



COTTON USA **Special Trade Mission** from Vietnam Tours U.S. Cotton Belt

FAS Funding Source: FMD

Vietnam is currently the largest importer of U.S. raw cotton at 3.4 million bales in MY 2017/18. U.S. exports to Vietnam have grown 73% over the past two years. This rate of growth is nearly 40% higher than the overall increase in Vietnamese imports, suggesting that while the growth of the textile industry in Vietnam may account for some of the increase in U.S. exports, it does not account for the entire growth of U.S. exports to the country.

To take advantage of this growth market, Cotton Council International (CCI) has made Vietnam a top priority over the past several years. In July 2018, a 17-member Special Trade Mission (STM) delegation from Vietnam, representing some of the largest and most influential Vietnamese cotton importers, visited the U.S. cotton belt using FMD funding. During its U.S. tour from July 22-27, the group traveled to New York, N.Y.; Cary, N.C.; Memphis, Tenn.; McAllen and Lubbock, Tex.; and Phoenix, Ariz.; to meet with U.S. cotton producers, industry organizations and exporters to facilitate increased U.S. cotton exports to these manufacturers.

The group kicked off the tour in New York with a briefing session and ICE Futures seminar. They then saw cotton research in North Carolina, toured the USDA cotton classing office in Tennessee, and toured a cotton farm and gin in West Texas. The group learned about the cotton industry along the way and 90% agreed that they learned a lot about the U.S. cotton industry during the week.

After participating in the STM, all participants indicated that they would purchase additional U.S. cotton in the future with a total estimate of nearly 500,000 additional bales in the next year. Furthermore, a pre-post survey found that the proportion of participants indicating they were “very likely” to purchase U.S. cotton in the next year increased from 40% prior to the STM to 70% after the STM. “After seeing a U.S. cotton farm, gin and warehouse during the COTTON USA Special Trade Mission, I was very impressed,” Morgan Chen, President of Tainan Spinning Co., Ltd., said. “That night, I placed an order for more U.S. cotton (500 MT) as its high quality will benefit my spinning mill and add value to our products.”