



Future Shapers
A Decade of Innovation in Textile Sustainability (2002-2012)



C&A started trading 170 years ago when Clemens and August set-up their first store in Sneek, in the Netherlands. Coming from an old-established family from central Germany, the two brothers introduced a revolutionary concept at the time when made-to-measure and expensive clothes were still the norm: they opened a commercial establishment where they offered good value, industrially manufactured ready-to-wear clothing to a broad clientele. Since that time, the family business has been growing, from a small store in the city to a business of nearly 1600 stores spread across Europe today. C&A has remained family owned and led and sustainability of the business has always been at the centre of the strategy, with the company thinking in generations, not in financial quarters. A core part of the more recent sustainability strategy is the C&A commitment to “Bio Cotton”.



“Our journey in organic cotton has been key to gaining a better insight into our cotton supply chain and to our understanding of where we can really make a difference. Since 2004, we have decided to take a holistic approach to our cotton supply chain and we are proud to be able to demonstrate that our investments are beneficial for both farmers on the ground, and for our company, which in turn makes the business case even stronger”.

Philip Chamberlain,
Head of Sustainable Business Development at C&A



Location:

Headquarters in Düsseldorf, Germany and Brussels, Belgium.

Type of Business

C&A sells garments, footwear and accessories for the whole family: men, women and children.

Turnover

6.8 billion Euro (FY 11/12)

Number of Employees:

Over 37 500 employees

Began selling organic cotton products 2005

OC Value Chain Partners:

Work closely with 5 farm groups located in India but looking into sourcing from additional countries.

Sustainability Collection:

Organic cotton, ‘Cleaner cotton’, other environmentally friendly materials are also being explored.

Certifications:

OE100 and GOTS

Targets:

By 2020, all the cotton at C&A will originate from more sustainable cultivation.

Recent Recognition:

Most trusted Brand 2011 & 2012 in Germany and the Netherlands in 2010 & 2011, German Sustainability Award 2010 for its organic cotton collection.

In the Beginning

C&A began its organic cotton journey in 2004. Textile Exchange (at that time known as Organic Exchange) was identified to be the right organisation to partner since they had good contact points all the way along the supply chain and could help C&A on this journey. As a result, C&A became a member of Organic Exchange and the organisation helped them to understand the organic cotton chain, to connect to the right partners, and to have access to the knowledge the company needed to start their work in that area. That same year, C&A bought their first consignments of organic cotton, initially blending it with conventional cotton. In 2005, the company decided that it was ready to release its first products made of 100% organic cotton to its customers and since then has increased its commitment to become one of the two largest buyers of organic cotton worldwide.

The Journey So Far...

Following the launch of its first organic range, C&A partnered with Organic Exchange and the Shell Foundation in 2008 to start a multi-year project in India to support C&A in scaling up the availability of organic cotton. The partners established CottonConnect, a for profit enterprise with a social purpose. Today, CottonConnect works with a range of retailers and brands in creating more sustainable cotton supply chains.

In parallel C&A carried out an in-depth material analysis where it identified that 50 percent of all the material used in its collection is cotton. The company's commitment to organic cotton, which started in 2005, remains central to its wider CSR strategy as the objective is to increase the use of organic cotton year by year. And the figures speak for themselves: in 2011, C&A sold 32 million items made of organic cotton representing about 12% of its total cotton collection. This figure is set to double in 2012 to more than 60 million pieces and by 2020, the company commits to source its cotton solely from sustainable sources. This means that all cotton used in C&A products will be either certified organic or made with more sustainably cultivated cotton.



Success Factors:

- It needs to be a long-term strategy.
- Changing the way of doing business requires that the commitment comes from the top.
- Knowing your supply chain all the way to the cotton producers is key.
- Supporting farmers not only by buying their cotton but also by investing in their communities.
- Working in close collaboration with NGOs and other partners having a solid understanding of the needs on the ground.
- With an initial focus on India, diversification to other countries is key by building knowledge with partners on the ground and replicating the lessons learnt in India.

However, C&A acknowledges the challenges faced by the organic cotton sector and actively engages with other stakeholders in making it more sustainable. Although the decrease in organic cotton production in 2011 has not impacted the company's access to fibre (due to the fact that C&A has chosen to focus on a limited number of committed farm groups in India), the risk that this could impact the business and its longer term strategy is real. Consequently, as part of mitigating the risk of its organic cotton coming from India (90 percent), C&A is looking into expanding to other countries such as China and the organic cotton growing countries of Africa. They plan to scale up in additional countries in order to secure ongoing supplies of organic cotton, and to extend the lessons learned in India to other producer groups around the world.



PHOTO: Woman organic cotton farmer in cotton field, India

“C&A has been a pioneer in taking a deep-dive look at its cotton supply chain from farm to finished garment that encompasses both organic cotton and working to convert their conventional to more sustainable cotton. C&A is involved right at the start of their supply chain by investing in long term programmes both in South Asia and China with the aim of enhancing the livelihoods of cotton farmers, their communities and the environment. It is inspiring to see a multi-national company that is so involved at ground level”.

Rosanne Gray,
CEO Cotton Connect

Value Chain Partners...

C&A has made the commitment to take a comprehensive approach to its cotton supply chain and to invest all the way through the chain, engaging directly at farm level. In order to reach its goal of sourcing all its cotton from sustainable sources by 2020, the company has decided to diversify its more sustainable cotton sourcing strategy by:

Scaling up organic cotton

C&A sources most of its organic cotton from five Indian farm groups. As C&A's organic cotton needs have grown, so has the trust between C&A and the farmers. This has given these farmers the security that they will sell their harvest which, in turn, has encouraged them to invest in making the transition to organic cotton. C&A believes that farmers are the ones taking the biggest risk in this process and hence need support and the security that they will also be able to sell their cotton “in conversion”. Some of the farming partners working with C&A have moved on at some point in their development to become secondary processors (ginners, spinners) allowing them to evolve - and upskill - over time and thus create a more secure livelihood for themselves. C&A has also entered a partnership with CottonConnect and two of its organic farm groups located in Maharashtra and Madhya Pradesh to develop organic cotton seeds as low availability of quality organic cotton seeds creates one of the biggest challenges in the organic cotton sector today.

Investing in Cleaner Cotton

C&A has carried out an in-depth assessment of its supply chain, not only mapping where its organic cotton comes from but has also started tracking the origin of its conventional cotton. Part of the company's commitment is to engage conventional cotton farmers in producing cleaner cotton. This means educating farmers to use less harmful substances be it chemical pesticides or fertilisers, focusing on reducing the amount of water used and building social value in rural areas. The cleaner cotton training programme, which mainly takes place in India and in China, currently involves 8000 farmers. C&A, in partnership with the C&A Foundation (which supports many of the charitable activities recommended by C&A), is planning to scale this up in the near future.

“C&A’s commitment to the organic production of cotton is a great help to us, the people at the beginning of the supply chain. And we are grateful for this”.

Ranjeet Mukaitai,
Farmer of organic cotton, Indore, India

Collaborating with Cotton made in Africa

In its efforts to diversify the countries where cotton is sourced and to support farmers in various geographical regions, C&A has signed a multi-year agreement with Cotton made in Africa, helping to train farmers on how to reduce the harmful impacts of cotton farming practices and invest in social and environmental projects within the rural cotton producing communities - similar to their programmes in India and in China. In partnership with the C&A Foundation, the main objective of the programme is to improve farmers’ productivity and to channel these gains into improving the living conditions of a large number of African cotton farmers and their families.

Closing the loop

Ultimately, C&A is integrating its farmers’ cotton production directly into the supply chain by asking their CMT (cut, make, trim) suppliers to buy the organic cotton yarn and fibre from nominated spinning mills who in turn get the organic cotton from the selected farm groups. Along with helping C&A to trace the origin of the organic cotton, this enables the company to ensure that the cotton produced by the farmers’ groups is actually entering the C&A supply chain. This is not an easy task in very complex supply chains which characterise the textile industry. C&A organises yearly conferences with the aim of training its manufacturers, business partners and farm partners on their expectations and ensuring that the topic of integrity is well understood by all players in the value chain.

Investing where it Counts

C&A has been a pioneer in investing all the way through the supply chain in a holistic way in order to support both farmers producing organic cotton and farmers producing conventional cotton to move towards cleaner production. This work is supported by the C&A Foundation. For example, the Foundation supported the establishment of schools in several of their farming group locations in India, which means that more than 500 children can now attend school in those farming communities. This empowers parents since it gives them the opportunity to invest in their children’s future. Another example is the company’s investment in a fund which allows farmers in Gujarat to have access to interest-free loans in order to be able to install drip irrigation systems on their farms. The aim is that within five years, this should allow more efficient irrigation of up to 2,500 acres of cotton farming land and will lead to a saving of 4.2 million litres of water per year compared to current practice.



PHOTO: (Top) C&A’s organic cotton suppliers preparing for irrigation, Gujarat (Bottom) Field training with CottonConnect.

Advocacy & Leadership

C&A is a strong advocate of bio (European term for organic) and more sustainable cotton, and significantly invests with different partners on the ground in order to make a difference. Equally so, C&A, alongside its Foundation, is active in stakeholder engagement and is a member or works with an impressive numbers of organisations and initiatives such as the Sustainable Apparel Coalition, the Leather Working Group, Textile Exchange, Terre des Hommes, the Ethical Trade Initiative, and the Water Footprint network to name just a few.

C&A's leadership in the area of organic cotton has been recognised by the many awards and positive feedback it has received. In 2010 and 2011, C&A was voted "most trusted brand" by the Dutch readers of Readers Digest (2011 and 2012 respectively for the German version, and 2011 for the Austrian). In 2010, C&A won the German Sustainability award specifically for its organic cotton collection in the category "Germany's Most Sustainable Products / Services".



PHOTO: (Top) C&A provide farmers with kits to avoid contamination during harvest. (Bottom) Farmers at harvest time.



Telling the Story

C&A actively educates and engages its customers on the topic of organic cotton and talks about its work through media and in-store campaigns under the strapline "We love Bio Cotton". The unique selling proposition is that garments made of organic cotton are offered at the same price as those made of conventionally produced cotton. This enables customers to make an informed choice (not based on price) when they buy their product. It is also a way to raise their awareness as primarily, consumers do not buy a product because it is organic, but more so based on its look and because the design, fit and the price are right. But once customers learn more, they will begin to ask questions and that is when the company can really begin to share its story in detail.

The company's Bio shopping bag campaign represents another example of its consumer engagement strategy. For every Bio shopping bag sold, the C&A Foundation contributes 0.30 euro cents to organic cotton farm projects in India. This is a way for the company to engage their customers to make a difference on the ground.

In April 2012, C&A launched a new CSR website with the aim of sharing stories with its stakeholders. The website provides an innovative, interactive and up-to-date version of its bi-annual CSR report called "We Care" which gives detailed information about C&A's work in the different areas of CSR. The aim of the website is to become the basis of a more on-going engagement process with the company's stakeholders.

Where to Next?

C&A has outlined a clear strategy with an objective for 2020 to have all its cotton originating from sustainable cultivation. This means the company will no longer source any cotton coming from conventional agriculture as it is known today. C&A is now working on reaching this ambitious goal. Alongside this target C&A is diversifying and expanding the countries from which it sources cotton in order to scale up the availability of sustainable cotton and take its strategy of connecting to the growers to more rural communities. While most of these activities were initially only focusing on India, C&A aims to scale up these initiatives in other markets by building on the successes achieved so far. With its in-depth work in the supply chain to improve the livelihoods of farmers and the preservation of the land, C&A is successfully proving that it is possible for a multinational company to make a difference directly at the farm level.



For more information on C&A, please visit:
<http://www.candacr.com/en/>



Textile Exchange inspires and equips people to accelerate sustainable practices in the textile value chain. We focus on minimizing the harmful impacts and maximizing the positive effects of the global textile industry. Our signature program focuses on organic cotton value chains; improving lives for farmers, stimulating markets, and supporting best practice.

Website: farmhub.textileexchange.org/

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