

Businesses Making Bank on Organic-Cotton Clothes

by Frank Green

Copley News Service Clothes racks in many areas are taking on a more natural bent. Spurred by the widening acceptance of all things organic, many boutique retailers and some mainstream chains are adding new lines of apparel stitched together using cotton that has been grown without genetic modification and without chemical fertilizers, pesticides or herbicides. "Just about everybody is going organic, especially upscale consumers," said Kurt Barnard, president of Barnard's Retail Consulting Group in Nutley, N.J. Organic cotton advocates say organic farming is better for the soil. Traditional cotton farming can use up to one-third of a pound of chemical pesticides and fertilizers to produce one pound of cotton, according to a recent report by the Sustainable Cotton Project in Davis, Calif. Sales of organic-cotton products reached \$275 million last year, up more than two-fold from 2001, according to a new study by the Oakland-based advocacy group Organic Exchange. That sales number includes apparel, home textiles and personal-care products, but the majority of sales are apparel. If all the organic cotton products were clothing, their sales would account for a mere 0.15 percent of the \$180 billion-plus U.S. clothing industry. But their increasing popularity has caught the attention of major retailers. Sellers of organic-cotton products include the world's largest retailer, Wal-Mart, as well as Whole Foods, Bed, Bath & Beyond and Patagonia. The organic label gives stores "a certain luster and refinement," said Barnard, noting that Wal-Mart and other big chains "are afraid that if they don't stock organic clothing they will lose market share to competitors." Wal-Mart recently said it would bolster its organic product lines to include baby clothing and up to 400 organic foods as part of a "go-green" movement aimed at more affluent shoppers. "Our customer tells us what she wants, and we listen to her," said Wal-Mart spokeswoman Linda Blakley. Although organic apparel can cost up to 20 percent more than other clothing, Blakley said George baby clothes will be similar in price to its other infant apparel. Bentonville, Ark.-based Wal-Mart decided to expand its organic offerings after a survey it commissioned indicated that 60 percent of parents are interested in organic options for their babies. Moreover, 74 percent of those surveyed said they would be more likely to purchase organic products for their infants if they were more readily available or more affordable. The company also plans to offer organic-cotton T-shirts for juniors during the back-to-school rush. When the company introduced about 190,000 pieces of women's organic-cotton apparel at its Sam's Club warehouses last year, the clothing sold out within 10 weeks. EnvironGentle in Encinitas, Calif., founded in 1991, is one of the nation's smaller retailers now offering organic-cotton clothing, as well as organic-cotton bath towels and bed linens. "We transitioned into organics in 1993 when we started buying organic cotton (clothing) from a Texas cotton co-op," said owner Torrey Neel. Other products at the store, which specializes in recyclable and earth-friendly items, range from biodegradable cleaners to nontoxic pest controls. The offbeat retail mix has been a hit, with sales reaching \$400,000 last year, double that of two years earlier. "Organic cotton is no longer a niche market," said Neel, adding that many of her customers come from Arizona and Los Angeles to stroll through the shop. Some apparel manufacturers are benefiting from increased demand for organic cotton. Nike, based in Beaverton, Ore., has a "white" label designating its all-organic T-shirts, and other shirts at the company are stitched with a 5 percent organic-cotton blend. Vista, Calif.-based Prana, which markets yoga and outdoors clothing to 250 national retailers, said about one-third of its 200 clothing styles are made with organic cotton. More organic styles are on the way, said co-founder and chief executive Beaver Theodosakis. The company, founded 13 years ago in a Carlsbad, Calif., garage, had \$30 million in annual sales last year and agreed to be acquired by womenswear icon Liz Claiborne for \$34.4 million. Theodosakis said most people shopping for clothes still look for the basics of fit and style when running their hands through the fabric. "If it's organic, that's also a plus now," he said. Bend Oregon Central Oregon Photo credit: Charlie Newman

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