

**SUSTAINABLE**

**FASHION**

**BLUEPRINT**

**2018**

Act as if what you do makes a difference.  
It does. by William James



Sustainable fashion - the continuously evolving trend toward fashion and design embracing broader issues of sustainability in production and consumption - is a segment of the fashion industry that has not been systemically reported on.

The Sustainable Fashion Blueprint 2018 report was created to (1) briefly review the impact that the fashion industry has on the environment and society, and gauge consumers' perception of the fashion industry, (2) highlight the varying definitions of sustainable fashion, (3) summarize the existing sustainable business initiatives and the positive and negative impact each can have on the environment and society, and (4) outline action items for businesses and consumers that want to change the impact they have on the environment and society. This report broadly conveys fashion's footprint in the global economy and the environment.

To accomplish this, the report relies on qualitative and quantitative analysis, drawing on primary and secondary research, including the Mamoq Fashion Survey.

This report was created during the authors' University of Cambridge MBA program as part of the Social Innovation Special Interest Group student initiative and in collaboration with Mamoq, a sustainable fashion marketplace.

# CONTENTS

<b>FOREWORD</b>	<b>3</b>
<b>THE APPAREL INDUSTRY: AN OVERVIEW</b>	<b>5</b>
<b>SUSTAINABILITY IN FASHION</b>	<b>13</b>
<b>THE FUTURE OF FASHION FOR BUSINESSES AND CONSUMERS</b>	<b>19</b>
<b>RECONCILING BUSINESSES AND CONSUMERS</b>	<b>39</b>



# I. THE APPAREL INDUSTRY: AN OVERVIEW

“The Textile, Clothing, Leather and Footwear (TCLF) sector is characterized by geographically dispersed production and rapid market-driven changes, providing employment opportunities to millions of workers worldwide especially for young women. Due to the scale and the profile of workers employed, the sector offers great potential to contribute significantly to economic and social development.”

International Labour Organisation - UN Agency<sup>1</sup>

# Global Outlook

## An important actor for society

The oldest known fashion item dates back 130,000 years<sup>2</sup>. Since then, fashion - beyond practicalities - has become a visual expression of **identity**. The industry's dual role of **differentiation** and **assimilation** allows individuals to express their differences, while **empowering** them to claim their belonging to a group, a culture or a movement.

## Globalized, complex and competitive

An early actor of globalization, the TCLF sector is characterized by a **“winner take all”** intense **competition** and by a discount culture<sup>3</sup>, which both engender a race to the bottom on margins. Despite technological advances, margins are further stressed by a **complex supply chain** with countless intermediaries.

**“It is not uncommon for some producers of shoes and apparel to have more than 1,000 suppliers scattered across several dozen countries.”**<sup>4</sup>

## Fulfilling a sophisticated demand

**Technology** and the rise of **e-commerce** paved the way for more **sophisticated consumers**, increased demand for personalization, and instant gratification expectations. The increased competition in supply meets an increased and more influential customer demand leading to an ever-growing **complexification and frequency of fashion cycles** constantly pushing demand and production upwards.

## World's 7th largest economy

In 2016, the global TCLF industry was a **€1 trillion** market which would make it the **7<sup>th</sup> largest economy** on the planet <sup>5,7,8</sup>.

With over **€200 billion turnover**, the sector was twice as big as the computer and electronics sector <sup>9</sup>. It is the one of the biggest manufacturing sector in Europe <sup>10</sup> and represents 40% of all manufacturing jobs in South Asia <sup>11</sup>.

## Labor intensive

The fashion industry employs over **300 million** people across the value chain <sup>5</sup>; almost the population of the United States, as of December 31, 2017. The sector is often a **crucial source of employment** and a big GDP contributor for emerging as well as developed economies. Though many individuals around the world may work within the same sector, globally, there does exist a disparity between the wages, working conditions, workers' rights, and gender-specific treatments offered to manufacturing employees.

## 2nd most polluting industry

**Over 350,000 km<sup>2</sup>** <sup>6</sup> of land - roughly the size of Germany - is dedicated to cotton production alone.

**An estimated 93 billion m<sup>3</sup> of water** - enough for 5 million people to survive - is used by the industry every year <sup>5,12</sup>.

**Around 1/2 million tons of microfiber** <sup>5</sup> or the equivalent of **3 million barrels of oil** <sup>13</sup> is dumped in the ocean every year, nearly the same amount as the DeepWater Horizon spill <sup>14</sup>.

GDP (€T) <sup>8</sup>

1. US	15.2
2. China	9
3. Japan	4
4. Germany	2.9
5. UK	2.1
6. France	2.0
<b>7. Apparel</b>	<b>1</b>

**€1**  
**trillion**  
global market

**>300**  
**million**  
workers worldwide



**~3**  
**million**  
oil barrels dumped in  
the ocean every year

# THE APPAREL INDUSTRY: CONSUMER PERCEPTION\*

The major aspects of the **fashion industry** that consumers would like to **change**:

1. Worker and animal exploitation
2. Creation of unrealistic body images
3. Artificial creation of need (e.g. fashion cycles / trends)
4. Production process
5. Access to affordably priced name brands
6. Transparency / traceability (e.g. company actions / supply chain)

# 85%



The estimated percentage of consumers that shop for apparel **at least** once every three months.

**FIT 84%**  
**PRICE 59%**  
**STYLE 59%**  
**SUSTAINABILITY 57%**  
**COMFORT 52%**  
**QUALITY 52%**

The **top 6 criteria** used by **consumers** to **purchase apparel**. The percentages represent the proportion of consumers that included the factor in their top 3 criteria used for apparel purchases.

## MAMOQ FASHION SURVEY



# 67%

The percentage of consumers **unwilling to sacrifice** any characteristic of apparel to buy a sustainable product.



**"Sustainability" means different things to different people.** This word cloud illustrates how a concept, such as sustainability, has varying definitions or topics associated with it.

Consumers identified that the **lack of knowledge / visibility**, the **high price**, and the **"limited" style** of sustainable fashion apparel as the greatest barriers to purchasing sustainable clothing.



# II. SUSTAINABILITY IN FASHION



# 2018

## SUSTAINABILITY: THE INDEFINABLE CONCEPT

Sustainability is gaining traction in the fashion world. Consumers, particularly Millennials and Generation Zs, are becoming increasingly aware of the challenges of sustainability, leading to changes in shopping habits and expectations for better, more sustainable products and new ways of consuming fashion <sup>15</sup>. This is creating an area of **differentiation** for companies that attempt to address these changes through identifying more sustainable ways to work across their product's whole life cycle. According to the Cotton Council International and Cotton Incorporated Global Environment Survey, **sustainability** is a **high priority** for consumers in countries such as, India (81 percent), Mexico (69 percent), Italy (62 percent), and China (60 percent) <sup>16</sup>. However, the increased awareness of sustainability in the fashion world has yet to lead to a **universal definition** of sustainable fashion. Consumers and fashion professionals alike are identifying what sustainable fashion means for him or herself. For Andrea Sanabria Oviedo, the founder of La Petite

Mort, "**Sustainable fashion is a concept still evolving** so it's hard, even now, to make a unanimous definition. To me, it's about values, whether it's linked to animal rights, environmental impact, consumption habits or social development.

You don't have to be all of them (I don't think it's even possible) but each one of these are an aspect of sustainable fashion aiming towards the same goal: to make a more human and responsible industry." For the purposes of this report,

sustainable fashion will be a similar **comprehensive concept of environmental and socio-economic values** as defined by the founders of Mamoq, a sustainable fashion marketplace.





“Sustainable fashion broadly refers to the design, production, distribution, consumption, and disposal of apparel with respect and consideration for the health and longevity of our natural environment, and the welfare of the animals and humans involved. It aims to limit the socio-environmental cost of fashion, while maximizing its lifetime value and positive impact.”

Madeline Petrow and Lenny Leemann - *founders of Mamoq*

# 12 VALUES TO CREATE POSITIVE AND SUSTAINABLE CHANGE

## NATURAL MATERIAL

Brands are committed to working with natural, bio-degradable materials such as cotton, linen, or wool. At least 95% of the entire collection is made from these materials.

## ARTISAN CRAFT

Brands work directly with highly skilled artisans and craftsmen. Artisans help to keep skills, technique, and culture alive through their craft.

## THIRD PARTY CERTIFIED

Brands have been thoroughly vetted, and officially verified by a third party organization (e.g., Fairtrade and Oeko-Tex).

## ECONOMIC EMPOWERMENT

Brands create job opportunity and skills training for marginalized communities. This facilitates financial independence, and offers a source of sustainable economic development.

## ECO-CONSCIOUS

Brands demonstrate an active commitment to limit their negative environmental impact and reduce their carbon footprint.

## VEGAN

Brands are committed to animal-free production.

## GIVES BACK

Brands consistently give back and demonstrate an ongoing commitment to charitable activity. This includes the “buy to give” model, as well as financial donation.

## TRANSPARENT

Brands operate on a fully transparent and traceable supply chain. This promotes accountability of production and higher ethical standards.

## CYCLED

Brands use recycled or up-cycled materials instead of raw, virgin materials. This limits the environmental impact of production, reduces landfill waste, and inspires creativity.

## MADE IN EUROPE

Brands produce and manufacture within Europe. This supports local industries and limits the environmental impact of large global supply chains.

## ORGANIC

Brands work with materials grown without the use of toxic chemicals or pesticides. This helps to limit the negative impact of farming on our ecosystems and personal health.

## HANDMADE

Brands offer a collection that is unique and made by hand with care.



**III.  
THE FUTURE OF  
FASHION FOR  
BUSINESSES AND  
CONSUMERS**

# WHY ADOPT SUSTAINABLE FASHION

INDUSTRY  
SHIFTS

## BUSINESSES' LIMITATIONS

**Increasing** raw material **costs**, **heightening reputational risk**, and **shifting** consumer demands are challenging fashion companies to redefine their long-term strategies.

## EMPOWERED CONSUMERS

**Connected** consumers are exposed to **more fashion choices** than ever before. Technology has **empowered** them to demand more transparency, accountability, and quality.

SOLUTIONS

## NEW VALUE PROPOSITIONS

Sustainable fashion initiatives are at the core of a new category of "positive impact" **new actors** in the fashion sector. These initiatives also help existing businesses **manage** costs, **minimize** reputational risk, **diversify** revenue streams, and **address** consumer expectations.

## NEW CONSUMER HABITS

Sustainable fashion initiatives can help consumers, especially Millennials and Generation Zs, with lower disposable income than their parents to gain easy access to ethically-made apparel from a transparent production line. These initiatives can also educate consumers on the importance of sustainability, and show that sustainable fashion can be of good quality, affordable and diverse.

TAKEAWAY

SUSTAINABLE FASHION PRINCIPLES WILL HELP BUSINESSES UPGRADE THEIR OPERATING MODELS TO ADDRESS INDUSTRY CHALLENGES AND CATER TO POWERFUL, INFORMED CONSUMERS

# SUSTAINABLE BUSINESS INITIATIVES

Closing the loop

Giving back

Extending life

01.

02.

03.

Apply recycling and circular economy principles

Build businesses that deliver for the consumer and give back to society and nature

Make apparel that will stand the test of time



Managing resources

Revamping supply

Pushing boundaries

04.

05.

06.

Optimize the use of manpower and natural resources

Assess and transform the supply chain

Explore beyond the present by preparing for future technologies



	SUMMARY	ACTORS*	GAINS	LIMITS
RECYCLING	Reprocess old or used apparel	<i>Worn Again</i> <i>Pure by Luce</i>	Cost savings Brand image	Price war Down-cycling Resource intensive
UP-CYCLING	Repurpose consumer waste into higher purpose items	<i>Stormiepoolle</i> <i>Resole</i>	Cost savings No down-cycling	Customer prejudice Limited scalability
CRADLE TO CRADLE	Design apparel that can be regenerated indefinitely	<i>aWearness</i> <i>Elvis &amp; Kresse</i>	Reduced material costs	Complex High upfront investment

# 01. Closing the loop

## From resources to goods and back to resources

Initiatives which apply circular economy principles and recycling to extract value from discarded apparel, help reduce waste, and avoid unnecessary consumption of natural resources.

# 02. Giving back

## Grow society and businesses hand-in-hand

Initiatives with a dual mission – businesses strive to become successful, while also committing to a social mission. The social mission may be embedded at the core of the company’s operating model or it may be an external commitment made by the company to a stand-alone cause.

	SUMMARY	ACTORS*	GAINS	LIMITS
BOGO	For every item purchased, one item is given to a recipient in need	<i>Jimmy Fairly</i> <i>Wearfigs</i>	Positive social impact	Past initiatives have gained a bad reputation
PROFIT SHARING	Commit to donating a share of profits to a not-for-profit or NGO	<i>Tblr</i> <i>Votch</i>	Improved brand image	Often perceived as a temporary solution  Could present an issue of zero-sum game

\* Refer to Annex 1 for additional examples.

# 03.

## Extending life

### Make the most of the apparel you own

These initiatives actively support and encourage consumers' attempts to extend their apparel's lifespan through appropriate care.

	SUMMARY	ACTORS*	GAINS	LIMITS
<b>CLOTHES UPGRADE</b>	Additional service to patch and repair worn apparel	<i>Flock by Nature</i> <i>Nudie Jeans</i>	Customer trust New revenue Stream Product insight	Additional costs Complex logistics Revenue loss on new items
<b>LIFETIME WARRANTY</b>	Lifetime warranty of the apparel	<i>Darntough socks</i> <i>Features</i>	Customer trust Product insight	Revenue loss Limited and complex applications
<b>SECOND HAND</b>	Apparel in good condition sold in secondary market	<i>Filipa K</i> <i>Vestiaire Collective</i>	New revenue stream Long-term customer relationship Product insight	Loss of revenue in new item Customer prejudice

# 04. Managing resources

## Producing more with less

These initiatives aim to meet market demand, while minimizing environmental impact and maximizing ethical practices.



Image Courtesy: iStockphoto.com

	SUMMARY	ACTORS*	GAINS	LIMITS
<b>NEW MATERIALS</b>	New fabrics and production techniques help reduce environmental impact and protect workers' health	<i>Evrnu fiber</i> <i>Bloomfoam</i>	Less pre-consumer waste  Compliant with circular economy	Higher production costs  Limited application
<b>ETHICAL SOURCING</b>	The brand commits to an ethical, environmentally friendly sourcing	<i>Rosenbergcph</i> <i>Elsk</i>	Reduced environmental impact  Brand image	Increased overhead  Complexity of the supply chain
<b>SOCIAL EMPOWERMENT</b>	Brands committed to empowering workers by providing them fair rights as actors in the fashion industry	<i>Mayamiko</i> <i>Tales of Thread</i>	Increased creativity and productivity  Differentiation of product	Increased price  Challenge to scale  Public stigma

\* Refer to Annex 1 for additional examples.



## Changing how we produce, distribute, and consume fashion

Away with established supply chain and business models - These initiatives redefine how apparel can be produced and consumed with sustainability at the core of a business's operations.

# 05. Revamping supply

	SUMMARY	ACTORS*	GAINS	LIMITS
<b>FAAS</b>	Customers can rent their apparel and subscribe to fashion as a service	<i>Mud Jeans</i> <i>Le closet</i>	Continuous revenues Diversity of offering	Ripple environmental effects Pushes consumerism
<b>PRE ORDER</b>	Apparel made upon order	<i>Two thirds</i> <i>Elsien Gringhuis</i>	Limited waste No inventory	No inventory Customer habits
<b>ULTRA FAST FASHION</b>	One-time use of apparel entirely made of biodegradable or recyclable material	<i>Tami Care</i> <i>Growable Gowns</i>	Increased revenue Diversity of offering	Pushed consumerism R&D intensive Scalability
<b>LOCAL</b>	Brand dedicated to local production only	<i>Le slip français</i> <i>Ted &amp; Bessie</i>	Invest in the local economy	Most impactful paired with local distribution

# 06.

## Pushing boundaries

### Big Data & AI

Big data and AI will push the limits of customer insight, help better forecast production and optimize supply chains.

### AR/VR/MR

AR/VR/MR will play a big role in consumer education and awareness. It will also help redefine fashion trends and production by boosting the on-demand and tailored production processes.

### 3D Printing\*

3D printers will reduce pre-consumer waste, boost local and bespoke production, and broaden the range of sustainable material, which can be used to produce apparel.

### Blockchain

Blockchain technology will improve supply chain transparency and increase product traceability. It will help companies better assess their environmental and social impact, as well as assist fashion companies in creating a better implementation of closed loop productions.

### New materials

Self-healing, connected and color changing; the textile industry will produce fabrics made to last.

\* Refer to Annex 1 for additional examples.

In order to implement sustainable fashion principles, incumbents will need to make long-term commitments and investments while new entrants will face high barriers to entry and scalability challenges. Transparency will become key to a company's success in the industry and currently stands as the biggest technical challenge to overcome.

## Challenges

Until recently, the fashion industry's incumbents considered **sustainability to be a source of overhead** for their companies. Measures of sustainability were only implemented to meet regulations, uphold brand image, and match the competition. Fashion houses set off to sponsor and run costly stand-alone **neutral impact programs** aimed at offsetting the perceived environmental and social impact of their core activity.

Since then, the industry has come to re-assess the potential value-add of sustainability and the gains sustainable fashion initiatives can yield for a business when embedded directly at the core of the company's value proposition and consistently throughout the company's supply chain. When choosing to implement such principles, an incumbent will face at least **3 types of challenges**. First, an incumbent needs to make **a long-term commitment** to sustainable fashion principles which will involve dedicating a budget, headcount and time across the organization for a long-term implementation of sustainable initiatives. Second, management has to be aware that implementing such principles will have a direct **impact on margins**<sup>17</sup>, which the incumbent will adapt to by adopting new business practices and services (cf. previous pages). Third, the corporate governance structure of the company will be challenged as **agency issues arise**. As such, the corporate governance strategy should be reviewed to factor in success measures on sustainability and favor long-term sustainability initiatives.

**New entrants**, who choose to implement sustainable fashion initiatives from the onset, will face a different set of challenges. These entrants often start as **small players** on local markets and face **high barriers to entry** when it comes to national and international markets, especially as they compete on prices and brand recognition with big established brands. **E-commerce and social media will have an important role in lowering those barriers.**

Finally, for both incumbents and new entrants, **the biggest challenges of all will be transparency**. Supply chain in the industry is always extremely complex and it will be challenging for both incumbents and new entrants to establish and maintain a transparent and trusted supply chain. Here, people look towards technology and the promises of AI and blockchain to tackle those issues. Collaboration between actors, open-sourcing and certification will also be key to the successful adoption of sustainable fashion principles.

# IV. RECONCILING BUSINESSES AND CONSUMERS



“Transparency alone does not represent the sort of structural, systemic change we would like to see for the fashion industry - but it helps us get there. Transparency helps to reveal the structures in place so we can better understand how to change them. Transparency shines a light on issues often kept in the dark. It is an important first step towards positive change.”

Fashion Revolution<sup>18</sup>

## ACTION ITEM CHECKLIST

# NEXT STEPS: BUSINESSES FOR SUSTAINABILITY



### 1. GET YOUR COMPANY AND CUSTOMERS ON-BOARD\*

Sustainability is seen by certain consumers as an add-on. Your company can educate consumers on what sustainability can be and dispel prejudices against sustainable fashion.

Open a dialog with customers to understand their aspirations and commit to meeting their aspirations via sustainable initiatives. Social platforms provide a cost-effective medium to broadcast your message and listen to customer reactions.

Join industry initiatives, network and partner with other actors on sustainable projects, and learn by example from early adopters. Look beyond your industry, leverage the expertise of sustainability and circular economy experts who will guide you.



### 2. DEDICATE RESOURCES\*

Allocate resources to create and implement the company's sustainable principles. These principles can be addressed by, but not limited to, designing waste out of your supply chain, adopting new business and distribution models, and staying on top of the latest innovations.

Businesses can choose from three different structures to ensure the resources dedicated will be used efficiently: a separate department or team, a separate entity, or a joint venture between the company and other industry actors.

\* Refer to Annex 2 for a list of initiatives, organizations, or ethical marketplaces that supports this action item.



### 3. COMMIT TO TRANSPARENCY\*

Create an environment where transparency is a key goal. If necessary, pledge to this goal with other industry actors <sup>19</sup>.

Quantitative metrics of the company's environmental and socio-economic issues can be tracked and published, both within the company and publicly. The company can also request similar transparency from others in its supply chain. Internally, these metrics should be used to measure progress on sustainability goals. The company should aim for continuous improvement in the metrics and use its measurements to identify areas for improvement. Externally, easily accessible metrics (e.g. maintenance tips or post-purchase indications) through a mobile app or another medium would allow consumers to see the company's commitment to the issues, and to better understand the social and environmental impact of their purchase.

Take inspiration from the open-source initiative in the software industry and adopt an open-source policy with your sustainability and supply chain data.

This open-source policy will spread through the complex supply chain and, by capillarity, improve transparency in the industry.



### 4. ENCOURAGE INITIATIVES\*

Foster sustainable initiatives both in-house and externally.

Internally, strive for transparent and fair working conditions (e.g. fair wages, health and work-life balance programs) for any workforce contributing to your supply chain and create employee incentives to encourage the entire organization to actively seek sustainable improvements.

Externally, partner with innovative start-ups that can help guide or further your sustainable initiatives.

Crowdsource and nurture innovative problem solving by sponsoring design challenges and engaging young talent to solve the most intricate challenges of sustainable fashion.

Who made my clothes?

## ACTION ITEM CHECKLIST

# NEXT STEPS: CONSUMERS FOR SUSTAINABILITY

## SHORT TERM



### 1. BE A CONSCIOUS CONSUMER

Do your research on how the fashion industry impacts society on an environmental and socio-economic level. Being aware and informed will help you determine what impact you want to have on the environment and society.



### 2. TAKE CARE OF YOUR CLOTHING

Proper upkeep of your clothing may allow your clothes to have a longer lifespan. Wash your clothes less often and mend your clothing when needed. Refer to organizations, like Care Label Project, to educate yourself on how to best to care for your clothes.



### 3. RECYCLE CLOTHING\*

Donate your clothing to charities /clothing banks, refashion your clothes through DIY up-cycling or repurpose your clothes.



### 4. QUESTION YOUR NEEDS

Avoid impulse buys – Learn how to distinguish between need and want and buy clothing only when needed.



### 5. DO LIGHT DUE DILIGENCE

Review clothing labels and take the information collected into consideration – Where was the garment made (e.g., locally)? Is the apparel made of natural fibers (e.g., cotton, tencel, and wool)? Will the apparel require significant washing or is it dry cleaning only?



### 6. EDUCATE AND LEARN FROM OTHERS

Share your tips and interests with your friends.



### 7. BEWARE OF GREENWASHING

Review clothing labels, company websites, and ethical marketplaces to gain knowledge of a brand's commitment to sustainability and ethics.



### 8. FIND NEW SOURCES OF CLOTHING\*

Shop at brand-specific clothing stores, vintage shops, ethical marketplaces, and rental clothing stores.



### 9. VOTE WITH YOUR WALLET AND VOICE

Buy from brands that offer sustainable apparel and show companies your appreciation through repeat purchases. Additionally, show your appreciation by using social media to raise company's brand awareness.



### 10. CREATE A CAPSULE WARDROBE

Buy less, choose well – Learn to choose quality over quantity. Create an edited collection of versatile clothing that can be mixed and matched to obtain maximum use out of minimal possessions. Use apps, like Cladwell, to identify your style, label the unneeded items, donate or sell the unneeded items, and create new outfit combinations.

## LONG TERM



### 1. GET INSPIRED\*

Gain knowledge and inspiration through four activities: reading, watching, listening, and following. Read – books, blogs, and websites, Watch – documentaries, Listen to – podcasts, and Follow – sustainable fashion advocates on social media.



### 2. KNOW BEFORE YOU BUY\*

Perform in depth due diligence about a brand before making purchases. The due diligence process can include, but is not limited to, reviewing a brand's ethical and environmental reports, recent news, certifications / memberships in sustainable initiatives, and ethical rating.



### 3. BE HANDS-ON\*

Get involved with NGOs and not-for-profit organizations. Find how you can have a positive impact on society.



### 4. SPREAD THE WORD

Use your voice on social media to help raise awareness of sustainability, to propel sustainability into a fashion trend for each season, and to share your journey as a conscious consumer.



### 5. RAISE CONSCIOUS CONSUMERS\*

Educate your children to give them the freedom to make conscious consumer choices. Education resources and programs are available to consumers to learn about sustainability and how to live a sustainable life.



# GLOSSARY

## Actors

An active participant in a process, event, sector or industry.

## BOGO

Buy One Give One, an operational business model adopted by certain retailers whereby for every item bought a matching donation will be made by the business to a community in need.

## Circular economy

"in a circular economy, the value of products and materials is maintained for as long as possible. Waste and resource use are minimised, and when a product reaches the end of its life, it is used again to create further value. This can bring major economic benefits, contributing to innovation, growth and job creation." <sup>20</sup>

## Conscious consumer

A consumer who "purchase[s] products or services produced with social and environmental considerations in mind. It can be described as consumers "voting with their dollars," by purchasing products and services produced responsibly." <sup>21</sup>

## Discount culture

A discount culture takes place in an industry when the biggest players or all the players in the industry enter a war on price and increasingly apply discounts on their products to attract customers.

## Down-cycling

"Down-cycling, also referred to as cascading, describes the recycling of waste in cases where the recycled material is of lower quality and functionality than the original material." <sup>22</sup>

## DIY

Abbreviation for "Do It Yourself" which refers to "the activity of decorating or repairing your home, or making things for your home yourself, rather than paying someone else to do it for you." <sup>23</sup>

## Greenwashing

"[...]when a company or organization spends more time and money claiming to be "green" through advertising and marketing than actually implementing business practices that minimize environmental impact." <sup>24</sup>

## Ethical

relating to beliefs about what is morally right and wrong. In this report, it refers specifically to belief of moral right for the fair and equal treatment of the workforce in the fashion industry.

## Product life cycle

"describes the period of time over which an item is developed, brought to market and eventually removed from the market. The cycle is broken into four stages: introduction, growth, maturity and decline." <sup>25</sup>

## Recycling

The action of reprocessing a material or an object in order to make it suitable for reuse.

## Repurpose

The process of finding a new use for a used piece of apparel, shoe or fashion accessory.

## Reputational risk

"Reputational risk is a threat or danger to the good name or standing of a business or entity. Reputational risk can occur through a number of ways: directly as the result of the actions of the company itself; indirectly due to the actions of an employee or employees; or tangentially through other peripheral parties, such as joint venture partners or suppliers." <sup>26</sup>

## Transparency

In the context of this report "transparency" refers to the capability and willingness for businesses involved in the fashion supply chain to transparently disclose the environmental and social impact of its activities.

## Turnover

The value of the sales performed in a certain period (net of discounts and taxes).

## Up-cycling

The opposite of down-cycling, up-cycling describes the "reuse (discarded objects or material) in such a way as to create a product of higher quality or value than the original." <sup>27</sup>

# ANNEX 1 – EXISTING SUSTAINABLE FASHION ACTORS

Below are a few examples of the companies, organizations, and initiatives that are paving the way to a sustainable future.

## Closing the loop

### Recycling

- Third parties
- [I:CO](#)
- [Worn Again](#)

Cross-Industry partnerships

- [Timberland](#)

### Up-cycling

- [Reetaus](#)
- [Mosevic](#)
- [Mundao](#)
- [re:newcell](#)

### Cradle-to-cradle

- Brands
- [C&A](#)
- [aWearness](#)
- [Saiboo](#)

Certification Organization

- [C2C Institute](#)

## Giving back

### BOGO

- [Wewood](#)
- [Shoemates](#)
- [Bixbee](#)
- [Bombas](#)
- [Roma boots](#)
- [Out of Print Clothing](#)

### Profit sharing

- [From Babies With Love](#)
- [Serengetee](#)
- [Feed Projects](#)
- [Kipepeo](#)

### They help you do it

- [1% for the planet](#)
- [Founders Pledge](#)

## Extending life

### Clothes upgrade

- [Patagonia](#)
- [The Good Wardrobe](#)

### Lifetime warranty

- [Filson](#)
- [Davek](#)

### Second hand

- [Nudie Jeans](#)
- [La Refinery](#)

## Managing resources

### New materials

- [Mango materials](#)
- [Tami care](#)
- [Singlethread knitwear](#)
- [Algiknit](#)
- [Petit Pli](#)

### Ethical sourcing

- [Soko](#)
- [Sudara](#)

### Social empowerment

- [Soeries du Mekong](#)
- [The Giving Keys](#)

## Revamping supply

### FaaS

- [UFTD \(lease\)](#)
- [E&C \(subscription\)](#)

### Pre-order

- [Threadless](#)

### Local

- [Le slip français](#)

## Pushing boundaries

### 3D printing

- [Heisel](#)
- [Danit Peleg](#)

# ANNEX 2 – NEXT STEPS: BUSINESSES AND CONSUMERS

Below are a few examples of the companies, organizations, initiatives, and individuals that are paving the way to a sustainable future.

## Businesses

### Get your company and customers on-board

- [IDEO CoLab](#)
- [Industry Of All Nations](#)

### Commit to transparency

- [Human Rights Watch - Transparency Pledge](#)
- [Nike Manufacturing Map](#)
- [Provenance.org](#)

### Encourage initiatives

- [Circular Fibre Initiative](#)
- [Apparel Coalition](#)
- [Textile Exchange](#)

## Consumers

### Recycle clothing

Charities / Clothing banks

- [Goodwill](#)
- [TRAID](#)

DIY Up-cycling

- [Love Your Clothes](#)

### Find new sources of clothing

Ethical marketplaces

- [Bead and Reel](#)
- [Buy Me Once](#)
- [Gather And See](#)
- [Mamog](#)
- [Rêve En Vert](#)
- [The Keep](#)
- [Shop Wear Well](#)

## Get inspired

Read

- [True Fashion Collective](#)
- [Make It Last](#)
- [Circular Fashion](#)
- [The Good Trade](#)
- [Sustainable Fashion](#)
- [Ecouterre](#)

Watch

- [True Cost](#)
- [The Machinists](#)
- [Minimalism](#)
- [The Next Black](#)

Listen

- [Conscious Chatter](#)
- [Clare Press](#)

Follow

- [Eco-Age](#)
- [Vivienne Westwood](#)
- [Stella McCartney](#)
- [Livia Firth](#)

## Know before you buy

Ethical / sustainable initiatives

- [Ethical Trading Initiative](#)
- [MADE BY](#)
- [B Corp](#)
- [GOTS](#)
- [Oeko-Tex](#)
- [Cradle-To-Cradle](#)
- [EU Eco Label](#)
- [Global Recycle Standard](#)

Ethical rating

- [Good on You](#)
- [Project Just](#)
- [Rank A Brand](#)

Charities / Clothing banks

- [Done Good](#)

## Be hands-on

- [Fashion Revolution](#)
- [Ethical Fashion Forum](#)

## Raise conscious consumers

- [Fashion Takes Action](#)
- [Fashion Revolution](#)
- [The Sustainable Fashion Academy](#)

# COMPANY AND INITIATIVE REFERENCES

The companies and initiatives referenced within the body of the report:

## **69b Boutique** -

<http://www.69bboutique.com/>

**Algiknit** - <https://www.algiknit.com/>

## **Apparel Coalition** -

<https://apparelcoalition.org/>

**Awearness** - <http://dutchawearness.com/>

## **Bead and Reel** -

<https://www.beadandreel.com/>

**Bloomfoam** - <http://bloomfoam.com/>

## **Blackhorse Lane** -

<https://blackhorselane.com/>

**BuyMeOnce** - <https://buymeonce.com/>

**Carcel** - <https://carcel.co/>

**C&A** - <https://www.c-and-a.com/eu/en/shop>

**Cladwell** - <https://cladwell.com/>

**Darntough socks** - <https://darntough.com/>

**Davek** - <https://davek.co.uk/>

## **Ellen MacArthur Foundation**

**(Circular Fiber Initiative)** -

<https://www.ellenmacarthurfoundation.org/>

## **Elsien Gringhuis** -

<https://www.elsiengringhuis.com/>

**Elsk** - <https://www.elsk.com/>

## **Elvis & Kresse** -

<https://www.elvisandkresse.com/>

**Evrnu fiber** - <https://www.evrnu.com/>

## **Feed projects** -

<https://www.feedprojects.com/>

**Feetures** - <https://feetures.com/>

**Filipa K** - <https://www.filippa-k.com/se/>

**Filson** - <https://www.filson.com/>

## **Flock by Nature** -

<https://flockbynature.co.uk/>

## **From babies with love** -

<https://www.frombabieswithlove.org/>

## **Gather & See** -

<https://www.gatherandsee.com/>

**Goodwill** - <http://www.goodwill.org/>

## **Growable Gowns** -

<http://www.growablegowns.com/>

## **Jimmy Fairly** -

<https://www.jimmyfairly.com/fr/>

**Kipepeo** - <http://www.kipepeo-clothing.com/en/>

**La Petite Mort** - <http://www.la-pm.com/>

**La Refinery** - <https://www.larefinery.com/>

**Le closet** - <https://www.lecloset.fr/>

## **Les récupérables** -

<http://www.lesrecuperables.com/>

## **Le slip français** -

<https://www.leslipfrançais.co.uk/>

**Mamoq** - <https://www.mamoq.com/>

## **Mango materials** -

<http://mangomaterials.com/>

**Markafoni** - <https://www.markafoni.com/>

**Mayamiko** - <https://www.mayamiko.com/>

**Mosevic** - <https://mosevic.com/>

**MUD Jeans** - <http://www.mudjeans.eu/>

**Mundao** - <https://mundao.com/>

**Nudie Jeans** - <https://www.nudiejeans.com/>

**Patagonia** - [eu.patagonia.com/](http://eu.patagonia.com/)

**Petit pli** - <http://petitpli.com/>

**Pure by Luce** - <https://purebyluce.com/>

**Raven+Lily** - <https://www.ravenandlily.com/>

**Reetaus** - <http://reetaus.com/>

**Rêve En Vert** - <https://reve-en-vert.com/>

**Re:newcell** - <https://renewcell.com/>

**Resole** - <http://www.resole.se/>

**Rosenbergcph** - <https://rosenbergcph.dk/>

**Saiboo** - <http://saiboo.se/>

**Serengetee** - <https://www.serengetee.com/>

**Shoemates** - <https://www.shoemates.de/>

**Soko** - <https://www.soko-kenya.com/>

**Stormie Poodle** - <https://stormiepoodle.com/>

**Sudara** - <https://www.sudara.org/>

**Tales of Thread** - <https://talesofthread.com/>

**Tami Care** - <http://www.tamicare.com/>

## **Ted & Bessie** -

<https://www.tedandbessie.co.uk/>

## **Textile Exchange** -

<http://textileexchange.org/>

## **The Good Wardrobe** -

<https://www.thegoodwardrobe.com/>

**The Keep** - <https://thekeepboutique.com/>

**Threadless** - <https://www.threadless.com/>

**Twothirds** - <https://twothirds.com/>

## **Vestiaire Collective** -

<https://www.vestiairecollective.com/>

**Votch** - <https://www.votch.co.uk/>

**Wearfigs** - <https://www.wearfigs.com/>

**Wewood** - <https://www.we-wood.com/>

**Worn Again** - <http://wornagain.info/>

# SOURCES

**Report date: April 3, 2018**

1 International Labour Organization

<http://www.ilo.org/global/industries-and-sectors/textiles-clothing-leather-footwear/lang--en/index.html>

2 Evidence for Neandertal Jewelry: Modified White-Tailed Eagle Claws at Krapinam

<https://doi.org/10.1371/journal.pone.0119802>

3 The State of Fashion 2017 – McKinsey & Business of Fashion

<https://www.mckinsey.com/~media/mckinsey/industries/etail/our%20insights/the%20state%20of%20fashion/the-state-of-fashion-mck-bof-2017-report.ashx>

4 Etica News – Supply chain in the clothing industry p.4

<https://www.eticanews.it/wp-content/uploads/2014/09/Report-Bank-J-Safra-Sarasin-Supply-Chains-in-the-Clothing-Industry.pdf>

5 A new textiles economy: Redesigning fashion's future – Ellen MacArthur Foundation

[https://www.ellenmacarthurfoundation.org/assets/downloads/publications/A-New-Textiles-Economy\\_Full-Report.pdf](https://www.ellenmacarthurfoundation.org/assets/downloads/publications/A-New-Textiles-Economy_Full-Report.pdf)

6 [reasoning]

Cotton production takes 2.5% of the world's arable land<sup>5</sup> The world arable land stands at 11% of the world' land area<sup>28</sup> which is ~130M km<sup>2</sup><sup>29</sup> => 356, 474km<sup>2</sup> is dedicated to cotton production

7 FX EURUSD - Bloomberg – as of 28Feb18

<https://www.bloomberg.com/quote/USDEUR:CUR>

8 GDP Country List

<https://tradingeconomics.com/country-list/gdp>

9 Euratex – 2016 Report

[http://euratex.eu/fileadmin/user\\_upload/images/key\\_data/Euratex\\_Keyfigures\\_-\\_2016-HR.pdf](http://euratex.eu/fileadmin/user_upload/images/key_data/Euratex_Keyfigures_-_2016-HR.pdf)

10 Eurostat – Annual detailed enterprise statistic for industry

[http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=sbs\\_na\\_ind\\_r2&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=sbs_na_ind_r2&lang=en)

11 Stitches to Riches? Apparel Employment, Trade, and Economic Development in South-Asia

<https://openknowledge.worldbank.org/bitstream/handle/10986/23961/9781464808135.pdf?sequence=2&isAllowed=y>

12 The Human Right to Water and Sanitation - United Nations

[http://www.un.org/waterforlifedecade/pdf/human\\_right\\_to\\_water\\_and\\_sanitation\\_media\\_brief.pdf](http://www.un.org/waterforlifedecade/pdf/human_right_to_water_and_sanitation_media_brief.pdf)

13 [reasoning]

33bn oil barrels produced in 2012 / 4% dedicated to plastic / 25% of that to textile => 330M oil barrels for 53M tons of fibres [1]; 1/2M ton of fibre released in the ocean every year[1] => 3.11M barrel of oil released

14 Deepwater Horizon Spill 2010

<https://www.britannica.com/event/Deepwater-Horizon-oil-spill-of-2010>

*"The ruling on the second phase, announced in January 2015, set the legal amount of oil for which the involved parties would be liable at 3.19 million barrels."*

15 Accenture & H&M Foundation Report

[https://www.accenture.com/t20170410T044051Z\\_w\\_us-en/\\_acnmedia/Accenture/Conversion-Assets/DotCom/Documents/Global/PDF/Consulting/Accenture-HM-Global-Change-Award-Report.pdf](https://www.accenture.com/t20170410T044051Z_w_us-en/_acnmedia/Accenture/Conversion-Assets/DotCom/Documents/Global/PDF/Consulting/Accenture-HM-Global-Change-Award-Report.pdf)

16 Cotton Lifestyle Monitor

<http://lifestylemonitor.cottoninc.com/sustainability-concerns/>

17 Schmidt J. et. al. (2012) 'How to make money by doing good - Shared Value in the apparel industry', GreenLeaf Publishing, Journal of Corporate Citizenship pp 79-103

"Lower profit - "the companies' margins tend to be smaller than those of conventional fashion brands because of their comparably high sourcing costs."

18 Fashion Revolution

<http://fashionrevolution.org/about/why-transparency-matters/>

19 Go Transparent - Human Rights Watch

<https://www.hrw.org/GoTransparent>

20 European Commission – Circular economy

[https://ec.europa.eu/growth/industry/sustainability/circular-economy\\_en](https://ec.europa.eu/growth/industry/sustainability/circular-economy_en)

21 Primer on consumerism

<https://nbs.net/p/primer-consumerism-e45b7b47-eb32-4940-b3ab-efd5342e71f>

22 Down-cycling definition – Wikipedia

[https://en.wikipedia.org/wiki/Downcycling#cite\\_note-CradletoCradle-1](https://en.wikipedia.org/wiki/Downcycling#cite_note-CradletoCradle-1)

23 DIY

<https://dictionary.cambridge.org/dictionary/english/diy>

24 Greenwashing

<http://www.greenwashingindex.com/about-greenwashing/#what>

25 Product Lifecycle – Investopedia

<https://www.investopedia.com/terms/p/product-life-cycle.asp>

26 Reputational Risk

<https://www.investopedia.com/terms/r/reputational-risk.asp>

27 Up-cycle

<https://en.oxforddictionaries.com/definition/upcycle>

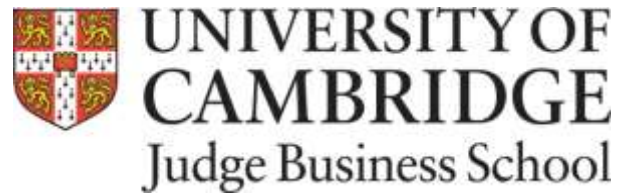
28 World bank – Arable land

<https://data.worldbank.org/indicator/AG.LND.ARBL.ZS?view=chart>

29 World Bank – Land area

<https://data.worldbank.org/indicator/AG.LND.TOTL.K2>

# CONTACTS



This project was conducted during our MBA program as part of the Social Innovation Special Interest Group student initiative.

For any questions on the report or further discussion, please contact a member of the Sustainable Fashion Blueprint 2018 report team:

**Diane Albouy**

albouydiane@gmail.com

**Olabisi Adesida**

adesida.ola@gmail.com



For commercial enquiries, please contact:

**Madeline Petrow**  
**Co-Founder**  
madeline@mamoq.com

**Lenny Leemann**  
**Co-Founder**  
lenny@mamoq.com