



The Road to 2030

EVENT #1
9:00AM - 11:45AM

TOWARDS A MORE CIRCULAR & SUSTAINABLE FASHION INDUSTRY

By: Alexis Mullard, Blanca Castillo, Dawson Hill,
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Jindal



BASIC INFORMATION

EVENT GOALS

- Look into how retail organizations are embarking on achieving their sometimes lofty sustainability goals
- look at what tools and technologies companies are leveraging (or should be leveraging) to get them to their end goals

TICKET PRICES & SPONSORS

- \$349 for subscribers & \$399 for non-subscribers
- Sponsors: primarily B2B companies
 - packaging / cotton(2) / fiber(2) / coloring
 - sustainability certification(2) / knowledge service / data analytics / textile recycling

FAIRCHILD'S AUDIENCE

70%

Brands / Retailers

25%

Industry Service
Providers

80%

C-Suite Founder,
Partners, Principals

15%

Senior Level Executives
EVPs, SVPs, VPs



OPENING REMARKS



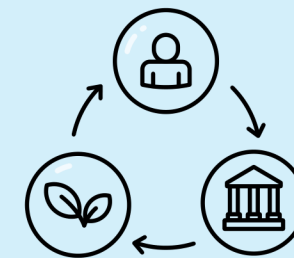
Edward Hertzman
President & Founder,
Sourcing Journal



Sustainability Capsule

How are we going to achieve it?

Change the incentive structure?
Punitive regulations?



ESG

ESG is the new E-commerce

Necessary & Irreversible



Circularity

Circularity



De-growth



ONE-ON-ONE: TAPESTRY'S HOLISTIC APPROACH



Logan Duran

Senior Director, ESG &
Sustainability, Tapestry



Jessica Binns

Managing Editor &
Technology Editor, **Sourcing
Journal**

Intended Audience:

Executives from companies with
diverse portfolio and fashion
consumers

PROFILE SESSION



OBJECTIVES

Promoting structured and responsible business management to sustainability



KEY SUSTAINABILITY POINTS

Overproduction issues in the fashion industry.

Possible solutions: on-demand production, materials that last long, circulation



KEY BRAND POINTS

How to **manage subsidiaries** and **strengthen the platform**? Tapestry customizes goals for brands at different stages and delivers different messages. However, more marketing efforts should be made



KEY FINANCIAL POINTS

Tie compensation of VP-plus positions with ESG performance to hold leaders accountable for progress against targets



COMPARABLE EVENTS

Sustainable Fashion Forum - **From Waste to Value: The Reality of Textile Recycling Today**, **Global Fashion Agenda** - Youth Fashion Summit, in collaboration with Pandora

ONE-ON-ONE: TAPESTRY'S HOLISTIC APPROACH

HIGHLIGHTS/ KEY TAKEAWAYS

Coach's sustainability endeavors - Craft to Last

◆ Repair Services

Free repair service under a 2-year warranty. By 2021, **more than 166,000 bags had been repaired**. The challenge to **scaling up** is the craftsmanship and labor needed. Coach has been recruiting for **apprenticeship programs to solve the problem**.

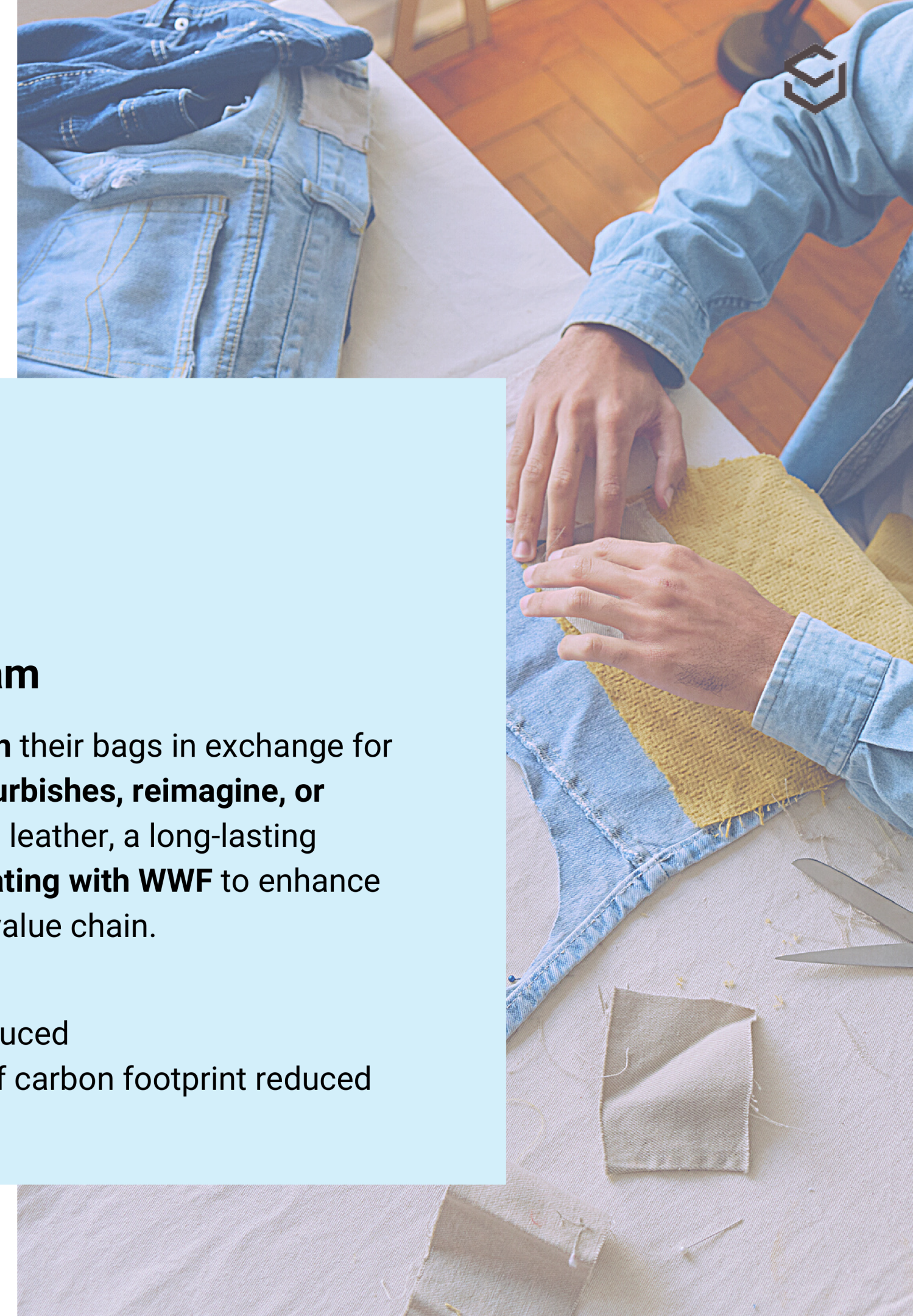
◆ (Re)Loved program

Customers can **trade in** their bags in exchange for credits, and Coach **refurbishes, reimagine, or recycle it**. Focusing on leather, a long-lasting material, and **collaborating with WWF** to enhance the traceability of the value chain.

Impact

Repair and use for three years --> 29% of carbon footprint reduced

Repair with materials from other products (reloved) --> 76% of carbon footprint reduced



THE BUYER/SUPPLIER EVOLUTION



Matthias Knappe

Senior Officer & Programme Manager,
Fibres, Textiles & Clothing,
International Trade Centre



David Savman

Head of Supply Chain, H&M Group



Rens Tap

Senior Economist, Modint, and
Advisor, International Apparel
Federation



John Thorbeck

Chairman, Chainge Capital LLC



OBJECTIVES

Creating a **better and more sustainable buyer-supplier relationship**



KEY SUSTAINABILITY POINTS: TRUST

Buyers and suppliers need to create a **symbiotic relationship**. This relationship is key for a more **equal global economy** and progress toward a sustainable future



KEY BRAND POINTS: BRAND POWER

Large brands need to set an example of how to run a positive relationship with suppliers and must **bring the industry together** to help larger players create systematic changes



KEY FINANCIAL POINTS: DATA & SUSTAINABILITY

Investing in data and sustainability is **necessary and rewarding**. Gathering and sharing data across the value chain is **key for improvements**



COMPARABLE EVENTS: NRF SUPPLY CHAIN

"At NRF Supply Chain 360, meet with supply chain & sustainability peers, industry experts, & top innovators to explore the modes and methods needed to build a stronger & more resilient supply chain."

THE BUYER/SUPPLIER EVOLUTION

Global Buyer-Supplier relationship needs to be **improved for a more sustainable future for all stakeholders**



HIGHLIGHTS/ KEY TAKEAWAYS

01

Importance of Data

- Application of data across the supply chain can **reduce risk and unlock capital** to accelerate a more sustainable industry

02

Challenges For a Sustainable Future

- **Sustainable perspective:** Lack of commitment in current company culture
- **Industry perspective:** Lack of effective, actionable, and profitable ventures limits the number of sustainability opportunities

03

Overproduction

- Overproduction is a **key cost driver** for brands and manufacturers as well as a **leading driver of pollution**

CONNECTING: A SUSTAINABLE FUTURE FOR APPAREL



Michael Colarossi

VP, Product Line Management,
Innovation & Sustainability, **Avery
Dennison**



Scott Kuhlman

Chief Executive Officer,
ReCircled



Rob Smith

Director, Production & Sourcing,
UpWest



Peter Sadera

Editor-in-Chief, **Sourcing
Journal**



OBJECTIVES

The **take-back** focused **collaboration** emphasizes how **technology** is essential to the circular fashion economy, providing transparency, direct-to-consumer communications, and **commercializing upcycling**. Collaboration across brands is one main path forward and using technology to **engage** and interact with **consumers**.



KEY SUSTAINABILITY POINTS

The collaboration advances **circular fashion** and enables **traceability** and **transparency**. Items are given a **new life** without producing new ones, consumers can participate in **take-back programs**, **recyclers** and **upcyclers** can be confident of **composition**, and resellers can check **authenticity**. The **digital triggers** allow customers to join the **sustainability journey** around the **garment's origins** and where they can dispose of it while enabling more processing efficiency.



KEY BRAND POINTS

Enabling and **reimagining** technology to **create experiences** across the supply chain. **Digitizing a garment** with a unique **digital id** attached to the garment permanently can enable **upcycling** or **recycling**, make the **processes more efficient**, and provide a **retail or brand experience**.



KEY FINANCIAL POINTS

Commercialization is important, but there is a fine **balance** between taking technology and creating something that **serves a purpose** to the consumer while doing it **responsibly**. It costs ReCircled \$2 to **assess each garment**, but RFID and the QR code **eliminate that cost** and can reduce the labor involved in **sorting**.



COMPARABLE EVENTS

BoF Professional Summit: New Frontiers in Fashion and Technology 2022.

CONNECTING: A SUSTAINABLE FUTURE FOR APPAREL

UpWest, ReCircled, and Avery Dennisons Collaborative Approach

01 Taking action and getting past the overwhelming sense that digital is complex

02 Philosophy of "synergy"

03 Strong mindset of intentionality in all actions

If a consumer wants to **give back** a pair of shoes to the brand, they could scan a **QR code** on that shoe to initiate the take-back. When it comes back, they scan it & **know everything about it** so they can turn it into something new.



Moving Forward

- **Technology** can **scale up circularity** and be used to do things more cost-effectively and sustainably.
- Everything we need **exists today**.
- It's about being more **agile, piloting** it, **implementing** it and being able to **tell the story** of a product through its **life cycle**
- Start **small** (1 or 2 products or 1 line) with one single story.
- Trial and error
- Talk to people and build **relationships**



The Sweater Program

- 3 choice sweater program (**giving old sweaters a new life**)
- **Upcycling** old clothes into mittens, blankets, and dog sweaters
- Allowing consumers to do the right things with their stuff.
- **Digital hang tags and digital care labels**



End-To-End Data Visibility

- **Digitizing a garment** and identifying it with a unique ID enables telling a **consumer story**, enables **supply chain efficiency**, taking the **cost out**, allowing for direct-to-consumer marketing, etc.
- A digital ID enables **traceability** and **transparency** by providing data about where the material comes from
- A digital ID provides **data** on what a product is made of, enabling **upcycling** and **recycling** opportunities and administering **take-back** programs.



Challenges to Overcome

- **Courage** to try something & possibly risk failing.
- **Collaboration & partnerships**
- How to solve for organizations to work well together?
 - Be **open-minded**-go into a partnership with the intent to make it **successful** and to **learn**
 - Understand **your role in a partnership** & the **values** you can help unlock
 - Finding that **magic time**
 - **Sweat equity**
 - Truly **collaborating**- listening, feeding back, finding a solution that works for everyone.



UNLOCKING VALUE THROUGH SUSTAINABILITY



Chisara Ehiemere

Senior Research Lead, **Return on Sustainability Investment (ROSI™)**,
NYU Stern Center for Sustainable Business



Chana Rosenthal

Principal, **reDesign Consulting**



Elias Stahl

CEO & Cofounder, **HILOS**



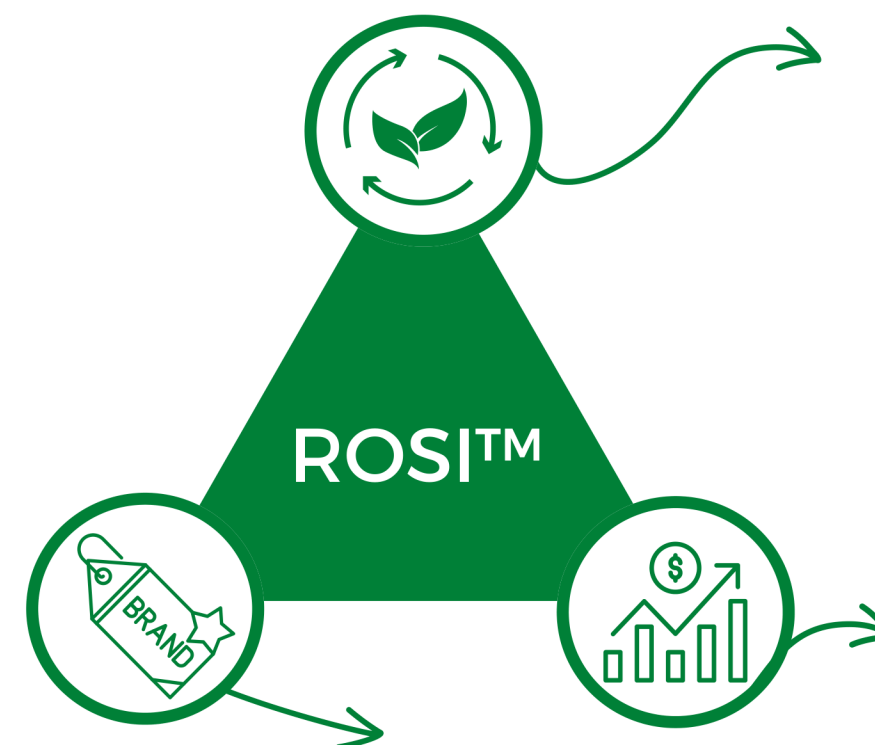
Rebecca Goldberg

Vice President, Strategy & Business Development, **Sourcing Journal**



OBJECTIVES

Discuss how **Circularity & Innovation** is supporting a new model, **On-Demand Manufacturing**, to address the environmental impacts and financial benefits of any brand/company.



SUSTAINABILITY

Tools & 5 step approach to assessing mediating metrics (i.e., operational efficiency, customer loyalty) to decide whether or not to invest/continue to invest in sustainability.

FINANCIAL

Analyze financial numbers to determine the **cost savings** and the **net benefit** (i.e., HILOS = On-Demand Manufacturing with a reduction in excess inventory to bottom-line)

BRAND

Partnerships to recognize the brand-related benefits (i.e., ThredUp | HILOS = increased earned media opportunities for exposure)

THREDUP®

H I L O S



COMPARABLE EVENTS & TARGET AUDIENCE

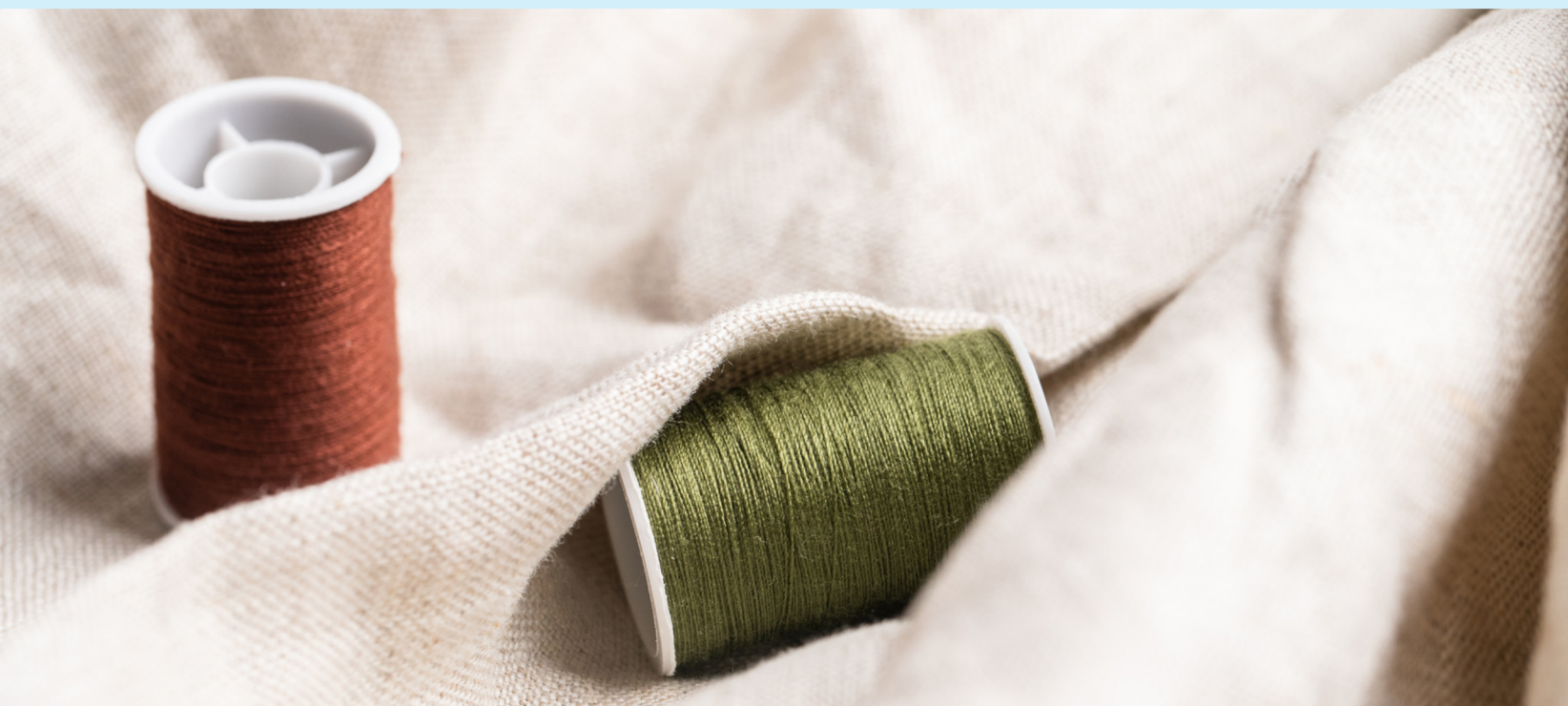
The Conference Board's "**Responsible and Resilient Supply Chain Management On-Demand**" Conference
Corporate & Startups Leaders. Plus, Research Partners

UNLOCKING VALUE THROUGH SUSTAINABILITY



PROBLEM:

Typical accounting mechanisms utilized today in industries **does not take into account all benefits** of focusing on sustainability as a business model



HIGHLIGHTS/ KEY TAKEAWAYS

01

Cohesive language between the product design team and the finance team (i.e., **creating the landscape to invest in R&D focus sustainability initiatives**)

02

Focus on cost avoidance, being ahead of regulations, and taking advantage of moving early in the supply chain

03

Work with other brands to adopt the On-Demand Manufacturing model **and its technology.**

04

Engage in new opportunities like ROSI™ to develop the **data analysis on scaling the On-Demand Manufacturing model**

CONFERENCE

(KEY TAKEAWAYS)

Traceability

Ensuring traceability at **every stage** of the production cycle (manufacturing, distribution, warehousing, retail stores)

Inclusion

Whether it be fast fashion brands like H&M or Shein, or other clothing brands, sustainability and ESG initiatives need to be pursued by **every company** to reach the desired goals

Consumerism

On-Demand Production and **slower delivery times** will be something that both clothing companies and consumers need to get used to in order to counter the effects of fast-paced consumerism

Long Term Vision

Short term profitability goals set by top executives that harms ESG in supply chain should be criticized by the industry and **penalized by regulators**

WORTH OF EVENT

NETWORK

Building strong networking with suppliers and manufacturers is a **crucial way to succeed**. These speakers are well-versed in the need to **inculcate ESG in their production methods**

RANGE OF SPEAKERS

Shows **commitment across the industry** and this will result in suppliers having to change their methods to make them more sustainable

FUTURE ENTREPRENEURS

When entering the clothing or the larger retail industry, there were a lot of key lessons mentioned for people looking to **create new companies and learn from successful players in the market**



Alexis



Blanca



Dawson



Grace



Jolin



Shrey

THANK YOU

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We're now accepting
questions !

