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## VF Corp. Set to Change the Way It Handles Sustainability

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February 5, 2018



Photo credit: VF Corp.

As one of the largest apparel companies in the world with annual sales of \$12.4 billion, VF Corp. feels it has the opportunity to effect change not just inside its own operations and brands, but throughout the supply chain.

In December, VF created a complex initiative called Made for Change, outlining aspirations for advancing environmental and social improvements across its business, portfolio of brands, global supply chain and communities worldwide.

Leading the charge is Letitia Webster, vice president of global corporate sustainability at VF Corp., who said in an interview that her mission really began in 2011 when Eric Wiseman, then chairman of VF, asked her to start the corporate sustainability program for the company.

“That was such a really great opportunity to really think about how do we do things at scale and what does that look like for a large, multi-brand global portfolio company and that one point of strategy was—we call it people, product and planet,” Webster said. “It was really about understanding what we were doing across our almost 2,000 buildings within our own manufacturing. We had to figure out how to collect and measure energy. We had to build a team, governance model, a lot of foundational infrastructure was built at that point in time.”

She said initial goals were set and achieved, “which was great—we set a carbon reduction goal of 5 percent in five years, we actually beat it. We reduced our carbon footprint to about 12.5%, saving millions of dollars.”

“Our point was understanding what our footprint is, what our impact was and how it was organized,” Webster said. “We began to think about the next evolution and we realized we really needed to turn our focus much more to the big impacts we have within the industry and the sector and what could we do...We asked ourselves, how can we, as one of the major players in the apparel and footwear industry, help transform our business and therefore transform the industry to be a sustainable one and a responsible one and what does that look like within all of these moving parts.”

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VF, with brands that include Wrangler, Lee, Vans, The North Face and Timberland, came to the conclusion that in order to truly become a much more sustainable company and industry three things needed to be achieved: moving the linear model to the circular business model, understanding the material impacts that were driving and impacting the business and getting all of VF’s 65,000 associates and the millions of consumers who buy its products to help in moving in the right direction.

“We are pivoting to thinking about how sustainability and responsibility is a value driver and by creating a value, facilitating responsibility in the marketplace, we will then create transformational impact,” she said. “That is really fundamentally at the core of this strategy. It’s how we create value for all of our shareholders and really create a win-win on what we can leverage.”

## **Made for Change**

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That’s behind the creation of Made for Change, its new sustainability and responsibility strategy with “bottom and top line benefits,” according to Webster.

“Fundamentally, we believe environmental waste is financial waste,” she said. “From simple things—we have a goal by 2020 that all of our distribution centers will be zero waste. We are saving significant amounts of dollars at every single distribution center that moves to zero waste. But what we want to also turn the tide into how do we communicate the stories to the consumer because we know that the consumer cares about it.”

VF has been challenged to integrate sustainability into the businesses in a meaningful way that adds value.

“I fundamentally believe that in order for us to move as an industry, as a planet, as a world—and everything that is important to us—if we are going to move in that direction, it has to make business-sense,” Webster said. “This can’t be a philanthropic effort, it absolutely has to fundamentally be embedded into business strategy and business plans and help drive the business—and help it be more efficient and reduce risk.”

[Read more about VF Corp.: [VF Corp. Announces Sweeping Supply Chain Sustainability Plans](#)]

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Overall, VF has committed to reducing its global environmental footprint by 50 percent from farm to door by 2030, which she noted is “about science-based targets.”

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“We are spending the year digging into that, working closely with our supply chain partners and teams and our suppliers to announce something next year,” Webster said. “That looks at working with, at minimum, our Tier 1 suppliers, probably into our mills, which is where we know, through many life cycle assessments and obviously on the ground, that is really where the biggest impact is happening...be it water or energy as two of the biggest components of that.”

The second aspect centers on materials. She noted that VF was a founding member of Sustainable Apparel Coalition, which developed the Higg Index, a standardized methodology for measuring the environmental impact of materials.

“We have integrated that into our material selection process and we are now using it to basically help the brands identify more sustainable materials,” she said.

## **Circular business models**

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As for turning to a circular model from a linear approach, Webster said, “the apparel industry has been a pretty wasteful industry. Specifically, people buy a lot of apparel and it gets wasted. It sits in people’s closets, it doesn’t get used, it gets thrown away and that’s obviously incredibly wasteful.”

“We also know that there is kind of a growing trend with the consumer on thinking about how to reuse clothes, everything from Goodwill to high-end consignment shops,” Webster said. “Every time a consumer buys a used product, or rents a product, it’s one less product that has been made.”

VF is also looking at renting, since it does have products that are high value that consumers don’t need to buy because they use them one or two times a year. She said a number of pilots are being explored and could be launched in the next few months.”



Photo credit: VF Corp.

## Scale for Good

The second area of focus of the Made for Change initiative, dubbed Scale for Good, looks at what's really impacting the business and where VF has some of the greatest impacts.

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“Basically, with our climate change effort, first and foremost we are looking to kind of decarbonize our footprint,” Webster said. “That starts off with our 100 percent renewable energy goals for owned and operated facilities. We are well on our way to doing that.”

In addition, VF is looking at sustainable agriculture practices, reforestation and conservation efforts. On the materials end, a key is the use of recycled materials following the Higg model.

“We have a goal to increase the amount of recycled materials, specifically nylon and polyester, by 50 percent,” Webster said.

The third pillar, according to Webster, is around work and wellbeing, noting that “the apparel industry is often not recognized as the best when it comes to work and wellbeing and we feel we can have a significant and positive impact on that.”

“Through our responsible sourcing efforts, we are making tremendous headway in trying to create and share best practices in our industry and really improve the way that workers are treated and elevate those best practices through our supply chain,” she said. “We have many different efforts going on around occupational safety and health, around fire safety, all kinds of things going on within our supply chain.”

## **Movement makers**

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Rounding out the Change for Good program are the “movement makers,” involving a major effort to bring more people into the movement around more sustainable practices.

“We are focused internally on encouraging all associates to think about how they can bring in more sustainable practices into their day jobs every day,” Webster said. “We are working with our direct internal sourcing teams on embedding sustainability criteria into how they are sourcing materials.”

VF, headquartered in Greensboro, North Carolina, also wants to help consumers make the right decisions through its products and encourage that demand because when they are purchasing more sustainable products, it sends signals right through the value chain—“it sends signals to our merchants, it sends signals to our product design teams, our marketing teams, down to our supply chain,” she said.