

A commitment to sustainability is a must-have for companies in the twenty-first century. Those who get it right can achieve serious improvements in their business and in the eyes of customers.

Green textiles in demand

Millions of people signed up to the Live Earth pledge at the time of the special concerts in July, organised by environmental campaigner, and former US vice president, Al Gore. One of the things people commit to doing as part of the promise is to spend their money with companies they know are making an effort to be kinder to the earth.

Inside corporations, a younger generation of senior management teams has undoubtedly helped make business environmentally conscious. They are doing much more than cynically trying to milk the market; many of the good practices companies are adopting now come from the heart rather than the corporate financial restructuring plan. And, while it's true that, collectively, textile producers—and the chemical companies they that supply them—may have had something of a chequered record on issues such as pollution and social responsibility in the past, it's rare these days to find one without a fully formulated sustainability strategy.

To give just one example, Cognis, like many of its counterparts, has taken to sending out a special sustainability brochure with its formal annual report document. In the most recent version, chief executive, Dr. Antonio Trius, makes the point that the big challenge facing companies such as his is to improve on sustainability while keeping the quality of products high and the cost low. "Allowing product performance to decline is not an option," he says. "Neither manufacturers nor consumers are willing to accept second best."

On the other hand, he also acknowledges that environmental compatibility and social responsibility are "becoming increasingly important as sales arguments". That means it's in Cognis's best interests to become what he terms "a competent ally" as customers look around for manufacturing processes that are less environmentally hostile, and end-products that cause no harm to the planet. These end-products include those it manufactures under the Active Textiles label such as Skintex, a specialist treatment that garment manufacturers can add to sportswear and other apparel to help wearers take better care of their skin.



Part of Cognis's sustainability strategy is to make greater use of natural ingredients, including the argan tree.

Cognis

Dr Trius has employees and operations in 30 countries, each of which has its own regulations governing sustainability. He insists that Cognis does more than just comply with each set of laws; it applies the same commitment to the environment and to social responsibility at each of its sites around the world. This means the company often finds itself doing more than just meeting the statutory requirements of a particular country, and this is one of the ways in

which the chief executive hopes to demonstrate Cognis's willingness to work with its customers to become a better corporate citizen.

Every step you take

According to the sales director of Spain's IBQ Fabrics, Antonio de León, a company's commitment to sustainability really has to cover everything it does—in every location—or there is no point. "What sustainability means for this company is, basically, that in every action that is part of our production and output we have to try to minimise our impact on the environment," he says. "That includes making the best possible use we can of the chemicals and yarn that go into our products."

In IBQ's case, these products are specialist yarns such as Drykeep (which, as the name suggests, keeps the wearer dry) and Thermaskin (for temperature control) for partner companies and customers to make into garments. Changes in the production process, aimed at helping to make the world a healthier place, affect all companies in the chain, and come at a price. Mr. De León explains: "This often involves paying a premium. Organic cotton is more expensive than non-organic cotton. Recycled polyester is more expensive than normal polyester. There is less availability because there are fewer suppliers, and the ones we can find to work with are able to charge high prices."

None of this makes it easier for textile and apparel companies to take sustainability more seriously, especially as it is difficult in a competitive market to put retail prices up. Mr. De León says he has sympathy with brand-owners and retailers who, although unable to rise above the price pressures, have to make sure the buying public knows they are making every effort to improve their sustainability performance. "Everyone wants to go down the same route," he says. "There is a spirit among all our partners to make this change."

High standards

This same spirit first moved Peter Waeber more than a decade ago. He is now the chief executive of bluesign technologies, an organisation that offers standards to textile companies that want to deliver products "with a low environmental impact". However, he first became involved in sustainability in the textile industry in 1996, working on a project with Huntsman, Nike and Schoeller. And with Michael Braungart *(see separate article in this issue)*.

At the end of a second project with Professor Braungart, Mr. Waeber says he became "frustrated by the lack of marketable products" that all the research and discussion were generating. It was for this reason that he decided to develop a worldwide standard whose specific



Former US vice-president Al Gore at the launch of Live Earth, a series of concerts around the world that took place on 7 July 2007 to promote environmental awareness.

Live Earth

purpose was to aid production. "The idea," he says now, "was to bring complex environmental and health and safety issues to decision-makers in an easy-to-grasp format. And the reason this is important is that there is a need in today's market, from the brand side, to be able to guarantee the safety of a product for consumers."

Standards in themselves achieve little, he believes. In Europe alone, he says there have been around 40 "eco-labels" for textiles in the last 20 years. "They haven't solved the problem; even the Oeko-Tex label hasn't solved it," he continues. "With Oeko-Tex you only test one sample. That's why I wanted to take a new approach with bluesign. I wanted to do things in reverse, really. Laminates, dye stuffs, membranes… bluesign is about making sure they all comply to your sustainability strategy before you start production."

He sees the role as being a bridge between big apparel brands and their manufacturing operations (in-house or outsourced). He points out that the people running the typical dye-house are sometimes neither chemists nor toxicologists and "have no chance" of being able to carry out the checks on hundreds of banned substances that his organisation can take care of on their behalf.

"I have been involved in production for more than 30 years," he explains. "I know how it works."

Mr. Waeber feels there is a danger of companies using Oeko-Tex or other standards such as Levi Strauss and Co.'s Restricted Substance List (RSL) as a marketing tool. Yes, businesses are entitled to hope that, by being of

greater benefit to the environment, and improving the wellbeing of their workers, they stand a good chance of attracting extra business, but bluesign believes it can deliver a quicker and more certain return.

"The return on investment will be in a matter of months," the chief executive says, "because this is all about improving the supply chain. This is about telling the companies all the way along your supply chain that they need to do something about the resources they put into your products. And when you have better resource information, you stop using more than you should."

His objective is to help textile companies and apparel brands become more efficient in every way, not to browbeat or preach to them, or indulge in any fingerpointing. The choice of colour in the organisation's name is quite deliberate; bluesign, he insists, is not Greenpeace—"they do their job very well already". His approach touches on an important third element of the question we are examining here: the three legs to the sustainability stool are the environment, social relationships and economics.

Financial stability essential

A company cannot be sustainable unless it's financially stable enough to stay in business. You can take as ecological an approach to production as you like, but if the men in dark suits come to close you down because you cannot pay your bills, the contribution you can offer to making the industry greener will be severely limited. This, perhaps, is the same as saying that money—as well as clean water, fresh air, and hard-working, healthy employees—is a valuable resource.

As an aside, Dr. Bob Willard—former IBM executive, author and founder of an organisation called The Natural Step, which seeks to help companies draw up sustainability strategies—says the economic side of sustainability is "a no-brainer". It clearly forms an important part of the bluesign approach. Mr. Waeber urges companies to spend more money on information-based supply chain improvements—which he promises will bring serious savings—and less on testing.

"It's not easy for brands to get hold of all the information they ought to have about the companies they're working with along the supply chain," Mr. Waeber goes on. "And they run a huge risk. The Chinese government could easily close down a key partner's production facility if, for example, the wastewater treatment plant fell short of the required standard. There have even been examples of factories having no wastewater treatment plant at all."

As bluesign devotes itself exclusively to the textile industry, and because it covers the sector globally, he argues that the organisation is able to "put a solution on the table" for brands. "Companies want to follow in the footsteps of sustainability forerunners such as Patagonia and Mountain Equipment," he says, "especially in the outdoor clothing business because their customers take nature and the environment even more seriously. We can help them, but only brands themselves can make the necessary changes."

Standards at a glance

Oeko-Tex100—Introduced 1992. Covers textile products, guaranteeing that they are free from harmful substances. Companies that have signed up to the system so far: 6,500.

ISO14001—Not textile specific, but can refer to any company, offering any product or service. The standard means the company has a strategy in place to help it minimise the effect of its commercial activity on the environment.

RSL—Restricted Substances List. This is a list introduced by clothing brand Levi Strauss and Co. to make it clear to its supply chain partners which substances they may not use. It covers everything from textiles and leather to dyes and the material that goes into buttons. The company last updated the list in July 2006.



Levis Strauss and Co

Eastern promise

Among the companies already engaging with bluesign to achieve these changes is fabric manufacturer The Everest Textile Company. With its headquarters in Taiwan and two more manufacturing plants in Shanghai and Bangkok, Everest feels that it's in a good position to rebut suggestions that sustainability is easy for Asian companies because they simply ignore it.

Research and development executive, Thomas Soh, is too polite to say this is rubbish, but you can see him think it for a second or two. "We are definitely taking this seriously," he says. "With customers like Patagonia, we have to. We simply don't believe that sustainability adds cost, and at our plant in Taiwan we're trying to be real pioneers, for example, in our energy use. Energy and water are extremely expensive resources for us. We know that if we use less of them, we'll save money."

On announcing that Everest was opening its doors to bluesign for assessment, company president, Roger Yeh, said it was committed to providing more sustainable products to its customers, with end-consumers in mind. Talk to any company about this topic and they will say the same thing. Demand from consumers for products that cause ever-less harm to the earth and compromise no-one's human rights is growing stronger.

Public reaction

The implication is that no company can afford not to respect the planet, or not to eradicate child labour, for fear of an almighty public backlash.

One of the world's fashion retail superstars, Inditex (parent company of Zara), certainly suffered initially when a Portuguese news magazine, Expresso, ran a story in May 2006 claiming to have exposed a network of footwear stitching in the north of the country that relied heavily on child labour. Children as young as eight were spending their days stitching shoes for Zara, instead of studying in school. This received a huge amount of media coverage, especially in Europe, and customers were shocked.

Nevertheless, when Inditex recently, announced its full-year figures for 2006, there appeared to be little sign of lasting anger on the part of shoppers. Sales for the group were up by 22% and net profits by 25%.

The child labour scandal resonated nowhere more loudly than in Inditex's home country, Spain. Inma Micó of Spanish textile technology institute Aitex insists that awareness of sustainable clothing products has never been keener. This could be in spite of, or perhaps even partly because of, the Inditex exposé last year. Ms. Micó refuses to comment on any individual company, but says "everyone" in Spain now wants to buy clothes they know to be sound.

Aitex, a not-for-profit organisation, has won funding from the European Commission to set up a new initiative called Made In Green, for which Inma Micó is responsible. She clearly loves the role, and says it will soon spread beyond Spain to other parts of Europe, as Aitex counterparts in different member states of the European Union learn about the idea (Belgium is likely to be next).

Companies that have already achieved Oeko-Tex status and ISO14001 certification (confirming they have an environmental management strategy in place and produce garments or fabric containing no dangerous substances) still have something to gain from Made In Green, she argues. Accreditation to the Aitex idea means textile companies can also present themselves as being socially responsible.

"It's almost like a code of conduct," Ms. Micó explains. "It means we have audited the company and are satisfied that, in addition, it uses no child labour and discriminates against no adult employee on the grounds of race, gender, religion, sexual orientation and so on. Also, it shows that employees receive at least the official minimum wage of the country they are working in."

She insists that this is not about introducing yet another label to the market for the sake of it, but a means of allowing manufacturers and brands to show they are delivering products the public can buy with a clear conscience. The companies that have achieved Made In Green certification so far—15, with two more waiting for clearance—are pleased, she adds. They have to pay €2000 a year to use the licence, but they see it as a good investment.

"We know consumers are taking this seriously," she concludes. "Our website shows pledges of support that we've received from lots of very famous people, including sports stars and top designers. But we also receive large numbers of messages from ordinary consumers, more all the time, in fact. And the most important question they seem to want us to answer concerns where they can go right now to buy sustainable clothes."

The reaction to Live Earth suggests that this might just be true the world over. It's becoming clear that now, more than ever then, it pays to be green.

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