Sustainability On Purpose: What The Rest Of Us Can Learn From Eileen Fisher’s Competitive Advantage In Fashion Apparel

Creating a truly circular business is no easy task. Today, it requires balancing design aesthetics on top of creating an apparel business model that minimizes its impact on the environment.

In 1984, Eileen Fisher was a pioneer. Few of us were thinking of balancing profit with purpose. Well, unless you were two guys names Ben & Jerry who had a nascent ice cream business that was struggling to gain footing.

Now, Eileen Fisher is the genius 70-year-old designer who, like nearly all apparel brands, is struggling in the Covid-19 pandemic. Despite the fact that I’m writing this from my home office, decked out in shorts and a dress shirt for our Zoom meeting, I had a chance to visit with one of the brightest minds in circular business design at a company that has seen the highs and lows of the past few decades. Here’s Eileen Fisher’s wisdom on where we are today and where we are going . . . as it relates to purpose and sustainability.

**Jeff Fromm:** What’s the purpose for the Eileen Fisher brand?

**Eileen Fisher:** The way I think about the purpose of Eileen Fisher is that, we are working to provide a sustainable system of dressings that makes getting dressed more simple. The clothes have to be comfortable, sustainable and beautiful fabrics and shapes. These things all work together, so you build your wardrobe over time. You don’t throw them away and actually you bring
them back to us, and that's part of the system. It's both the system of clothing and the way it works for customers, but it's also a whole company system that we both make the clothes as sustainably as we can. I always say it from the seeds all the way through till the end. And so then we also take the old clothes back from the customer, and then we resell them and remake them into different things.

**Fromm:** Can you go into a little depth on the role sustainability plays in helping you live your purpose?

**Fisher:** Sustainability is central to what we do. It's embedded in everything and all the ways we think. I always thought in the early days that what we did was sustainable, because we were creating timeless clothes that customers didn't have to throw away, that they can use and reuse. Over the years, I came to understand that there was more to sustainability than just making simple things. There was a lot in the way clothes were made that wasn't actually so good for the planet. Over time we worked to commit to organic and more eco friendly materials. We looked at our supply chain and all of our processes, and we see the opportunities in every place we work. It's a holistic mindset to think about sustainability. And I think that we attract people who think like that.

**Fromm:** And when you say you attract people, you think all through the company from frontline employees, all the way to sort of management, or how does that play out?

**Fisher:** We educated people at a certain point and some of it is we just drew in like-minded people, who intuitively understood what we were doing.
We have a director of social consciousness, who's been with us for 25 years. She did a lot of work to educate us about sustainability and the apparel world. She helped the designers understand the different materials we use and how to think differently and how to look at the supply chain and choose the materials that are most sustainable.

Over the years, we've tried to educate the customers about what we're doing. We've been trying to do that more lately and it's a lot of work. For a long time I was pretty quiet about the sustainability work, just talking about the design itself and the products and the clothes we're making. First and foremost, customers have to love the clothes because otherwise it's not sustainable. Don't buy anything you don't love. Otherwise, it's going to sit in your closet and it's just a waste and you're going to throw it away.

**Fromm:** What kind of actions do you take internally to create awareness, engagement and empowerment with employees to act on your sustainability?

**Fisher:** About 7 years ago, we did Vision2020 and that was when we really went further in our education. We did workshops to engage employees across the company in the work that we were trying to do and to get their input and to help them understand, and think about how we can do things in their areas better. Everybody aligned around getting our materials to 100 percent sustainable, which we're not there yet, but we made a huge commitment that day, and the idea was, if we commit, we can't make exceptions. We just have to keep working to do better. We made huge leaps and we still have further to go. We've aligned around goals and we've met some but not all of them. Now, we're really interested in the chemistry and getting the pesticides out of the growing of cotton, we're seeing huge opportunities for actually using regenerative farming and closed loop technologies in terms of manufacturing clothes.
It’s very exciting to think that we can actually make clothes in a way that can actually make a positive impact.

**Fromm:** What words would you use to describe the culture at Eileen Fisher when it’s at its best?

**Fisher:** During the time of Covid, we're at our best, we are at our peak performance. It's strangely true. We are collaborative. I think it's a very caring, warm culture of people. I like to say egoless. People really come with what's the best for the company, what's the best for the planet, what's the best work we can do here, what's the best product we can deliver, what's best for the customer, and it's really this kind of selfless, kind of egoless way of collaborating and being together and, searching always to solve the problems or find the best solutions. It's a unique culture.

**Fromm:** Can you talk briefly to the ownership model for the company and how that model accelerates your living, your purpose?

**Fisher:** Yeah. So we're an ESOP, Employee Stock Ownership Program, and so from the very beginning, we were sort of a family kind of organization. There was always this collaborative way of working. As soon as there were extra profits, the first thing I did was share profits with employees, and for many years there were lots of nice profits to share, and that was really wonderful. Then there came a moment when I decided to diversify my personal ownership. It was suggested to share the ownership with the employees, so we sold 30% at the time and now they own 40%. It’s very interesting because during good times the value of the company was really good, but during Covid we're struggling. They're not doing it for me there, it's also for them and try to get the value back up the best we can for all of us because it benefits us all.
Fromm: So, tell me a little bit about the Renew Program and maybe how you take back that program and share it.

Fisher: As I mentioned, the very beginning is part of our holistic strategies and our idea to be like a circular company, to actually take our clothes back and resell them. We take the clothes back and give the customers $5 per garment as a credit that they can use to purchase new clothing.

The good thing is they clean their closets and they can shop consciously because they know what they need and what they really wore and what didn't work for them, and so it has a double benefit in terms of creating that awareness. But the other thing I wanted to say is The Renew program, so we take the clothes back, but that's not all we do. We resell them at quite a few of our stores, particularly our company stores, and we have two recycle stores where we resell the clothes, and you can also buy our recycled clothing online. Over the years, we've built up warehouses for clothes that we couldn't sell because they had spots or stains, and we tried to fix what we could and then resell what we could.

But then we started to get creative with the mountains of clothes we had left. And now we're actually making bags, other clothing and home furnishings. We have a line of pillows and we're starting to work on rugs. We have wall pieces, we've done several shows. We do commission artwork, things like that with this texture, this incredible felted material that we make from our remade clothes. It's very exciting because you can actually create more jobs without creating more virgin products. My favorite thing about this program was to see the clothes coming back, and it really reminded me of the relevance of these clothes and the fact that they really are timeless and that they do last over time.