Eileen Fisher, Yael Aflalo and Cara Smyth on Sustainability and Profitability

If saving the planet is the goal, profit, growth and brand value are the bonuses to sustainability in fashion.

The fashion industry has woken up to sustainability in a major way in the past few years. Designer Eileen Fisher and Yael Aflalo, chief executive officer and founder of Reformation, are ahead of the pack, having made sustainability core to their businesses and seen considerable growth as a benefit. The executives discussed their philosophies on sustainability and business along with Cara Smyth, founder of the Fair Fashion Center and vice president, executive board member of the Glasgow Caledonian University, on a panel moderated by WWD news director Lisa Lockwood.

In 2015, Eileen Fisher implemented her Vision 2020 commitment to making her company completely sustainable. Making sustainability part of her business model had a core part of the company culture for years. “We've had a head of social consciousness and sustainability for 25 years now,” Fisher said. “It’s very embedded but we didn’t talk about it because it never felt good enough.” When she put Vision 2020 into the public domain, it was a result of a “leadership moment,” Fisher said. “We decided at a large offsite to commit to this idea to become 100 percent sustainable, and I remember thinking, 'I have no idea if that’s possible.'"
Accepting the fact that addressing sustainability is complex and imperfect is crucial to making progress, Smyth said. "It's like, no matter which way you go it's imperfect. I think it's great to say that out loud. Pick a lane and do the best you can in that lane. We hear from a lot of the brands and ceo's that 'We need a perfect strategy before we say anything out loud.' I don't think that's necessary."

The key is to get started. "By making a commitment, we learned a lot and people inside the company became very committed to thinking, 'How can we do this? What else can we do? How much more can we do?'" Fisher said. "With Vision 2020, we knew we couldn't be 100 percent sustainable by 2020, but we could become 100 percent on eco-preferred materials by 2020 and that's something we're very on track to becoming. I think we're 60 to 70 percent there."

On a similar note, Aflalo said Reformation has a goal of recycling 75,000 garments this year. "We're nowhere near that goal but we still have two months." She built sustainability into Reformation's brand values and the customer followed. "When we first started, I don't think many of our customers cared about sustainability," Aflalo said, citing the lack of engagement sustainability social media posts garnered six or seven years ago. "It was like crickets, no comments. Now, the engagement on our social media posts rival that of any other posts." The results of a survey conducted by Reformation showed that the company's sustainability mission leads to customer loyalty. "We were shocked to see how many people were motivated to purchase with us, not on an acquisition basis but on a retention basis," Aflalo said. "People stay with us longer because we're sustainable. They also let us mess up a lot more. They give us more leeway."

Aflalo, Fisher and Smyth see creativity and investment as the way forward. Fisher has created a $4 million sub-business out of reusing and upcycling old Eileen Fisher clothes, leading to artwork and a collaboration with Public School. She's also a founding member of Alante Capital, venture capital fund that invests in sustainability innovation in the apparel industry.

The recent United Nations climate report, predicting a dire climate crisis by 2040 was top of mind. Fisher, Aflalo and Smyth were hopeful about fashion's role in change. "Fashion is hardwired for change like no other industry — we can reflect and drive cultural shifts," Smyth said. "For our industry to be the one to say, 'We're going to take a leadership position on this, is great. Sustainability used to feel like a bucket of problems and it now feels like a bucket of opportunity, if you look at our industry from 1,000 feet away and say, 'Wow, from agriculture to chemicals to the dyes to the manufacturing to 70 percent of the supply chain to retail to the trash that we make... there's opportunity for creating key impact.'"
If saving the planet is the goal, as a bonus, there are profits to be had in running an environmentally conscious business. Smyth noted that Wall Street is tracking company’s **sustainability** practices, citing a recent Harvard study that found that sustainable companies are trading 4.5 percent higher than other companies. She also called out what Bloomberg has deemed “chase the waste,” wherein environmental impact — the amount of packaging, water, chemicals, etc. a company wastes — directly correlates to profit loss. “Wherever you chase the waste, you’ll find money,” Smyth said.