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The Green & Good Issue



WIN - WIN

Andy Polk, FDRA's senior vice president and sustainability expert, on how companies can lessen their global footprint while increasing their bottom line. *By Greg Dutter*

IT'S NEVER TOO late, expensive or labor intensive to start becoming a more sustainably run business. Any steps taken, big or small, to alleviate the burden on the planet are steps in the right direction. They add up. They set examples for others to follow. They become standard practice. The costs to do so (often) go down over time. In fact, if this pandemic has taught us anything, it's that how we treat the environment matters—*now*. The repercussions of pollution and environmental stress are far too dire. Now is the time to embrace sustainable business practices, especially because consumers are hyper-aware of the issue and more willing to support companies with strong environmental policies than ever before.

"This pandemic gave us pause to how we do business and how we want to do it going forward," says Andy Polk, sustainability expert for the Footwear Distributors and Retailers of America (FDRA). "It has given us time to think about being more sustainable, more eco-conscious and more responsive to our fellow communities than we have been doing."

Polk believes consumers are going through a massive psychological reset. Values, shopping habits and brand preferences are likely to change greatly and, possibly, permanently. As such, he says companies are wise to think about realigning their mission, goals, community outreach efforts and products so that they are in step with a post-pandemic new world order. So, for example, if matters of sustainability are non-existent or they've lost momentum at your company, now is an ideal time to bring those cleaner and greener efforts to the forefront. "There's a lot of simple steps that don't cost money to set up a sustainability program or even get to sustainable products," Polk says, adding that sustainability can drive profit to the bottom line. "Smart choices that are good for the environment trim out waste and create economies of scale. Investments in sustainable business practices can increase your profit margins, especially down the road when those investments cost less."

Here, Polk offers ways to make sustainability a viable platform within your company. You don't need tons of green or a degree in environmental sciences to get started. You just need to be willing to do the right thing.

► **1** **DEFINE WHAT GREEN MEANS TO YOU:** Set a clear definition of what sustainability means to your company. That can differ from one company to the next, and use common

language built around reducing your environmental footprint through choices about products and processes. Employees must easily grasp what sustainability means for it to have any chance at compliance. Brands often talk past each other on this. If someone says "sustainability," someone at another brand or even within the same company can have a different idea what that means. So be clear, concise and consistent. For guidance and lots of other related news, log on to our site, shoesustainability.com.

► **2** **PRACTICE WHAT YOU PREACH:** It starts at the top. Company leadership must care about its stated sustainability goals and lead by example. It needs to become part of your corporate culture. Then you can start to measure and set targets

to where you want your company to be in five or 10 years. It can be as simple as sending out an email to employees stating that matters of sustainability are huge issues for customers and that we need to start thinking about the environment in terms of our product and processes. For example, there's a ton of raw materials waste and inefficiencies during the manufacturing process. So FDRA introduced a pilot Shoe Waste Factory program in team with several brands to train factory partners on how to identify waste in the production process, sort it and then sell it. Instead of sending it to a landfill, they are making money and can invest those funds back into the production process. We're in the process of creating a guide book to educate all factories. This also presents sustainability solutions even for price point brands, because it's done at the factory level. This is a huge win for our industry. Instead of one brand just focusing on one process, it's all brands working together where it becomes standardized at the factory level. The impact and saving is magnified.

► **3** **THINK OUTSIDE THE BOX—LITERALLY:** One of the easiest ways brands can up their sustainability game is to optimize packaging. There's been a push lately by many suppliers to use recycled materials and, in some cases, even do away with boxes entirely. Puma, for example, is using recycled cotton bags. The main goals here are to recycle and reduce. You want to avoid the Amazon scenario where one small item is shipped in a huge box or with tons of paper crammed in. What a waste, right? And consumers are increasingly aware of unnecessary waste. The inefficiency can be upsetting to them. Going cleaner and



Andy Polk, FDRA's green guru

more efficient is a no brainer, especially since most brands don't do their own packaging. Let the packaging experts find ways to recycle and reduce. With regards to the latter, if you can reduce even a millimeter off every shoe box, you can stack in X amount more into a container, which further reduces your footprint. It also reduces costs because of economy of scale efficiencies. Rethinking packaging is a huge win potential for everybody.

► **4 RECYCLE AND REFURBISH:** Educating consumers that they don't always have to throw their shoes away when they're done with them can have a big impact on sustainability efforts.

So why not set up a donation program for people in need? It beats just tossing them into a landfill, and it empties out closets. In the same vein, you can set up a program with a refurbishment company. Put an insert into the packaging informing them or send a follow-up email, maybe with a 20 percent off coupon. It's all part of building a strong brand connection. These days, consumers want brands to advise them on ways to extend the value of their purchases. Suggesting they can refurbish their shoes enhances the likelihood of them going back to your brand when it's time to buy a new pair. This also presents a great opportunity to partner with retailers in this effort. Nordstrom, for example, has cobblers come in to select stores periodically to do a bunch of repairs at a time. Of course, while customers are in the store, the opportunity presents itself to buy another pair.

► **5 USE THE MATERIAL EXCHANGE PLATFORM:** There had to be a more efficient way...so FDRA helped introduce the Materials Exchange Platform (*material-exchange.com*).

Instead of thousands of swatch books flowing around the world each season, this digital platform allows brands to view the latest materials as well as shows which ones are getting the most looks, which can reduce choosing unpopular ones that likely won't sell. Millions of tons of materials are wasted every year because those materials just didn't hit a trend. So there's huge efficiencies in this data exchange, and it's free for brands. It's especially useful now as many designers are working remotely and don't have access to a materials library in their offices.

► **6 JUST USE IT:** Whenever feasible, go with the greener material. While that's likely a price-conscious decision, sustainability is largely about doing better today than yesterday. If you can swap out a greener material that doesn't cost more, then do it. Such innovation over time also brings costs down where price point brands can incorporate recycled materials. For example, Nike's Flyknit breakthrough debuted about 10 years ago and now there are knit upper styles available in Walmart. So even switching to a five percent recycled polyester can make a huge difference. They're all steps in the right direction. That includes matters of durability, which can increase the lifespan of a shoe. It's about making the right choices whenever possible, and many such materials are there for the taking. It's not like a brand has to create them from scratch. They just have to think about how to incorporate those more sustainable materials into their lines. While fashion brands may not want to change the exterior aesthetics, the interior components could be 50 percent recycled. Changes like that can add up to a lot. Keep in mind also

that many of these eco-friendly materials are an upgrade over the previous versions. We've come a long way in this regard. Sustainably made shoes are much more comfortable and durable.

► **7 EMBRACE THE GREEN WAVE:** Matters of sustainability are no longer solely the concern of tree huggers. Sustainability is now more of a value proposition,—age, location, creed, etc. doesn't matter. Sustainability has penetrated society, politics and economics. When you penetrate all three, it's no longer a fad. It's a societal trend. While Europeans might be more purists in terms of defining sustainability, the U.S. is more open to accept any steps that lead to a greener outcome as ok. FDRA operates on a similar premise because our membership is so broad. We've got wholesalers selling \$10 shoes up to ones selling \$1,000 pairs. If we want to address matters of sustainability in a meaningful way, we must talk in logical terms of process, product and people. Sustainability has to be inclusive of the entire price spectrum to have any meaningful impact. Thankfully, sustainability is becoming synonymous with profit, innovation and cost reductions—doing business better. We're actually at the point now where shoes can be made more sustainably, comfortably, durably and affordably than ever before. So I think this notion of sustainability isn't going to go away simply because it's a better, more profitable way to do business. When ROI comes into play for executives, that's when it really starts to click.

► **8 GO DIGITAL:** Instead of shipping samples all over the world and traveling back and forth to Asia, digital technologies like 3D printing and video conferencing can reduce our environmental impact dramatically. This pandemic will forever change our industry as digital will become a priority instead of something executives saw as down the road. Digital-based efficiencies will be a huge part of sustainability—reducing costs and travel—like maybe even a four-day in-office work week to reduce traffic congestion and pollution.

Digital sampling, especially, presents huge efficiencies and savings potential. Brands are doing 3D printing in their offices and, within 24 hours, have a sample for review on site. There's also a new scanner coming out that enables a factory to scan a physical sample for a 360-degree view for real time reviews online. First and second pass looks can be done digitally and, by the third pass, most of the necessary changes have been made before you ship an actual sample. You just cut out two shipments and saved weeks of time. You can also outsource your 3D design needs. You don't have to hire talent or change your sketch first design process. Similarly, our Material Exchange platform allows you to import a selection into Cad software instead of typing in all the specs. Whereas a typical design and development process can take four or five months, it's now down to two months. So instead of the traditional sketch and send it to the factory, hope they get it right, they ship a sample, you return it with Post-It notes listing what's wrong, they ship another sample...Augmented reality tools let you view a sample in Asia where you hold your phone over the screen and make digital notes in real time. Digital technologies create huge efficiencies, and all of that improves sustainability because it reduces travel, shipping and the number of samples being dumped in landfills. •

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