's Gold Coast August 10 – 12.

Whilst the conference will encompass program content that is wide-ranging from research to farm to consumer, ACSA will host specialised post farm gate sessions that will be designed to provide information and stimulate debate.

ACSA's traditional golfing date will be on August 12. Please mark these dates in your diary and we will advise further conference information when available.