In the most recent round of reporting results, apparel brands all over the world have pushed their green credentials as much as, and in some cases more than, their financial performance.

Sustainability challenge: big brands respond

It's no coincidence that the dominant topics at ispo Winter 08 this year were recycling and eco-friendly materials, as well as sustainable production of sporting goods or that, this year, the Volvo Sports Design Forum at the event was devoted entirely to the concept of 'eco design'. This is a reflection of the mood of the moment, in which many consumers (the most vocal and, sometimes, those with the biggest spending power) will no longer put up with products that cause damage to the environment. This means companies are having to look right across their supply chains to see where the weak links are.

Weak links used to be production sites that had lower output than the others or transport links that took too long or cost too much. Now brands know they can receive a hammering from the public and the press if a supplier to a third-party manufacturer they work with uses harmful materials, manages its waste-water inefficiently or treats its employees unfairly.

One of the most recent examples involves Reebok. The company gave away free coloured wristbands with children's shoes, only to find out later that the third-party-made bracelets had potentially dangerous levels of lead in them, for which Reebok received a $1 million fine in March. The moral of the story is that the big names get the blame, which is why many are now working so hard to polish up their performance and that of their partners.



Timberland shoes typically have between 50 and 150 different components, which makes it a complex task for the brand to watch over its entire supply chain.

ispo/Timberland

Extended reach

Timberland is no exception. The name it gives its internal initiative for examining its own supply chain from an environmental point of view is the Green Index. As Pete Girard, the company's senior analyst in environmental stewardship, points out, 'internal' in the context of a company that now has hands-on responsibility for research and development, design and retail of its products—but not manufacture—extends to its production partners.

"We're reaching beyond our area of direct control, because we know it's not good enough



Levi Strauss now claims that while its jeans are still blue on the outside, they are green on the inside.

Levi Strauss

to say we're only the designers," he explains. "We have to take responsibility for the full supply chain, and at the same time we want to provide our designers with information to enable them to make day-to-day decisions about the environmental impact their products and ideas will have."

Unlike with apparel, he argues that most of a shoe's impact on the environment will occur in the period leading up to its sale: most people don't wash their shoes in the washing-machine. Timberland surprised itself, however, when it established that most of the energy it used for a shoe was consumed in the lead-up to manufacture.

Most Timberland shoes have between 50 and 150 components. Add in the colour options and, he insists, you can see that it amounts to quite a complex supply chain. But, as we have seen, the pressure to provide consumers with detailed and accurate information about the products they buy is intensifying all the time. This makes the job Pete Girard does, as part of the team working on the brand's environmental stewardship a tricky one.

The company set about calculating how much energy it and its partners had consumed in producing all the components, and looked at the use of chemicals, glue and other resources.

As a result, he says Timberland now has a good idea of the impact its products are making. He goes on: "If we were going to put out information on how much of a shoe was made from recycled material and how much from organic, it would be between 5% and 10% of the total construction. I think that's quite good, but we are going after transparency in this and as a result we're not making as much of that as some other brands might. We don't want to make it look as though we're trying to mislead consumers."

Five steps to carbon neutrality

At the same time, it has laid out a five-point plan to give itself a chance of becoming carbon-neutral by the end of 2010. The steps are: to have a third part verify its use of greenhouse gases; to reduce energy-use through making its sites more energy-efficient; to buy renewable energy when it can; to generate its own renewable energy on-site when buying clean energy is impossible; and to purchase renewable energy credits to offset emissions and help develop renewable energy projects around the world.

"We have made some forays into talking to consumers about this," he continues, "pointing out how much renewable energy we were using and how we were using recycled components in the shoes. This led to our stamping Green Index ratings into some of our shoes."

But he says environmental lobby groups that Timberland talked to urged it to go more slowly, and hold back from rolling out the Green Index rating idea across all its shoes, for fear of confusing consumers.

"Consumers haven't shown too great a reaction to the climate piece yet," he says, "but interestingly, nearly all the press requests we've had recently were on climate."

Public concern

Denim apparel brand Levi Strauss has had a slightly different experience of this, one involving much more interest and input from the shopping public.

Levi Strauss is a company that wins frequent mentions in articles and conversations about the greening of the apparel industry. Its restricted substance list (RSL)— which gives a clear indication to all its suppliers of the materials they must avoid in making fabric, dyes, thread, buttons, zippers, or any other component of a product bearing the Levi's name—is as famous in some circles as the brand's trademark 501 jeans.

Thanks to this, and to a special exercise that the company's European team embarked on in 2006, its director of innovation there, Alberto De Conti, is able to argue that its jeans are "blue on the outside, but green on the inside".

The project in question brought together design and supply chain experts from across the company who set out to see if they could deliver what Mr De Conti calls "top-notch design and quality" in a product that was sustainable too. The result is the industry's first certifiable (the accreditation comes from Control Union Certifications, a worldwide certification body for organic products) sustainable jeans, appropriately called the Levi's 'eco jeans'.

The denim for this product is made from 100% organic cotton that comes from fields in Turkey that are guaranteed to have been free from harmful chemicals for at least three years. The button on the waistband is made from coconut to keep metal content to a minimum. The factory in Hungary, in which Levi's is making the 'eco jeans' has set up a separate production line and a dedicated, specially trained team to manufacture them.

Alberto De Conti insists that all of this matters to shoppers. "We have interviewed them," he says, "and 81% of them showed they had some level of concern about the environment. At the same time, 44% demonstrated a strong enough commitment to the planet to say they were prepared to pay a premium for greener products, while 24% went as far as to say they were thinking seriously about buying only from corporations that were environmentally responsible."

He explains that what he takes from this is that consumers today are confident about their tastes, their rights, their expectations and, as a result, are making informed decisions about what they buy. Brands like his have to respond by being transparent, but not just about their products. He concludes: "This goes right to the core of the business's processes and practices."



Shoe scandal response

Towards the end of last year, we published (not for the first time) a reference to a scandal that involved Inditex, the parent brand of Zara. In May 2006, a Portuguese news magazine called Expresso ran an in-depth feature cataloguing the involvement of children in the north of Portugal in the manufacture of shoes that—as the accompanying photographs showed quite graphically—bore the Zara brand name.

We received a letter afterwards from Inditex's chief communications officer, Jesús Echevarría, to say: "It's very important for us to give complete and clear information to *WSA* readers about this issue. With this aim, we want you to know the results of the research developed by our company with Spanish and Portuguese trade unions."

The report led to an announcement in May 2007, a year after the initial article in Expresso, that Inditex would carry out an in-depth audit of the footwear manufacturing that was taking place on its behalf in the town of Felgueiras, near Porto, accompanied by independent observers from FITEQA, the leather branch of Spanish trade union Comisiones Obreras, and a representative from the Association of Trade Unions of Textile, Garments, Footwear and Leather Workers of Portugal.

They identified the individual supplier from the product code that appeared in the magazine photograph and went to visit the company involved. They interviewed workers at its small factory and spoke also to the agent who takes charge of the work that other people carry out on its behalf in their homes. Mr Echevarría's letter says that managing remote workers through an agent is common practice in the footwear industry in this part of Portugal, but that it's work that still comes under labour laws. His company was satisfied after its conversation with this particular agent that everyone involved knew what these labour laws were and respected them.

The group then held discussions with the family that appeared in the picture, with the mayor of Felgueiras, with the headteacher of the local school and with the class teacher of one of the children in the incriminating photograph.

"It has been verified that the children attend school regularly and have a normal academic life," the report says. It also confirmed, after speaking to the children's father, that it was he who worked on behalf of the Inditex footwear supplier but that he sometimes had his children help him. This contravenes the labour laws mentioned above and Inditex decided after visiting the town that it would set up a working party to carry out an in-depth study of home-based working in Felgueiras and to draw up an action-plan to make sure the families involved stay within the laws of the land.