CASE STUDY

ESPRIT

Esprit is a world-renowned fashion brand that requires little introduction. Founded in California in 1968, the brand's administrative headquarters is now located in Hong Kong, and New York City hosts the brand's creative headquarters. Esprit has a presence in over 30 markets around the world, and the brand is focused towards a future centred on diversity, ethicality, and sustainability.

The focus of Esprit's future means paying increasing attention towards its responsibilities to animals, people, and the planet. For animals especially, this involves turning Esprit's attention to the wool it sources, and more carefully considering its choices of wool to ensure it is completely free from the cruel practice of mulesing, while also helping to achieve the brand's broader sustainability strategy.

In this case study, we hear from Jennifer Lui, Esprit's Vice President of Public Relations and Sustainability, about the brand's journey in transitioning out the use of mulesed wool.



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- ESPRIT

FOUR PAWS: In 2021, FOUR PAWS welcomed the signing of Esprit to our Brand Letter of Intent. In this letter, fashion brands declare their commitment to transitioning to certified mulesed-free wool by 2030. The letter is addressed to the Australian wool industry, urging them to transition out of the practice within the decade. As a global brand with an expansive and complex supply chain network, what have been the key challenges for Esprit in the early stages of this transition, and what are the factors that have helped you to overcome these?

Esprit: At Esprit, we have the advantage of knowing the suppliers further down in our supply chain well and as a result we have built up long-term business relationships with them. We worked with Textile Exchange and other brands to develop the Responsible Wool Standard (RWS) and back then actively approached our suppliers, held training courses to help them understand the requirements of the certification and embed it in their business practices.

When it came to certification, we initially focused on a few knitwear and yarn suppliers with whom we manufacture a significant number of wool products. We closely accompanied them during the certification process. With this method, we were able to gradually expand the portfolio of certified suppliers. This systematic approach helped us a lot to introduce the RWS at Esprit. Since we focused on suppliers with higher quantities, we were able to better compensate for the higher price of RWS-certified yarns.





FP: Esprit recognised mulesing as a concern in fashion more than ten years ago and banned its use in 2012. Then the first RWS-certified products from Esprit came onto the market four years ago in 2018. What changed for Esprit in that time that felt like it was important to take that step to certification?

E: During this time, awareness of wool production increased among customers. Our Purchasing team in particular is very interested in the topic and is working very hard to find ways to transition to fully sustainable wool as seamlessly as possible.

Unfortunately, some of the wool qualities we're after are still not widely available as certified non-mulesed, which is why we have also decided to incorporate the use of recycled wool to expand our portfolio of sustainably sourced wool. FP: You mention that there are challenges to sourcing the amounts of certified wool Esprit requires. This is perhaps a challenge faced by many large brands who are trying to transition. Can you share some of your ideas for how other brands might be able to address this ongoing challenge?

E: Sourcing adequate amounts of certified wool is indeed a challenge which we try to tackle by prebooking fibers/yarns where possible. Availability but also very unpredictable price developments make the use of certified wool a challenge these days. We at least try to use as much recycled wool as possible, while ensuring durability and quality aspects. Overall, we need the industry to work together to accelerate the end of mulesing and the adoption of animal welfare certification.





FP: What insights or advice would you give to other brands who have not yet started a transition to certified non-mulesed wool?

E: Transparent communication and training – which have also increased understanding of the standard, has always been very important to us. The transparent objective and the contribution that suppliers make to it is also something we felt important to emphasise. Only together can you successfully master such a change.

FP: Your customers may have been one of the reasons you prioritised the mulesing issue. What have you learned from them over the years about consumer interest in non-mulesed wool and how has this most inspired Esprit to continuously improve?

E: In recent years, we have noticed a significant increase in the interest of fiber use and animal welfare, but also sustainability in general among our customers. Customer enquiries are also better informed than before. Many customers approach us already with a good foundation of knowledge and can ask very specific questions. From our point of view, this is a very positive development. It shows that many customers are interested in sustainability in general and want to shop ethically. Esprit is working to always be a 'go-to' brand for customers who want to purchase mindfully and that means prioritising the issues our customers care about.



For more information on certified and next-gen materials and what to consider in your animal welfare policy, please refer to the <u>FOUR PAWS</u> Policy Guidelines for Fashion Brands and Retailers.

Wear it Kind

Three steps to change:

The cruel practice of mulesing is a mutilation practice endured by millions of lambs each year in the Australian wool industry – otherwise known as the world's leading producer of wool, growing 90% of the world's supply of wool that goes into making premium wool apparel*. Mulesing is carried out on Australian farms as a cheap and fast way to prevent an issue called flystrike. While this man-made problem could be solved through more sustainable and ethical breeding practices, fashion brands also play an important role. Below we outline three steps brands can take to speed up industry efforts to make mulesing a thing of the past.

- Make a public commitment to end the sales of mulesed wool on or before 2030, by signing the FOUR PAWS <u>Brand Letter of Intent</u>. This will require brands to update their animal welfare and other policies and communicate any new sourcing requirements to staff and supply chain partners.
- Implement robust traceability systems to ensure the sourcing and purchasing of wool is restricted to non-mulesed wool.
 The system ideally enables a clear chain of custody from farm to finished product amongst supply chain partners certified to the highest animal welfare standards available on the market.
- Enable the customer to make informed decisions through clear labelling of products. Make your commitment known to consumers by providing certification information on tags and labels.

– FOUR PAWS

* Where Does Wool Come From? | The Woolmark Company. [accessed 2023 Jul 4]. https://www.woolmark.com/fibre/ woolgrowers/where-wool-comes-from/

The FOUR PAWS Case Study series are designed to shine a spotlight on brands that have overcome particular challenges and to share their learnings with other brands. The inclusion of a brand as a case study subject does not mean FOUR PAWS endorses the overall performance of the brand in relation to animal welfare.

