

## Video Transcript

### Creating a Circular Economy for Fashion by Financial Times

[Music]

[FT] Waste in fashion is on a massive scale. It's an industry where less than 1% of recycled textiles are converted into new wearable materials, even more ends up in landfills, but very gradually that may be changing. I'm traveling to the Isle of Wight off the UK's southern coast to find out more. We are on our way to the Ellen MacArthur Foundation which is a nonprofit that focuses on the circular economy. The foundation promotes a vision for a fashion economy in which nothing ends up as waste. I'm meeting Laura Belmond, a project manager.

[Laura] Hi I'm Laura, welcome to the Ellen MacArthur Foundation. Every second the equivalent of one rubbish truckload of clothing is landfill or incinerated globally. In a circular economy instead of it operating in this one-way system, we from the very outset look at creating something that is designed out the waste from the beginning. So, in terms of business opportunity there's huge spectrum for the companies to actually move towards that a circular Economy.

[FT] One company working towards a circular model is a nearby freshwater.

[Martin] Welcome to Teemill, I'm Martin.

[FT] Teemill is an online platform built by the clothing company Rapa Nui. It allows brands to print and create their own sustainable garments. All of its products are made from organic cotton and central to its business model is combating the inefficiency built into the fashion Industry.

[Martin] So one of the big problems with fashion as well as the material wastage is actually the overproduction to start with. We only actually make what people will need when they need it, which means making products in the seconds after their orders.

[FT] In 2018 Teemill shipped 1 million shirts. The company estimates that using sustainable materials adds about 25% of costs but says it offsets that by maximizing efficiencies in other places.

[Martin] It costs more money, so, what we need to do is find savings.

[FT] Teemill minimizes waste and streamlines production using its own creative engineering.

[Martin] The whole Factory is powered by renewable energy. Everything that we make is designed from the start to come back to us when it's worn out.

[FT] So, every Teemill t-shirt has this barcode on the care label which when you're done with your t-shirt you can scan it and it'll generate a postage label and allows you to send the shirt back for free and then Teemill will give customers a discount on their next order in order to incentivize people to recycle instead of throw their clothes in the trash.

There are of course a variety of approaches being used to move closer to a circular economy. In central London I'm meeting with Cyndi Rhoades of Worn Again Technologies which focuses on recycling textiles at the molecular level.

[Cyndi] So, we've developed a process that can take polyester and cotton dissolve it in a vat, separate both the polyester and cotton.

[FT] Blended fabrics tend to be harder to recycle.

[Cyndi] This here is a polyester pellet which is the building block that then gets melted down, extruded into fiber yarn and textiles, and then what we're able to do with the leftover cotton is dissolve that, separate out all the dyes, which then get separated and spun back into a fiber.

[FT] Worn Again plans to license its technology to other businesses. Crucially, at an affordable price.

[Cyndi] It was really important that the process itself is low cost, that we're not creating a premium product that the industry has to pay more for and that consumers ultimately have to pay more for it.

[FT] In nearby Islington, Jonathan Mitchell, founder of Brothers We Stand is tackling the challenge from a different angle.

[Johnathan] Brothers We Stand is basically an online retailer where you can shop menswear that is made more sustainability, often made from recycled materials, but crucially also made to last.

[FT] The company makes a small amount of clothing itself and invents all of its suppliers.

[Johnathan] We have a 6-point standard and every product on our site, they must meet that standard and it includes points like designed to please, made to last, and also stand out social and environmental impact.

[FT] Brothers We Stand says production costs using sustainable materials around one and a half times higher for basic t-shirts and customers do pay a premium, but despite that sales have grown by more than 50 percent each of the last two years, albeit, from a small base.

[Johnathan] More and more people are wanting to consume clothes and also other things more sustainably, and I want to provide a solution to these people.

[FT] A recent study by McKinsey found that 78% of sourcing managers said that by 2025 sustainability would be a significant factor for consumers purchasing mass-market apparel. It will not be quick or easy but as we saw in the Isle of Wight, companies are already beginning to build circular models on a large scale, a sign of things to come.