33rd International Cotton Conference Bremen March 16-18, 2016 Bremen Town Hall

> Welcome Addresses 14:00 March 16, 2016

The Honorable Carsten Sieling, Mayor, Bremen, Germany

Mayor Sieling welcomed all participants to the beautiful Hanseatic city of Bremen. He observed that the bi-annual conference offers a unique opportunity to learn about the world cotton situation and factors affecting all stages of the value chain, from cultivation to the consumer.

The Mayor noted that the Bremen Cotton Exchange, located in the heart of the city, upholds the highest standards in cotton quality testing and carries the name of the Hanseatic City out into the world. Cotton samples from around the world are tested in Bremen in a world-leading quality evaluation laboratory, and the Exchange is the repository for the largest collection of cotton standards boxes in the world.

The Mayor wished all visitors an informative and pleasant time.

Mr. Ernst Grimmelt, President, Bremen Cotton Exchange, and Managing Director, Velener Textil GmbH

Mr. Grimmelt declared that it is finally time for the start of the 33rd International Cotton Conference Bremen, after months of preparations in partnership with the Fibre Institute Bremen. He welcomed all visitors from about 40 countries, and observed that since the sun is shinning, it must mean that the people of Bremen are happy all visitors are here.

President Grimmelt thanked Mayor Sieling and the City of Bremen for making the historic Town Hall available. He welcomed Dr. Herrmann, Director of the Faserinstitut Bremen. He also welcomed all members of the national and international trade and the business press.

Mr. Grimmelt exclaimed that Bremen is home to world-leading international fiber quality testing and research, and that as the CEO of a textile company, he knew how important the work of the Bremen Cotton Exchange is. His company uses cotton received from partners in the cotton trade. To supply high-quality yarn, he must know the quality content of the cotton he is working with. He declared that the joint venture

between the International Cotton Association (ICA) and the Bremen Cotton Exchange (ICA Bremen) had begun in 2011 and was working very well. During the last year, the laboratory was significantly enlarged and modernized, thus setting the global standard for cotton quality testing.

The President noted that the Bremen Cotton Exchange has always been a forum for political engagement, and this is currently highlighted by the participation of the Exchange in the Textile Partnership of the Ministry of Economic Development. Federal Minister Müller was the keynote speaker at the last general assembly of the Bremen Cotton Exchange, during which he explained how the partnership will lead step-by-step to a more transparent and sustainable cotton-to-clothing value chain.

Mr. Grimmelt noted that the CIF Bremen cotton quotation is an established price benchmark for the European cotton trade. At the current time, uncertainty regarding the pace of auctions of cotton from the China cotton reserve is making all market participants nervous. Cotton is losing market share to polyester, largely because of the differential between cotton and polyester prices. Mr. Grimmelt observed that cotton needs to develop innovative products to regain share, and the 33rd international conference will provide insights into the future of the industry.

The International Cotton Conference Bremen is well known for confronting controversial subjects. Issues associated with cotton and water use were discussed two years ago, and pesticide use in cotton production will be discussed this year. He noted that a Google search of the term, "cotton and pesticides" yields a colorful array of allegations, ranging from half truths to obvious falsehoods. During the pesticides session on Friday, experts will talk about opportunities and risks confronting cotton producers in making production decisions. He noted that cotton will continue to be an outstanding, biodegradable product providing modern fiber qualities far into the future.

Finally, the President noted that many helping hands are required to organize and conduct a successful conference. He thanked the staff of the Bremen Cotton Exchange and the Fibre Institute. He extended a special thanks to the conference Gold sponsors: Cargo Control, Cetex-Rheinfaser, Cotton Service International, ECOM, ESF, ICA Bremen, Loepfe, Otto Stadtlander, Oeko-Tex, Reinhart, and Uster, and another special thanks to the Silver sponsors: Bayer, Cotton Research and Development Corporation, Cotton Outlook and Trützschler.

Professor Dr. Axel S. Herrmann, Director of Faserinstitut Bremen e.V. (FIBRE)

Dr. Herrmann welcome participants from nearly 40 countries. He observed that cotton has been used for thousands of years and industrially processed for about 250 years, and Bremen has been part of this tradition. He asked if there is there a place for

innovation in this tradition, and he answered his own question by observing that there certainly is.

Dr. Herrmann noted that the 33rd International Cotton Conference Bremen would focus on solutions from breeding to apparel. Among those solutions, biotechnology, molecular breeding and genome editing have the potential to revolutionize developments in the cotton industry. During the conference, there will be discussions about cotton yield potential, resource use conservation, possibilities for mechanization, innovations in fiber testing, and the development of new and exciting consumer goods produced with innovative textile properties.

Dr. Herrmann observed that the issue of sustainability is an essential aspect of new developments, and the discussion about responsible plant protection will provide additional information about cotton production practices. He noted that the German approach to the Partnership for Sustainable Textiles will be presented.

Dr. Herrmann said he was pleased that the Fibre institute can contribute to these discussions in the cotton industry, and he urged participants to take advantage of all opportunities for information exchange, including the breakout sessions, poster session and general sessions.

Mr. Ernst Grimmelt, President, Bremen Cotton Exchange

President Grimmelt brought the Welcome Session to a ceremonial close by declaring the 33rd International Cotton Conference Bremen to be officially inaugurated.