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# NEWS

March 15, 2009

For the latest Supima crop and market information, visit our web site at:

[www.supima.com](http://www.supima.com)

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## A "Cool Classic" in Sportswear International

The headline read "Cool Classic" when the new (March/April 2009) issue of *Sportswear International* came out this morning.

The subject? Supima.

In a two-page profile by senior editor Tim Yap, *Sportswear International* ran a lengthy Q&A with Supima's New York-based marketing chief Buxton Midyette, illustrated by the brand's greatest hits—photos documenting everything from last spring's SoHo pop-up store to its award-winning ad campaign by Sinisha Nisevic.

Here's what they had to say: *Since 1954, Arizona's Supima has been modernizing fashion with the world's finest cottons. Buxton Midyette, V.P. of Marketing, tells how.*

**Why is Supima cotton better than others?** Supima is the brand name for Pima



cotton, which is rare and more difficult to cultivate. Supima is actually a whole different plant than ordinary cotton—in pretty much the same way that a cashmere goat has a finer fleece than other goats. Supima is so prized because its fibers are longer and finer. For fashion, that means that it's automatically much, much softer than any other plant fiber and also absorbs dye better. And unlike any other luxury fibers, it's incredibly sturdy: it lasts a lot longer. In fact, it was originally used as the inside of early automobile tires because it was the sturdiest fiber available.

**What are the most innovative textile products and applications Supima is coming out with?** Supima denim has twice the tear strength of regular cotton denim. This allows for the creation of super lightweight denim voiles and even denim sheers. These unique, never-seen-before fabrics bring totally new options to the designers. They also support the trend to take denim beyond the five-pocket jean. In terms of knits we are seeing amazing laces and sheers that traditionally could only be produced with synthetic fibers because of strength issues.

*Continued on ... Page 2*

## Supima's New Email Newsletters

**Supima's email newsletters—yes, there are two—continue to evolve and maximize content to bring you the best information in the timeliest format.**

The image of the newsletter to the right shows the current version. One newsletter entitled "The Supima Newsletter", provides information on Supima® products and promotional activities along with special features. The other newsletter entitled "Supima Industry Newsletter" will provide production, demand and supply information along with other pertinent news such as recent market activity.

Make sure to sign-up for our email newsletters at <http://bit.ly/1wMqPd> to stay current with all the Supima news and receive special updates or announcements as they are released.

**Sign-up Today!**



## A "Cool Classic" in Sportswear International ... continued

**What does the non-fashion segment of Supima's business comprise and how is it evolving?** Traditionally, Supima was used mainly in the dress shirting, sheeting and toweling areas because of its combination of fineness, strength and softness. In the past ten years, though, Supima burst onto the scene as the contemporary fashion movement gained momentum.

**I feel like the company's done an amazing job of branding itself and raising its profile in the last five to ten years. What changed?** A conscious decision was made to return to our roots. A cotton company using cotton imagery to promote itself—go figure! Anyway, I know it sounds very basic but it was a real breakthrough for us in terms of focus and tone. Our ad campaigns leverage the natural beauty of

the cotton fields to convey the natural softness and sensual aspect of Supima. Credit for creating this campaign goes to Sinisha Nisevic and his team at Sin-factory Media. They get high marks for creating transporting imagery that visually communicates Supima attributes.

**What are some of the other innovative ways in which the company is marketing itself?** We believe the product can speak for itself. Our marketing follows that principal with surprising ways to reinforce that message. Sometimes subliminally. Sometimes straightforwardly. We've actually planted a cotton field overnight in a parking lot on Houston Street here in downtown Manhattan, held a prestigious design competition for emerging talent (complete with live runway show), launched a commercially successful

pop-up store introducing products made from Supima and staged full-blown sourcing shows for the trade. But even when we're being playful, we always stay true to our product and its premium image.

**Tell me more about the pop-up store.** The pop-up store was all about supporting our licensed brands and connecting with consumers. We had 16 brands representing men's and women's apparel as well as home fashion. The store was a tremendous opportunity for Supima to merchandise the apparel as a single collection. So often there may be a dozen Supima brands on a retail sales floor but they are spread out and not always clearly identified. We hope that many of the retailers who came to check out the store will consider presenting their Supima lines

## Denim's Elite Meet: Supima At The L.A. Edition Of Kingpins

**Welcome to Kingpins, the invitation-only tradeshow that's known as the "elite meet" of the premium denim business. Since its first edition in New York in July of 2004, Kingpins has become the single best source of information about the next big thing in premium denim. This is the place you head if you want to know how to sell jeans and T-shirts that will rock-god cool and convince customers to part with hundreds of dollars for new takes on what they already own.**

And, when its L.A. edition convenes next week, Supima will be there.

Begun by Andrew Olah, the Canadian-born, New York-based proprietor of **Olah, Inc.**, a showroom

known for its all-star list of textile- and apparel-production companies—and especially its line-up of premium denim producers—Kingpins is held twice a year in Manhattan and twice in L.A.

Olah limits vendors to cream-of-the-crop producers like Supima licensee **Kurabo, Cone Denim, and Buhler**, and deliberately keeps the invitation list small to eliminate the "trend researchers" and other non-customers who make up the majority of foot traffic at most trade shows.

In fact, for its first couple of years the invitation-only show operated almost completely under the radar: Until a textiles editor at Condé Nast, Marilise Gavenas, blew their cover back in October of 2006, Kingpins had never

even appeared in the trade press. Within a month, it had won a prestigious DNR Textile Award (along with Supima).

By the next year, it was being quoted as an industry oracle for denim trends.

That status certainly hasn't changed. At the March 4-5 edition expect to see Supima alongside Apholos, BasicLine, Buhler, Cone, Copen United, Denim North America, Denim-Tech, Dow XLA, Fessler, Jeanologia, Kurabo, Orta Anadolu, Pordenone, Rainbow, tagTrends, and Tavex.



### AMERICAN PIMA SUPPLY/USE ESTIMATE

	2004/05	2005/06	2006/07	2007/08	2008/09 *
Beginning Stocks	66	13	78	141	139
Production	746	630	765	852	447
Imports	21	19	9	6	2
<b>Total Supply</b>	<b>833</b>	<b>662</b>	<b>852</b>	<b>999</b>	<b>588</b>
Domestic Use	62	51	39	36	30
Exports	753	520	672	833	350
<b>Total Use</b>	<b>815</b>	<b>571</b>	<b>711</b>	<b>869</b>	<b>380</b>
Unaccounted Stocks	-5	-13	0	9	-10
<b>Ending Stocks</b>	<b>13</b>	<b>78</b>	<b>141</b>	<b>139</b>	<b>198</b>
Stocks to Use Ratio	1.6%	13.7%	19.8%	16.0%	52.1%

Released March 11, 2009 by the USDA World Agricultural Outlook Board (WAOB).  
Listed in thousand 480-lb. bales

## A “Cool Classic” in Sportswear International ... continued

in a similar manner. The store provided consumers the unique chance to see how Supima's softness translates to whatever product its in, be it a T-shirt, a pair of jeans, or intimate apparel.

**Who would be a dream client for you?** We've already got them. It doesn't get better than Adriano Goldschmied, James Perse, Brooks Brothers, and Ralph Lauren. These designers are really pushing the boundaries of what can be done with Supima.

**Last summer you changed the format of PREFAB, the Supima Premium Fabric Show. Overall, how successful has it been for you?** PREFAB has been a huge success: connecting over 3,000 designers with our partner mills. But we wanted to update the format to make things fun and easy for the buyers. We're also changing the paradigm for trade shows: switching to the sourcing format that's been a big success for PREFAB. Like brands, mills just do not have enough sales personnel to staff booths at all the shows. The sourcing format allows them to just submit fabrics. Then, we have an expert merchandise them to make things easy for visitors. We now show a lot more in a lot

less time. At the last PREFAB, you saw fabric from over 50 mills versus the one or two dozen in our previous shows.

**How are you increasing your presence overseas?** In the past two years, Supima has seen tremendous growth in overseas interest. We have made a strong presence at Premiere Vision in Paris a central part of this push. Marks & Spencer, Bodas, Stefanel, and Triumph as well as many other brands are now licensees. We expect international to continue to be a big area of opportunity for Supima in the future.

**How worried are you about the recession?** Brands that use Supima tend to be more focused on quality, which tends to help protect them during economic downturns. Nonetheless, the current recession is affecting the entire market and we want to be there for our brands and mill partners. Supima is taking a two-prong approach to addressing the current retail climate. First, we have organized a design competition to help promote innovation in the fashion industry. During a recession there can be a tendency to “play it safe” with plain vanilla design. Nothing could be riskier though because boring fash-

ion will not bring cash-strapped customers back into the stores. The design competition is Supima's contribution to supporting new design and fabrics. Second, last July, Supima contracted with Auburn University to conduct a wear-testing study on a range of Supima apparel items. We are very confident that the results of the study will reinforce the lasting benefits of Supima in terms of color-fastness, softness, and durability. The study will emphasize the value of what has been positioned up until now more as a premium fiber.

**What fabrics and technologies do you see being the wave of the future?** I envision no less than total revolution. Fashion has become enslaved to what happens on the runway, which is the domain of taffetas, organzas and silks. Does that list of fabrics feel . . . oh so 20th . . . or even 19th century? It's time to talk about a “new modernist” movement featuring modern fabrics. New modernist fashion is going to be driving by introduction of what are considered casual fabrics, shirtings, knits, and denims into every conceivable category of apparel. Including haute couture.

## Important Web Links—American Pima Crop Information

USDA—AMS Pima Spot Price (Daily):

[http://www.ams.usda.gov/mnreports/MP\\_CN011.txt](http://www.ams.usda.gov/mnreports/MP_CN011.txt)

U.S. ELS Competitiveness Payment Report (Weekly):

[http://www.fsa.usda.gov/FSA/webapp?area=home&subject=e\\_cpa&topic=fta-el](http://www.fsa.usda.gov/FSA/webapp?area=home&subject=e_cpa&topic=fta-el)

USDA—NASS U.S. Production Estimates (Monthly):

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1046>

USDA—FAS Export Sales Report (Weekly):

<http://www.fas.usda.gov/export-sales/cottfax.htm>

USDA—NASS Cotton Reports:

<http://www.usda.gov/nass/pubs/estindx1.htm#cotton>

### USDA CLASSING INFORMATION

By Classing Office: [http://www.ams.usda.gov/mnreports/MP\\_CN104.txt](http://www.ams.usda.gov/mnreports/MP_CN104.txt)

By State: [http://www.ams.usda.gov/mnreports/MP\\_CN110.txt](http://www.ams.usda.gov/mnreports/MP_CN110.txt)

## AMERICAN PIMA SPOT QUOTATIONS

Staple	Color and Leaf Grade					
	01-1	02-2	03-3	04-4	05-5	06-6
48	121.25	120.75	106.00	78.00	63.50	51.25
46	121.00	120.00	104.00	78.00	63.50	51.25
44	116.00	115.00	99.00	72.50	62.25	51.00
	Mike Range	Differences	Strength Range	Differences	Ext. Matter	Differences
	2.6 & Below	-1350	35.4 & Below	-1050	Prep 1:	-610
	2.7-2.9	-945	35.5—36.4	-800	Prep 2:	-895
	3.0-3.2	-550	36.5—37.4	-550	Prep 3:	-515
	3.3-3.4	-395	37.5 & Above	0	Prep 4:	-835

USDA daily report, March 19, 2009 (2007/08 crop)

Net weights in mixed lots, uncompressed, UD Free, FOB warehouse

## AMERICAN PIMA EXPORTS

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 *
Belgium	12.6	7.8	8.2	14.5	7.1	4.6	6.3	0.0
Germany	17.8	31.6	18.0	5.7	18.3	20.4	16.8	15.5
Italy	28.7	34.0	16.6	6.9	11.2	14.3	10.6	1.5
Portugal	3.2	3.4	2.7	1.6	1.4	4.7	8.6	0.0
Switzerland	11.1	10.1	10.3	6.8	5.6	7.4	8.9	5.2
Turkey	5.2	9.9	1.9	21.5	24.9	6.4	16.5	3.5
Other	0.3	0.2	0.6	0.6	0.6	1.0	4.4	0.0
<b>Europe Totals—</b>	<b>78.9</b>	<b>97.0</b>	<b>58.3</b>	<b>57.6</b>	<b>69.0</b>	<b>58.8</b>	<b>72.1</b>	<b>25.7</b>
Bangladesh	25.2	33.4	20.9	16.2	2.2	11.8	13.7	1.4
China	9.6	63.5	81.9	128.1	246.3	163.6	176.4	10.7
India	20.9	67.1	43.2	76.0	75.0	91.6	146.7	15.8
Indonesia	40.7	68.2	60.4	47.6	41.3	59.4	68.0	25.0
Japan	72.0	82.6	62.5	73.2	44.0	49.8	53.3	9.4
Korea Republic	25.8	7.2	9.3	24.7	10.8	21.8	22.5	2.6
Pakistan	56.3	101.8	93.4	182.6	55.9	113.6	159.0	1.1
Taiwan	17.1	46.3	20.2	59.9	7.6	31.3	29.8	0.1
Thailand	21.7	25.3	17.0	21.1	15.3	22.1	24.1	4.9
Other	4.8	9.4	6.9	21.1	4.2	6.7	18.4	9.1
<b>Asia Totals —</b>	<b>294.1</b>	<b>504.8</b>	<b>415.7</b>	<b>650.5</b>	<b>502.6</b>	<b>571.7</b>	<b>711.9</b>	<b>80.1</b>
Brazil	1.9	1.6	3.1	2.3	3.0	5.5	5.3	0.4
Canada	0.0	0.0	12.1	4.4	0.0	0.0	0.0	0.0
Chile	0.0	0.0	0.1	0.3	0.1	0.0	0.0	0.0
Ecuador	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0
Guatemala	0.0	0.0	0.1	1.9	0.5	0.0	0.1	0.1
Mexico	0.0	1.2	2.9	0.9	2.4	0.5	0.3	0.5
Peru	6.8	31.2	28.8	50.2	1.9	13.6	28.2	1.2
Salvador	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Venezuela	0.0	0.0	0.0	0.0	1.5	0.0	0.0	0.0
<b>W. Hemi Totals—</b>	<b>8.7</b>	<b>34.0</b>	<b>47.1</b>	<b>60.0</b>	<b>10.2</b>	<b>19.6</b>	<b>33.9</b>	<b>2.2</b>
Rest of World	0.7	0.1	0.0	0.0	0.0	2.4	14.6	3.3
<b>World Totals</b>	<b>382.4</b>	<b>635.9</b>	<b>521.1</b>	<b>767.9</b>	<b>581.8</b>	<b>652.4</b>	<b>832.5</b>	<b>111.3</b>

Source—USDA/FAS U.S. Export Sales—March 12, 2009 - Sales listed in thousand 480-lb. bales - \* Listed in running bales through March 5, 2009



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