

EXCLUSIVE PROFILES: APPAREL'S SUSTAINABILITY ALL STARS

Technology & Business Insight – From Concept to Consumer

# Apparel™

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## Apparel Companies Invest for Sustained Success

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**Intelligent Solutions  
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**Sourcing Innovation  
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**CONCEPT-TO-SPEC**

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Differences in Asia**

# Apparel SALUTES ITS SUSTAINABILITY All-Star Award Winners

**Apparel's** fourth annual Sustainability All Stars program recognizes Eileen Fisher, HanesBrands, Icebox Knitting and TAL Apparel for their willingness to measure, analyze and restructure across their enterprises now, and for their long-term vision of how much better things can be in the future.

Winners were chosen based not on specific criteria in particular categories, such as use of organic materials, energy policy, wastewater management, recycling initiatives or social issues, but for demonstrating a commitment toward making their businesses more sustainable in any of these, or other, ways, and a plan to continue down that path.

**SAMPLE**

EILEEN  
FISHER

HANES *Brands Inc*



# Eileen Fisher

Self-nominated

# SAMPLE

**E**ileen Fisher sets the bar for timeless, elegant and functional women's clothing, and the company's approach to sustainability flows naturally from its approach to design. Its clothes are made to last; they don't wear out easily and they don't go out of fashion. In fact, in 2010, when the company began soliciting donations of used clothing for its GREEN EILEEN initiative — which raises money for leadership training for young women — the initial response from many customers was that they would never part with their Eileen Fisher garments. (Some customers were eventually persuaded, and GREEN EILEEN now raises close to half a million dollars per year.)

In addition to making long-lived clothes, Eileen Fisher has worked with natural fibers for years. Today, about 27 percent of its products are made with eco-friendly materials, more than 50 percent of the cotton it uses is organic, and more than 90 percent of the Spring 2012 line is cold-water washable. These numbers are particularly impressive because many Eileen Fisher clothes use specialty fabrics — silk blends, for

example — that are difficult and expensive to make from organic materials, especially in relatively small quantities.

The latest eco collection includes skinny organic cotton jeans, organic cotton tanks in a rainbow of colors, sheer knits in hemp (a material that requires very little in the way of pesticides, insecticides or irrigation), suits in recycled polyester, and silks that are certified by bluesign, the Swiss company whose standards are regarded as independent measures of safe and sustainable processing.

Eileen Fisher began working with bluesign in 2009, and its first project focused on the Chinese silks it had been using for two decades. As a result of the company's work with bluesign, its silk dye house is now using fewer chemicals, less water and less energy. "It's a very holistic approach," explains Shona Quinn, Eileen Fisher's sustainability leader. "It's not just about looking at the chemistry but about looking at the whole facility ... and bluesign created a database system so dyehouses can search for substitutes [for dangerous chemicals]. That's a little different than just creating a restricted-substance list."

Quinn adds, "We're the first American fashion company to work with bluesign" — which got its start working with outdoor-apparel companies such as The North Face — "and this is the first silk dyehouse anywhere to

*Today, about 27 percent of Eileen Fisher products are made with eco-friendly materials, more than 50 percent of the cotton it uses is organic, and more than 90 percent of the Spring 2012 line is cold-water washable.*



be bluesign certified." Though outdoor-apparel companies led the way because so many of their customers were engaged in environmental causes, Quinn says, "Our customers might be a little lighter green, but they're interested, too."

Eileen Fisher's buildings reflect the company's green principles. The warehouse in Seacaucus, N.J., has been outfitted with solar panels, and the corporate headquarters, a skylit 19th-century building in Irvington, N.Y., that was once used for greenhouses, won an award from *Architectural Record* for the open, nature-centered design used in its renovation. The headquarters building features automatic light sensors, a sophisticated climate-control system, and recycled and sustainable materials. It's also close to the train station and restaurants, allowing employees to rely less on driving.

The company tries to engage its employees and customers in environmental actions. For example, employees were encouraged

to participate in a "climate ride" by bicycle from New York to Washington, D.C., which was combined with ecological education and meetings with congressional representatives. In addition, the energy use in stores and corporate headquarters is offset by the company's support for wind farms in Iowa, and signs in the stores urge customers to "ask how this store helps support wind power." Amy Hall, the company's director of social consciousness, notes that "when people walk into the store and ask how we support wind power, store associates have to be able to answer."

Finally, an important aspect of Eileen Fisher's sustainability effort is one that gets little attention — its hiring policies. Quinn says, "I give a lot of credit to the human resources department. ... They do a good job of bringing in folks with ... a strong interest in social values." The fact that employees are predisposed to consider the environment, Quinn says, makes it much easier for the company to have an effective sustainability program. ■

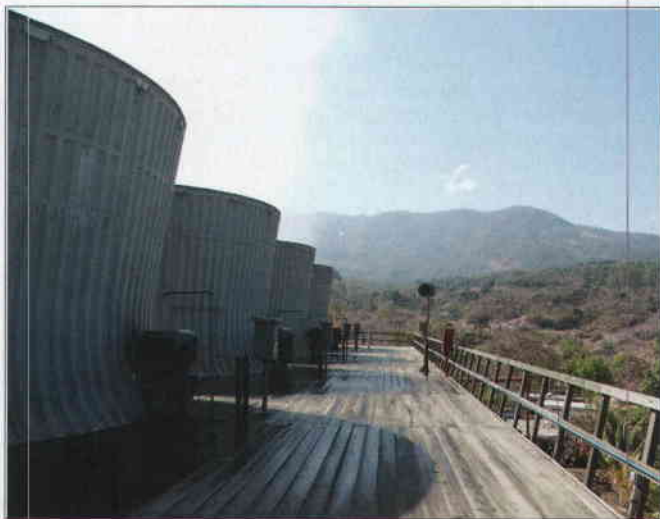
# HanesBrands

Nominated by O'Malley Hansen Communications

**H**anesBrands, a global apparel company that is a household name for casual wear and underwear, has a 30-year history of energy conservation efforts. Originally, conservation was viewed primarily as a cost-saving strategy. "At that time, we were quiet about it," says Matt Hall, vice president of corporate communications. "It was a competitive advantage, so we didn't tout it." About six years ago, when HanesBrands was spun off from former corporate parent Sara Lee, the company took a proactive approach to sustainability as a matter of corporate citizenship. It developed a formal energy policy, signed by all the top executives, and set specific goals for reducing energy use, water use and CO<sub>2</sub> emissions.

All these goals have been exceeded. Since 2007, Hanes has reduced its carbon footprint by 27 percent by using energy from renewable resources; 35 percent of the energy it uses now comes from biomass, hydropower, geothermal and wind. It also reduced energy intensity per manufactured pound by 21 percent and water intensity by 33 percent. The U.S. Environmental Protection Agency recognized Hanes as Energy Star Partner of the Year for 2010, 2011 and 2012.

Chris Fox, vice president for corporate social responsibility, notes that Hanes has an advantage because so many of its factories are company-owned. He explains, "About 75 percent of the volume [of goods produced] comes out of factories that we own and operate. Our ability to focus, to track metrics and know that we're getting good data is enhanced because we own and operate so much of our own capacity." Still, that doesn't mean these achievements have been easy. As Hall says, "It's a monumental undertaking for a company with 50,000 employees around the world."



*This geothermal powered electric plant in El Salvador provides HanesBrand with renewable electricity.*

Energy cost has become a major factor in plant location, and a corporate-level director of energy is pursuing a variety of companywide initiatives; in addition, plant managers have identified many opportunities for savings at their own facilities. Inspired by an idea that Toyota pioneered, Hanes created a "treasure hunt" program to encourage plant managers to "go out and be creative," in Hall's words. Best practices for saving energy and money are then shared throughout the company.

Hanes' Dos Rios fabric textiles facility in the Dominican Republic, its largest energy-consuming facility, began operating a state-



**This biomass plant in the Dominican Republic is under construction on the site of HanesBrands' textile fabric plant in Bonao.**

of-the-art biomass system in 2009. Water heated by burning rice husks, coconut shells, sawdust and wood chips — all local agricultural waste products — produces nearly all the steam required for the plant's bleaching, dyeing, and finishing operations. The biomass system saves more than 8,000 gallons of oil per day, dramatically reducing CO<sub>2</sub> emissions.

HanesBrands reduced its water usage by installing advanced wastewater treatment plants at its facilities in El Salvador, China and the Dominican Republic. The El Salvador Textiles and Socks plant employs activated sludge treatment, a naturally occurring

biological process that treats textile wastewater effectively as well as wastewater from sanitary sources. The plant also uses an anoxic pretreatment process that removes color associated with textile dyeing.

Hanes designs its new facilities to be as energy-efficient as possible. The El Salvador Socks facility, for example, uses skylights to maximize the use of natural light and digital photo sensors to automatically adjust the interior electric lighting. The building is expected to become one of the world's first LEED-certified sock manufacturing facilities.

Hanes also recycles more than 70 percent of its waste — not only fabric scraps but also cardboard, plastic, wire spools and other items that once were taken to landfills. Three years ago, the company launched a "Green for Good" program in its Latin American facilities and is now replicating the program in the United States and Asia. Green for Good applies the funds generated from selling waste products — along with volunteer efforts by company employees — to promoting community development efforts where its plants are located.

In the first Green for Good project, employees upgraded the maternity wing in a local hospital in the Dominican Republic; in a later project, the surgical wing was renovated, and ear/nose/throat surgeons were recruited from Wake Forest Baptist Medical Center to screen and treat local children several times a year. HanesBrands handles the logistics and the partnership with Wake Forest.

"Green for Good brings everything together," Hall says. "Recycling, social compliance, being a good workplace ... and generating revenue for community projects. It takes all our CSR efforts and puts a full circle around them." ■

# Icebox Knitting

Self-nominated

The owners of Icebox Knitting grew up around Boulder, Colo., an area whose outdoor lifestyle led residents to focus on the environment "before it was trendy," as Lori Baker, the company's marketing manager, puts it. They spent their childhoods "making cool and crafty things out of pieces and parts of other things," and this obsession with recycling and repurposing carried over to their quirky clothing company.

Founder Josh McGlothlin started Icebox Knitting as a hobby — he was a snowboarder and needed warm hats. He began knitting and sewing hats in his apartment, and eventually acquired the 1950s-era hand-powered knitting machines of his mentor, Richard Krueger of Alpine Knitting Mill. Nearly all all Icebox Knitting's hats and accessories are still made on these machines today. The machines are sustainable, Baker says, not only because they are completely operator-powered but also because they are so reliable and long-lasting — they're still going strong after more than half a century of use.

**All of Icebox Knitting's products are made on 1950s-era hand-powered knitting machines — still going strong after more than half a century of use.**



Of course, the company uses electricity in its offices and even in its factory, but all electricity for the office and a quarter of the electricity for the factory comes from renewable sources, mainly wind power.

Icebox Knitting's original product line, Dohm, uses all-natural fiber yarns. The Handpaint series, part of the Dohm line, is held to an even higher standard — in addition to being hand-painted, items are made with wool that is raised sustainably and milled using environmentally friendly processes. As a result, defective products can simply be composted, rather than shipped back to the factory or thrown in a landfill.

A new product line, Xob, features one-of-a-kind pieces made with yarn recycled from old sweaters and suit jackets. Headbands are lined with recycled polar fleece, and mittens and other accessories use fleece left over from the ends of rolls or cosmetic seconds. Because no dyeing is required and no new yarn is manufactured, Xob products have a minimal environmental footprint.

The company finds creative uses for its own production remnants, too: Wool scraps are repurposed into wiping cloths, and fleece trimmings are used as filling for dog beds in an animal shelter. Even the twice-left-over Xob scraps are shredded and sent



*Icebox Knitting's founders spent their childhoods "making cool and crafty things out of pieces and parts of other things," and this obsession with recycling and repurposing carried over to their quirky clothing company.*

to be used as quilt batting. These initiatives have diverted more than 30,000 pounds of waste from landfills each year.

Attention to sustainability shows up everywhere. The company's trade show booth is made of material repurposed from vintage doors, its hangtags are made partially or completely from post-consumer waste, its labels contain recycled milk jugs, and its catalogs are printed on mixed sources.

Even Icebox Knitting's packaging is sustainable. Packing boxes conform to requirements for Sustainable Forest Initiative fiber sourcing certification, while Eco-tape, made from 25 percent recycled resin and a 100 percent recycled core, is used for all box sealing.

Baker sums up the company's philosophy as "manufacturing high-quality, U.S.-made knit accessories with sustainable materials that lessen our impact on the environment." Noting that one of the recycled materials used by Icebox Knitting has 98 percent lower impact than virgin yarn, she says, "It's important to us to use the products out there to make better things." ■

## 2012's Must-Attend Event for Sourcing Executives!

# Apparel's 6th Annual SOURCING SUMMIT

August 21, 2012 • Las Vegas Convention Center

Summit: 3:30-5:00 pm

Sourcing Executives' Networking Reception: 5:00-6:00 pm

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# TAL Apparel

Nominated by Lawson, an Infor affiliate

**A** Hong Kong-based manufacturer TAL Apparel makes one of every six dress shirts sold in the United States today. TAL's leadership has always been environmentally aware, but as the company's U.S. customers, which include Banana Republic, Brooks Brothers and Tommy Hilfiger, began devoting more attention to sustainability, TAL recognized the need to demonstrate its environmental commitment more concretely.

In 2009, TAL began investigating two different approaches to monitoring and measuring its environmental impact — lifecycle analysis and the new low-carbon manufacturing program (LCMP) developed by the WWF Hong Kong, which includes carbon accounting, management systems and shop-floor practices. After conducting a lengthy lifecycle analysis of its non-iron shirts (which found roughly the same impact from non-iron and ironed shirts), TAL concluded that LCMP was the more appropriate platform — largely because it focused more on activities that were under the company's control — and agreed to serve as one of the pilot users for LCMP. In 2010, TAL announced a plan to reduce the company's greenhouse gas footprint intensity by 15 percent over three years.

TAL has 10 factories in five Asian countries, and it needed a program that factory managers could execute independently. Delman Lee, the company's president and CTO, adapted a tried-and-true change management approach — awareness, understanding, acceptance and commitment — to get managers' buy-in to the environmental program. The corporate office organized seminars to brief staff on the importance of climate change to the organization and to themselves as individuals. (Employees' prior level of knowledge and understanding varied greatly by country, according to Lee; for example, some knew that polar ice caps were melting but did not understand that climate change could affect them directly.)

Plant managers were given resources to implement the program. A small team was sent to each region to explain the details of LCMP and encourage plant managers to work toward certification. A consultant was sent to perform an energy audit at each plant and set up systems for monitoring energy use.

From that point on, plant managers were in control of their own programs and could choose how to implement sustainability initiatives. Their response far exceeded the program goals: Within only two years of the 2010 announcement, TAL was able to reduce greenhouse gas intensity by 18 percent. Its two factories in China received special recognition from LCMP for best practices in waste recycling, exhaust emission management and energy-efficient facilities and procedures.

Never a company to rest on its laurels, TAL set even more ambitious goals for reducing greenhouse gas intensity and water intensity by 2014. Currently the company is experimenting with new methods to recycle much of the water used in its industrial processes.

# SAMPLE



TAL Apparel makes one of every six dress shirts sold in the United States today.



TAL's factory in Dongguan China, PAL, was awarded the Low Carbon Manufacturing Programme (LCMP) Gold award.

Beyond reducing its use of water and energy — the most obvious targets for apparel factories — TAL has launched other environmental initiatives. For example, it is working toward a LEED Gold rating for a new plant expansion project in Vietnam; it is reducing inventory and materials waste through its use of Lawson Software's M3 solution; and it is creating recycled fabric by respinning fibers from its cutting-table scraps. Finding a market for the recycled fabric is a challenge, Lee says, because the fabric is not bleached or dyed, and the color varies from one batch to another. However, Lee is excited about the possibility of discovering a market that appreciates sustainability more than color consistency and opening up a new product line for the company. "When we actually have something that can help bring products to the consumer, that's sustainable," he says. ■