FIBRE QUALITY - WHAT ARE THE MARKETS DEMANDING ?

The markets are demanding what markets always demand - satisfaction of the customer at the lowest possible price. The cotton textile industry is composed of a series of manufacturing stages, each of which has the next stage as its customer. We are all ultimately driven by the final customer - ourselves, as consumers of textile products in the form of clothing, domestic textiles such as sheets, towels, curtains, upholstery, and various other cotton products.

The customers for these final products are often willing to pay quite a high price for something which they particularly like, often related to the relative scarcity of the product, and whether or not it is fashionable. As the supply chain goes back from consumer through retailer, garment manufacturer, fabric manufacturer, spinner to fibre supplier, the price becomes driven much less by fashion, and more by technical factors related to fitness for purpose, consistency, and by simple supply and demand.

The longer, stronger, finer fibres which can produce finer yarns for finer, more expensive fabrics, command a premium over shorter, weaker, coarser fibres, which can only produce coarser yarns for heavier cheaper fabrics. However the market for the finer products is relatively small and an oversupply to that part of the market soon results in a drop in price. Australian uplands style cotton is now of a quality which allows production of Ne 50's count and coarser, which accounts for about 85% of all cotton yarns spun. Further improvements in length, strength, and fineness by breeding can only be beneficial, but major increases in price are unlikely to follow.

There are more benefits to be gained in consolidating the gains already made in these areas, and in fully realising the potential of the fibre by better control of maturity, and good quality control in harvesting and ginning.

FIBRE QUALITY - WHAT ARE THE MARKETS DEMANDING ? (Contd.)

The problems experienced in spinning Australian cotton relate mainly to three areas: immaturity, neppiness and excessive short fibre content. The problem of immaturity is very much dependant on growing conditions, but development of better methods of assessing maturity in the field would be beneficial. This is a difficult problem and unlikely to be quickly solved.

The other problems of neppiness and excessive short fibre content could be much improved by better quality control in harvesting and ginning. Both problems can be due to immaturity, but fully mature fibres can be damaged by excessive mechanical treatment in ginning, often associated with over drying of cotton. If cotton is dried to moisture content levels as low as 3% and then subjected to severe mechanical action in ginning and lint cleaning, neppiness and fibre breakage are bound to occur. Methods of moisture measurement and control in ginning leave much to be desired, and much better methods could be used at very little cost. The task of the gin manager is almost impossible, when modules of cotton of widely varying quality and moisture content are delivered to the gin, and the farmer is demanding high grade and a high out-turn. Application of measurement and control techniques which are well established in textile manufacturing could help avoid problems and improve consistency in quality.

This whole area of consistency and value for money is becoming more important as the spinning industry adopts ever faster, more highly automated and expensive machinery.

FIBRE QUALITY - WHAT ARE THE MARKETS DEMANDING ? (Contd.)

A drop in efficiency of less than 5% can turn a spinning mill from profit to loss, and to achieve high levels of efficiency it is essential that the spinner receives consistent cotton. The cost of cotton usually amounts to more than half of the spinner's costs, with the second highest cost being machinery, so the spinner cannot afford to pay more for cotton than he should, but cannot jeopardise quality and efficiency by using a cheaper, inferior cotton.

The most important task in spinning is to obtain the best balance of quality and price in the supply of cotton. The quality requirements will vary with the type of yarn being spun, and each spinner's demand may be different. However, the things spinners dislike are universal : weakness, coarseness, immaturity, neppiness, excessive short fibre, poor colour and excessive trash.

The quality of Australian cotton has made enormous progress in the past five years, and this is one of the major factors behind the resurgence of the Australian spinning industry. Having dropped from an annual consumption of 130,000 bales to just over 100,000 bales in the late 1980's, the industry is on a growth path which will show more than 150,000 bales used this year. Most of the growth has been in yarn exports, as the major domestic customer for our yarns, the Australian garment industry, is struggling to compete with cheap imports. The growth in exports is likely to continue, with the help of favourable Government policies, and some recovery in the domestic market is possible, particularly if we can better promote Australian made cotton products to the consumer.

A co-ordinated approach to promotion from the cotton field through to retail could have major benefits in this area.

FIBRE QUALITY - WHAT ARE THE MARKETS DEMANDING ? (Contd.)

The capital intensive nature of cotton spinning means that large amounts of capital will need to be invested if the Australian spinning industry is to grow. Investors will need the assurance of long term, consistent Government policies if they are to risk their capital.

One problem often overlooked is that of using exclusively southern hemisphere cotton. Australian cotton comes onto world markets when the price of northern hemisphere cotton already includes carrying costs. Australian spinners then use the cotton over the ensuring twelve months, and pay an additional carrying cost. We therefore incur an extra cost compared to spinners using northern hemisphere cotton, or spinners using cotton from both hemispheres. This extra cost can be very significant in what is basically a high volume, low margin industry.

If the Australian spinning industry is to continue its growth, these issues need some attention.

Trevor Dawson
Rocklea Spinning Mills