



ZERO TO MARKET

**THE CARBON COST OF TRAVEL ASSOCIATED WITH THE
READY-TO-WEAR WHOLESALE BUYING PROCESS**

————— IN ASSOCIATION WITH —————



INTRODUCTION

The environmental impact of the fashion industry is never far from the headlines. Unsustainable materials, poor production practices, pollution and waste cast a shadow over many designers. However, one aspect of the industry's impact that is frequently overlooked is the surprisingly high amount of business travel associated with designers and buyers attending international fashion weeks as part of the industry's core buying process.

Every year, the big hitters of the international fashion world gather together at each of the 'big four' fashion weeks: New York, London, Milan and Paris. These fashion weeks are the cornerstone of the global industry, setting the agenda for the coming season. They are where the latest styles are showcased and where ready-to-wear buyers and fashion designers meet to place orders for the coming season.

However, with separate events often for womenswear and menswear collections, for both the Spring/Summer and Fall/Winter seasons, as well as additional Pre-Fall and Resort collections, this creates a fashion week circuit with thousands of buyers travelling all over the world for many weeks each year.

To highlight the impact, ORDRE.com

– a fashion technology company that offers digital and virtual reality solutions for wholesale buying – worked with experts at the Carbon Trust to calculate the carbon emissions impact of the travel associated with the ready-to-wear wholesale buying process.

The Zero To Market research project is the result. For the first time, it quantifies carbon emissions from these business practices. This report also provides a set of recommendations for the industry to debate, which will hopefully lead to the adoption of more sustainable business practices.



THE FIRST RESEARCH PROJECT TO MEASURE THE CARBON FOOTPRINT OF THE TRAVEL ELEMENT OF THE READY-TO-WEAR WHOLESALE BUYING PROCESS, IN ASSOCIATION WITH THE CARBON TRUST.

OVERVIEW

The Carbon Trust has measured the carbon emissions of the ready-to-wear (RTW) wholesale buying process, focusing on travel to and from major fashion weeks including New York, London, Milan and Paris.

HOW WE GOT THERE

Over a 12-month period, the carbon emissions from the travel undertaken by retail buyers and designers to attend major fashion weeks was measured.

WE LOOKED AT

2,697 RETAILERS

Who were identified from the ORDRE.com platform including online stores, small boutiques and large department stores representing the RTW industry.

5,096 DESIGNERS

Who were identified from Modem online, Vogue Runway and major fashion weeks, including Paris, Milan, London and New York.

WHAT WE DISCOVERED

241,000 TONNES CO₂e

The total emissions of the travel associated with the wholesale ready-to-wear fashion buying process.

\$1.4BN US DOLLARS

The total cost of travel associated with the wholesale fashion buying process.

BREAKDOWN OF TOTAL EMISSIONS BY FASHION WEEK

NEW YORK

37%

Over 40,000 buyers and designers travelled to New York.

PARIS

28%

Almost 70,000 buyers and designers travelled to Paris.

LONDON

18%

Over 25,000 buyers and designers travelled to London.

MILAN

17%

Almost 50,000 buyers and designers travelled to Milan.

COMPARISONS

THE TOTAL CARBON EMISSIONS OF THE TRAVEL ASSOCIATED WITH THE WHOLESALE FASHION BUYING PROCESS IS: **241,000 tCO₂e PER YEAR**

THIS IS EQUIVALENT TO:



LIGHTING UP TIMES
SQUARE, NEW YORK
FOR 58 YEARS *



27 MILLION
GALLONS OF
GASOLINE PER YEAR
**



LIGHTING UP THE
EIFFEL TOWER FOR
3,060 YEARS *

51,000 CARS
ON THE ROAD **

OR 589 MILLION
MILES DRIVEN **

*Proprietary data converted using energy use figures from

<https://www.festive-lights.com/blog/diy-fun/7-illuminated-landmarks-around-world/>

**Proprietary data converted using the EPA Greenhouse Gas Equivalencies Calculator (Dec 17, 2018)

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator-revision-history>

ABOUT THE RESEARCH

The Carbon Trust conducted analysis to calculate the carbon footprint of the travel associated with the ready-to-wear wholesale buying process.

The research looked at retail buyers and fashion designers attending showrooms and trade shows at womenswear and menswear fashion weeks in New York, London, Milan and Paris across a full year, beginning with Spring/Summer 2018 and including Pre-Fall, Fall/Winter and Resort collections.

Analysis also included an assessment of the carbon footprint of fashion designers hosting additional collections, in the same time period, at fashion weeks in: Amsterdam, Antwerp, Auckland, Barcelona, Beijing, Berlin, Brussels, Chicago, Copenhagen, Düsseldorf, Florence, Las Vegas, Los Angeles, Madrid, Munich, Naples, Seoul, Shanghai, Stockholm, Tokyo and Zurich.

Carbon emissions within the scope of the analysis included: travel to and from fashion weeks, travel within cities during fashion weeks, staff accommodation, and the transportation of collections.

The analysis looked at the travel activity of buyers from 2,697 retail

organisations (approximately 11,000 individual buyers) and 5,096 fashion designers involved in the ready-to-wear buying process.

Data was collected from ORDRE.com, Modem, Vogue Runway, the British Fashion Council, the Camera Nazionale della Moda Italiana, the Fédération de la Haute Couture et de la Mode and the Council of Fashion Designers of America.

The research did not include other groups attending fashion weeks and collections, such as the media and influencers. Instead the research focuses on the travel emissions associated with the commercial aspect of fashion weeks: namely the ready-to-wear wholesale buying process.

For more detailed information on the research analysis and calculations please contact the Carbon Trust.



RESEARCH FINDINGS SUMMARY

The analysis undertaken by the Carbon Trust found that the carbon emissions from the travel associated with the wholesale ready-to-wear buying process are likely to account for a small percentage of the total emissions attributed to the global fashion industry.

However, it is more than the 2017 greenhouse gas emissions of Saint Kitts and Nevis (238,000 tCO₂e)* which highlights the daunting scale of the challenge posed by climate change.

To take meaningful action on the fashion industry's carbon footprint, companies and governments need to focus most of their efforts on the issues with the biggest impacts such as: materials production, manufacturing, logistics, laundry and clothing waste. However, to only focus on these issues would be to overlook the tremendous power the industry has to set a positive example and influence behaviour.

Fashion businesses reach millions of people all over the world on a regular basis. They set trends, influence consumption and have the power to change culture for the better.

For an industry that lives in the spotlight, accusations of hypocrisy – whether real or perceived – can seriously undermine company credibility and damage brand reputations. Public concern and media attention also tends to focus on easier-to-understand issues, such as the environmental impact of business travel.

This risks overshadowing the high impact work which is undertaken in complex, and often opaque, value chains that many consumers do not understand well. Which is why it is so important for businesses in the fashion industry to understand and act on their most visible environmental impacts, including business travel at fashion weeks.

* Source: The Emissions Database for Global Atmospheric Research (EDGAR): Fossil CO₂ emissions of all world countries, 2018 report

“IF THEY THINK OF THIS AS AN EMERGENCY, WOULD MODELS, PRESS AND BUYERS BE FLYING AROUND THE WORLD TO SEE CLOTHES?”

Sara Arnold, Organiser of the extinction rebellion protest at Tate Britain during London fashion week in February 2019.

RESEARCH SUMMARY: CARBON EMISSIONS

Research undertaken by the Carbon Trust found the following:

The total emissions of the travel associated with the ready-to-wear wholesale buying process is:

241,000 tCO₂e

This is made up of the following:

RETAILERS - 135,000 tCO₂e

DESIGNERS - 106,000 tCO₂e

NB. It is likely that these figures are conservative in terms of the overall carbon footprint of the travel associated with the wholesale ready-to-wear buying process given that it does not include the travel undertaken by the media and fashion influencers.

The average carbon footprint for a buyer is 12.1 tCO₂e while the average footprint for a designer employee is 7.6 tCO₂e.

The main sources of emissions from the travel associated with the wholesale ready-to-wear buying process is as follows:

AIR TRAVEL

147,000 tCO₂e

ACCOMMODATION

78,000 tCO₂e

INTERCITY TRAVEL

11,000 tCO₂e

TRANSPORTATION OF COLLECTIONS

5,000 tCO₂e

Figure 1: Carbon emissions from the travel associated with the ready-to-wear wholesale buying process by fashion week (tCO₂e)

	RETAILERS	DESIGNERS	TOTAL	% OF TOTAL	EQUIVALENCY OF NUMBER OF HOMES BEING POWERED FOR A YEAR
PARIS	35,000	10,000	45,000	19%	8,000
LONDON	27,000	2,000	28,000	12%	5,000
NEW YORK	53,000	7,000	60,000	25%	10,000
MILAN	20,000	8,000	28,000	12%	5,000
OTHER FASHION WEEKS	-	79,000	79,000	33%	14,000
TOTAL	135,000	106,000	241,000	100%	42,000

* Proprietary data, assuming US homes and converted (Dec 17, 2018)

** Percentages and totals have been rounded for reporting purposes.

RESEARCH SUMMARY: TRAVEL COSTS

In addition to carbon cost, the financial cost of the travel associated with the ready-to-wear wholesale buying process was also assessed.

The majority of these costs come from hotel stays and daily travel (approximately 94% of total costs).

Given the large variation in airfares, it should be noted that there will be some variation in these cost calculations. For simplification, these calculations have assumed an average cost per km of around \$0.11 and used average hotel and daily travel costs sourced from ORDRE.com.

THE ESTIMATED TOTAL TRAVEL COSTS ASSOCIATED WITH READY-TO-WEAR BUYING PROCESS, WHICH INCLUDES AIR TRAVEL, HOTEL AND DAILY TRAVEL COSTS, IS AROUND **\$1.4 BILLION**.

Figure 2: Travel costs of retailers and designers attending ready-to-wear fashion weeks.

USD \$	RETAILER	DESIGNER	TOTAL
TOTAL COST PER YEAR	\$950 MILLION	\$490 MILLION	\$1.4 BILLION
AVERAGE COST PER YEAR FOR INDIVIDUAL BUSINESSES	\$182,000	\$187,000	\$369,000

INDUSTRY CARBON CONSCIOUSNESS

Despite being modest in comparison to the wider impacts of the sector, it is hoped these findings will influence decision-making around business travel and individual behaviour in the fashion industry, contributing to increased environmental responsibility across the sector.

IN BUSINESS, SOMETIMES TRAVEL IS A NECESSITY. AT OTHER TIMES SIMILAR RESULTS CAN BE ACHIEVED THROUGH ALTERNATIVE APPROACHES; SAVING STAFF TIME, CUTTING COSTS AND AVOIDING ENVIRONMENTAL IMPACTS.

Across all parts of the economy, companies are currently looking at ways to reduce the carbon footprint of their business travel. They are finding ways to limit the amount of travel required to achieve their goals and when they do need to travel, they are working hard to minimise carbon emissions by making better choices.



THE FASHION INDUSTRY CAN REDUCE THE CARBON IMPACT OF ITS READY-TO-WEAR WHOLESALE BUYING PROCESS BY:

1.

FASHION WEEK SCHEDULE

Combining all seasons and collections. For example by bringing together the pre-season market with the main market (Winter + Pre-Fall and Summer + Resort).

Combining men's and women's weeks in single events for those fashion companies with both gender collections.

Establishing regional fashion weeks rather than individual, smaller city events. Each season would have a host city (much like the Olympics).

Reducing the duration of the major fashion weeks through a more curated schedule.

2.

FASHION SHOWS / PRESENTATIONS / SHOWROOMS

Identifying and establishing a designated fashion district during seasons and scheduling events within these districts in order to reduce travel.

Establishing and enforcing a detailed production code of ethics around the various factors affecting the environment, including recycling, reuse, low carbon and energy efficiencies.

Encouraging and incentivising the use of shared venues for shows and presentations during fashion weeks.

Embracing virtual and digital technologies to present collections, as an alternative to physical attendance. This can be encouraged by running showcases and training the federations on new ways to innovate when presenting fashion.

3.

TRAVEL

Avoiding flying business class which has a far higher carbon footprint per passenger than economy class.

Seeking to combine long distance trips, minimising the need for extra return flights by visiting more than one destination in an extended travel period.

Choosing to travel by train rather than flying, where possible.

Selecting airlines and hotel groups that have made good progress in reducing emissions and that offer lower carbon options.

Renting houses and apartments which can offer a lower carbon alternative to hotels, especially when shared between multiple staff members.

Using lower carbon transport options when traveling within a city, such as walking or travelling on public transport between meetings and events.

FROM SIMON P. LOCK, FOUNDER & CEO OF ORDRE.COM

My vision for ORDRE.com was to create an online B2B platform and technology that allows designers and retailers to connect, no matter where in the world they are and, as importantly, to establish a new sustainable mechanism for the business of fashion.

For me, it's personal. At the start of the ORDRE.com journey I visited the great glaciers of the European Alps for the first time. As a beyond passionate skier I was mortified by the scarred valleys that had been left in the wake of the retreating glaciers. The industry I loved was a contributor to the cause of this – climate change – and I felt passionately that I needed to do something about it.

Our industry has had a love affair with travel and it is embedded in how we do business. Thousands of fashion buyers and designers travel to New York, London, Milan, Paris and elsewhere, season after relenting season. But what are the carbon emission consequences of all this travel? No one knew... until now!

Zero To Market is a world-first research project undertaken by ORDRE.com in partnership

with the Carbon Trust. Over an 18-month period, the carbon impact of the travel undertaken by the world's leading fashion buyers from department stores, multiple-label boutiques and online retailers, along with the designers they buy from, were analysed. The process was comprehensive and robust thanks to the expertise of the Carbon Trust.

The results show that the travel associated with the global ready-to-wear wholesale buying process generates 241,000 tCO₂e, which contributes to climate change.

In the context of the overall fashion industry's carbon emissions and environmental impact, the emissions from the wholesale buying process are insignificant. But they are an incredibly visible aspect of the fashion business – sending a message around the world that in turn influences the behaviour of others.

My hope is that Zero To Market can act as a catalyst within the industry, driving it to take a deeper look at current business practices. Our industry has rightly been focused on the big

issues of sourcing sustainable raw materials, reducing the environmental impact of manufacturing and moving towards a circular ecosystem for the last decade. However, it has done little to reassess some of the archaic practices left over from bygone decades.

The big question that now needs to be asked is should we be travelling to fashion weeks and showrooms to conduct the business of fashion? Is there a better way for retailers to place orders and should fashion weeks as we know them be dismantled and rebuilt?

ORDRE.com's online wholesale showrooms along with its ORB360 technology is part of the solution, as many other technologies will be. Now is the time to have this discussion within the industry and create ongoing sustainable practices.

My hope is that Zero To Market will have a role to play in this.



ABOUT THE CARBON TRUST

The Carbon Trust is an independent, expert partner of leading organisations around the world, helping them contribute to, and benefit from, a more sustainable future through carbon reduction, resource efficiency strategies and commercialising low carbon technologies.

As part of its mission the Carbon Trust is committed to supporting

the fashion and apparel sector in its efforts to be more sustainable.

The Carbon Trust has worked with brands, retailers and manufacturers on a range of initiatives including carbon footprinting, value chain analysis, target setting and assurance.



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