Responding to consumer demands, the textile industry is laser-focused on sustainability and ethical fashion, while producing fabrics that have a performance edge – a “second skin” – for active, and fashionable end-users. For more on the industry, see pages 14 to 19.
A report from the Textile Exchange and KPMG offers a roadmap for companies to follow.

BY ARTHUR ZACZCZENOWICZ

Three years ago, all of the United Nations member states adopted a development agenda aimed at implementing the U.N.’s Sustainable Development Goals by 2030. The SDGs are comprehensive and impact all aspects of society — government, NGOs, nonprofits and businesses.

For the global textile and textiles sector, which is one of the top water users, carbon-producing and pollution-causing industries, the SDGs offered a framework for transforming companies in a way that is not only ethical and sustainable, but drives business value, too.

It’s been a long three years. While companies are making progress, industry analysts say there’s much work to be done in creating circular economies. But there’s help, and recent research shows that progress is made more so than some in the industry may think.

As part of the SDGs initiative, the U.N. Global Compact teamed with KPMG LLP to create a series of reports based on an SDG matrix. The latest, “Threading the Needle: Weaving the Sustainable Development Goals into the Textile, Retail and Apparel Industry,” was commissioned by the nonprofit Textile Exchange and is a 73-page thick toolkit done by KPMG for companies to “scale positive social, environmental and economic impact through the SDGs,” authors of the report said.

Joanne Beatty, director of sustainability services at KPMG, said, “Four in 10 of the world’s largest companies already reference the United Nations’ SDGs in corporate reporting, suggesting that businesses interpreting the SDGs has been a journey since their launch in 2015. Companies in the apparel sector would seem to be strategically placed to drive social and environmental impact level by leveraging ubiquitous global supply chains, market penetration and long-standing customer relationships.”

Members of the Textile Exchange include Inditex, Gap Inc., Kering SA, Lenzing AG, C&A, Patagonia, PVH Corp., Target Corp. and VF Corp. Some of the collaborative contributors of the report include the CEO Water Mandate, Pacific Institute, Fabrilogy, the Sustainability Forum Coalition and the U.N. Framework Convention on Climate Change, among others.

Tricia Carter, director of global business development at Lenzing and vice chair of the Textile Exchange, said Lenzing is committed “to engaging the Sustainable Development Goals, especially SDG 12, regarding sustainable consumption and production, as well as SDG 15 on climate protection. “Cathy said with the fragmented apparel supply chain, the report provides the path for companies to start their journey toward an SDG goal of integrating the SDGs into their business.”

In an opening statement to the report, the Textile Exchange said it believes that the SDGs offer a unique opportunity to align existing sustainability initiatives through a common framework and accelerate the industry’s efforts to address important challenges in the global textile value chain.” They noted that as sourcing models and processes will be redefined, “to a great extent, by how this sector addresses the themes underlying the SDGs as sourcing countries integrate the SDGs into their national plans and become a priority in those countries.”

Caterina Conti, ambassador for Textile Exchange and project lead for “Threading the Needle,” told WWD that companies need to “understand that the value in the SDGs is not merely a risk management or compliance tool, but more as a means to align business, government and NGO agendas and extract long-term business value for all members of the value chain.”

“The SDGs are being incorporated into the policy agendas of all the top sourcing countries and will increasingly impact how we can continue to conduct business in those countries,” Conti added.

Creating a stable and sustainable value chain includes ensuring that the lives of people serving the industry also improve. The Textile Exchange said since two-thirds of workers in the textile supply chain are women, “companies in the industry also have an unprecedented opportunity to continue to advance gender equality, improve economic livelihoods, and mitigate climate impacts.”

The Textile Exchange said this most recent report spotlights how companies are integrating the SDGs into their businesses. And KPMG described the report as a road map for companies to implement the SDGs into their processes — across the supply chain.

Specifically, the report offers examples of "SDG-aligned shared value opportunities" that are relevant to apparel and textiles as well as making the business case (aka top- and bottom-line growth for integrating and aligning with the SDGs.

For brands, that means being able to leverage “market penetration” as well as customer relationships while using their "ability to shape market trends to drive the industry toward a more sustainable future," the authors of the report said. For retailers, that means working “with a vast network of brands and suppliers to ensure that products they sell meet required quality, variety and price points.”

And while brands, suppliers and retailers play different roles in the implementation of the SDGs, the broader issues being addressed by each are the same, and includes gender equity, equitable employment, climate action and labor rights, among others. “For each of these players, adopting a sustainability strategy with the right mix of foundational considerations, level of effort, and business value can contribute to the implementation of the SDGs across the supply chain,” researchers of the report added.

Another important takeaway from this report is that companies don't need to start from scratch. Many examples presented reveal an industry that has been working on sustainability for some time, which means implementation requires adjustments and alignment instead of building from the ground up. “This report demonstrates examples where the sector has contributed to helping transform sustainable agriculture systems toward the adoption of more sustainable fibers and materials,” KPMG said. “It has formed transformative partnerships such as the Sustainable Apparel Coalition, Textile Exchange and ZDHC to address critical environmental and social issues, and established effective standards to promote sustainable products.”

Also noteworthy is the role of collaboration. Successful implementation of the SDGs doesn’t happen by a company alone. Authors of the report said their research found that partnerships, coalitions and collaborations “appear to continue to play an important role in achieving development impact within the textile and apparel industry. For companies grappling with the SDGs, it may be useful to leverage existing initiatives for collaborative actions.”

Digging deeper into the notion of “shared value opportunities” of implementing the SDGs, the KPMG researchers divided these into having either a low level of effort or a high one as well as being transactional and/or transformational. For example, deploying an innovative activity or management initiative would require a high level of effort compared to having an existing environment that acts as a leading practice among peers.

Regarding tactics for implementation, the report has specific case studies and recommendations. For fashion brands, the report urged companies to design apparel that is durable and fits into a circular economic model. “As buyers of raw materials, fashion brands can leverage their size and balance sheet to design more durable clothing that increase the frequency with which customers use an item and lower the number of items they keep in their closets, and offer personalized to extend the life of a product.”

That means "upcycling clothing" that is made to have more than one functional purpose. Multipurpose designs could “increase the frequency with which customers use an item and lower the number of items” they own. In the report, KPMG analysts also created an SDG “engagement framework” that focused on “impact opportunity clusters.” The aim was to spark ideas and help companies take their first steps toward integrating the SDGs.

The case studies of the framework include the rollout of Gap Inc.’s Personal Advancement and Career Enhancement program, which was launched in 2007 and in partnership with CARE. The initiative was done “as a way to empower women staff and managers employed in Gap Inc. factories in Bangladesh, Cambodia, China, Indonesia and Myanmar, among others to gain the skills and confidence needed to advance at work and life.” Since the launch, more than 9,000 people in a dozen countries have participated, and Gap is committed to reaching 1 million women and girls by the close of 2020.

Target Corp. is cutting water use in its own branded products as well as in stores. “Owned brand products form a significant part of retailers’ product mix,” authors of the report said. “Addressing the environmental impacts of these products can bring tremendous business and social value as efficiencies are created throughout the entire supply chain.”

Target deployed WWF International’s water risk assessment to “review water-use reduction efforts across manufacturing supply chain, stores and distribution facilities,” the report noted, also stating that the retailer is also producing a recycling “100 percent sustainable cotton for its own branded and exclusive national brands.”

The company is working with its suppliers to reduce water use in textile dyeing and finishing by 15 percent.■
to extract value from unsold clothing. They will need to move forward with the next step and set up systems for taking back their own clothing. There are many organizations, including ours, that can guide the industry through best practices and use a clear process for developing effective policies, programs, and communication channels.

**WWD: What are the biggest challenges the textile industry faces in implementing policy for sustainability?**

**S.C.:** The consumption of “fast fashion” is projected to jump 63 percent by 2030. In New York State alone, residents dispose of 1.4 billion pounds of clothing and textiles each year, worth over $200 billion. Reusing and recycling these products would create up to 1,000 new jobs.

Overcoming consumer perception of “secondhand” as inferior is another critical issue to address. There are 3.8 billion pounds of used textiles that enter the North American market each year, and only 1-2 percent of these clothes are high-end brands for resale. Although existing markets exist for 95 percent of used textiles, most is disposed. Another challenge is that secondary textile materials compete globally with low-cost new products produced in China and India.

Another major challenge is that, even though retail locations are often the most convenient place for consumer return of used products, clothing brands have not yet embraced this approach. In addition, citizens don’t always know what or where to donate. To educate consumers, one company suggested that all clothing labels include a united message: “wear-donate-recycle.” To develop standard messaging, the Product Stewardship Institute, the New York Product Stewardship Council (NYPSC), the New York State Pollution Prevention Institute (NSP2I), and the New York State Pollution Prevention Institute (NSP2I) developed unified standards for coalition participation among nonprofit and for-profit textile collectors.

Finally, since waste is created at all stages of the textile manufacturing process, even starting with pattern-making, it is critical to bring designers and recyclers together to explore ways to reduce waste at the source, increase product durability, and reduce the value of post-consumer textiles. The 2017 New York Textiles Summit convened by PFI, NYPSC, NYSARP, and NSP2I at the Fashion Institute of Technology in New York City discussed many of these key challenges for the textile industry. Companies that pay attention to trends in sustainability will have the greatest probability of maintaining market share. There is a worldwide move toward greater resource sustainability. The more we rely on others for materials, the less we need to conserve. Another challenge is that secondary textile materials compete globally with low-cost new products produced in China and India.

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ATHLETICWEAR IS TAKING HOLD AS A “RELEVANT SECTOR IN THE FASHION INDUSTRY.”

By Tracey Greenstein

Performance and technical “second skin” fabrics are leading upcoming textile trends, replete with a sharpened focus on meeting consumers’ heightened expectations for sustainable, utilitarian apparel. And as performance apparel swiftly evolves into a viable fashion category, designers are challenged with the task of creating high fashion looks with no-frills function.

The performance apparel market saw an upturn of 4 percent from 2016, reaching $26.3 billion in 2018, with outdoor specialty apparel up 2 percent this year, totaling $5.2 billion. Brands in the category with sales up double digits in the last 12 months include Patagonia, Arcteryx, Obermeyer, Canada Goose,ويل and Descenste, all according to a report by NPD.

Greg Thomsen, Adidas Outdoor U.S. managing director, told WWD, “Over the past five years, we have seen a strong interest from many in the fashion market to focus their attention to adopting the outdoor look into their design lines and to marketing the overall lifestyle to their consumers.” He continued, “The outdoor lifestyles look and image is being adopted overwhelmingly by a new generation of environmentally minded, adventure travel oriented, back to nature driven, great outdoors enthusiasts,” and simultaneously, “the authentic outdoor sports brands are adding a touch of fashion to their high performance products also, in order to expand their consumers from the mountains to the streets.”

And textile trends at this week’s Première Vision show in Paris will likely follow suit. At the show, Eurojersey, an Italian producer of warp-knit fabrics, said it will introduce its latest campaign “Free the Form,” which promotes its fall 2019 “Sensitive Fabrics” ready-to-wear collection. The line “focuses on style and technical performance,” according to the firm. Its Sensitive Fabrics “tend themselves to so many interpretations in the apparel market that have their own rules,” the company said. Materials in the collection are breathable, wrinkle-free and designed with sculptural, contoured and fluid shapes in mind, boasting chlorine resistance, moisture wicking, sun protection, quick drying, sustainability and easy care, among other qualities. The line also toasts a very soft hand and extra fine, thin fabrics that are 50 percent thinner than traditional warp-knit fabrics.

Guglielmo Olearo, international exhibitions director at Première Vision, told WWD, “We’re going to pay more attention to athleticwear, because it’s now a relevant sector in the fashion industry, across ath-leisure and performance.”

Olearo also noted the rising consumer demand for sustainable apparel, adding that “[Sustainability] is not just a matter of save the world or save the planet, or saving electricity or water, but it’s also to show the world and the fashion industry how sustainability can be beautiful and creative as well.”

More than 65 percent of emerging market consumers actively seek sustainable fashion, compared to 32 percent or less in established markets, according to a McKinsey and Co. report. Albeit, many building brands and retailers integrate natural, ethically sourced materials and streamline production and supply chains to cater to shoppers’ increased standards – but the transition isn’t limited to brands newly arriving at the fashion scene.

Heritage yarn and fabric manufacturer Botto Giuseppe, founded in 1876, recently broadened its sustainability model for upcoming collections by enriching its existing products with a mulesing-free wool from New Zealand. Branded as “Aroba,” its mulesing-free wool has been incorporated into products such as “Slowood,” a superfine wool and “Fairwood,” a superfine wool and cashmere. The firm’s yarns are manufactured in Friuli, Italy, a factory operated by hydroelectric dam-generated energy and solar energy from photovoltaic panels on its roof.

Silvio Botto Poala, chief executive officer at Botto Giuseppe, said, “Preserving our planet and protecting its inhabitants has been popular topics for several years, andcover, we believe, more than ever, that it is our duty to also apply these ideas to the fashion segment to transform it into a sector operating on sound principles of eco-sustainability and ethical fashion.”

He noted that stringent policy plays a role sustainable apparel’s growth in Italy. “In fact, thanks to strict environment and work rules, Italy already enjoys a considerable advantage vis-à-vis developing manufacturing countries, with lower production costs and where workers’ working conditions are very poor and environment protection is simply neglected. The sustainable fashion sector is taking advantage to generate a balanced relationship both with the environment and its inhabitants to a fully, thoroughly transparent system.”

On the sustainable performance fibres front, Asahi Kasei’s “Bemberg” – also known as cupro, a biodegradable regenerated cellulose fiber derived from cotton lint – is popular among athleisurewear brands for its smooth and frictionless soft hand, as well as chemical-free technical properties such as breathability, moisture absorption and control. And the firm’s Roica – a sustainable premium stretch fiber – is popular among performance and outdoor wear brands. Its clients include Asics, Descente and Nike.

As one might expect, sustainability is touted incredulously across wool and fur. And to help raise awareness about wool as a natural technical fiber, The Woolmark Co. recently launched its “Live and Breathe” campaign, which aims to reignite younger generations’ desire for merino wool, due to its innate characteristics, including moisture management, odor control and breathability. Its campaign was directed specifically towards the athletic and outdoor clothing markets, eager to reclaim the material’s reputation as the “original” performance fiber, the firm said.

But fur’s “sustainability” remains in a state of flux, as both young and established brands are increasingly opting for synthetic alternatives. Granted, fur is a natural, sustainable and renewable material: it is wholly biodegradable and boosts a long lifespan, according to organizations that promote real fur. And while faux fur is undoubtedly a growing category, synthetics can actually cause more harm to our planet than buying, say, a vintage fur coat.

And sustainability remains at the core of consumers’ desire for utilitarian functional apparel as well. Marisa Nicholson, Outdoor Retailer vice president and show director, told WWD, “We are seeing [the Outdoor category] permeate other apparel categories, such as fashion and surf. Trail running shoes and hiking boots are featured on runways, and surf brands are applying their technical expertise to gear that is great for multiple activities. The crossover demand will only help spur the further growth of outdoor.”

Nicholson continued, “Sustainability remains a key focus for outdoor apparel. It’s part of the ethos of our industry and is driven by the conscious consumer. Brands continue to take action – they are going beyond nonprofit partnerships and evaluating the whole product lifecycle, considering the source, production, and future of the [apparel] and gear they create.”