



# THE FIBERS ROADMAP

Integrated Capital Opportunities  
to Support Revitalization of  
U.S.-Grown Fiber, Textiles,  
and Leather

## WEBINAR #1: LAUNCH AND OVERVIEW

Collaboration | Equity | Respect | Stewardship | Integrity



**SUSTAINABLE AGRICULTURE  
and FOOD SYSTEMS FUNDERS**

# BACKGROUND

## WHY THE FIBERS ROADMAP?

Food and fibers are connected.

- Funders saw a need for specific data and case studies on this sector to:
  - Help make the sector concrete and actionable.
  - Create the most impact from funding and investment support.
  - Support resilient U.S. supply chains (see COVID-19 and masks).



# ACKNOWLEDGEMENTS

## Advisors

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**Scott Cullen**, GRACE Communications Fund

**Sarah Ebe**, Patagonia

**Eric Henry**, TS Designs

**Arani Kajenthira**, Walton Enterprises

**Scott Leonard**, Indigenous Designs

**Roger Milliken**, Baskahegan Company

**Esther Park**, Cienega Capital

**Lewis Perkins**, Apparel Impact Institute

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**Mark Watson**, Boston Impact Investors/Fair Food Fund

**Team:** Sarah Kelley, Jenny O'Connor, and  
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60 Project Interviewees  
12 Case Study Businesses

A project of Sustainable Agriculture and  
Food Systems Funders (SAFSF)



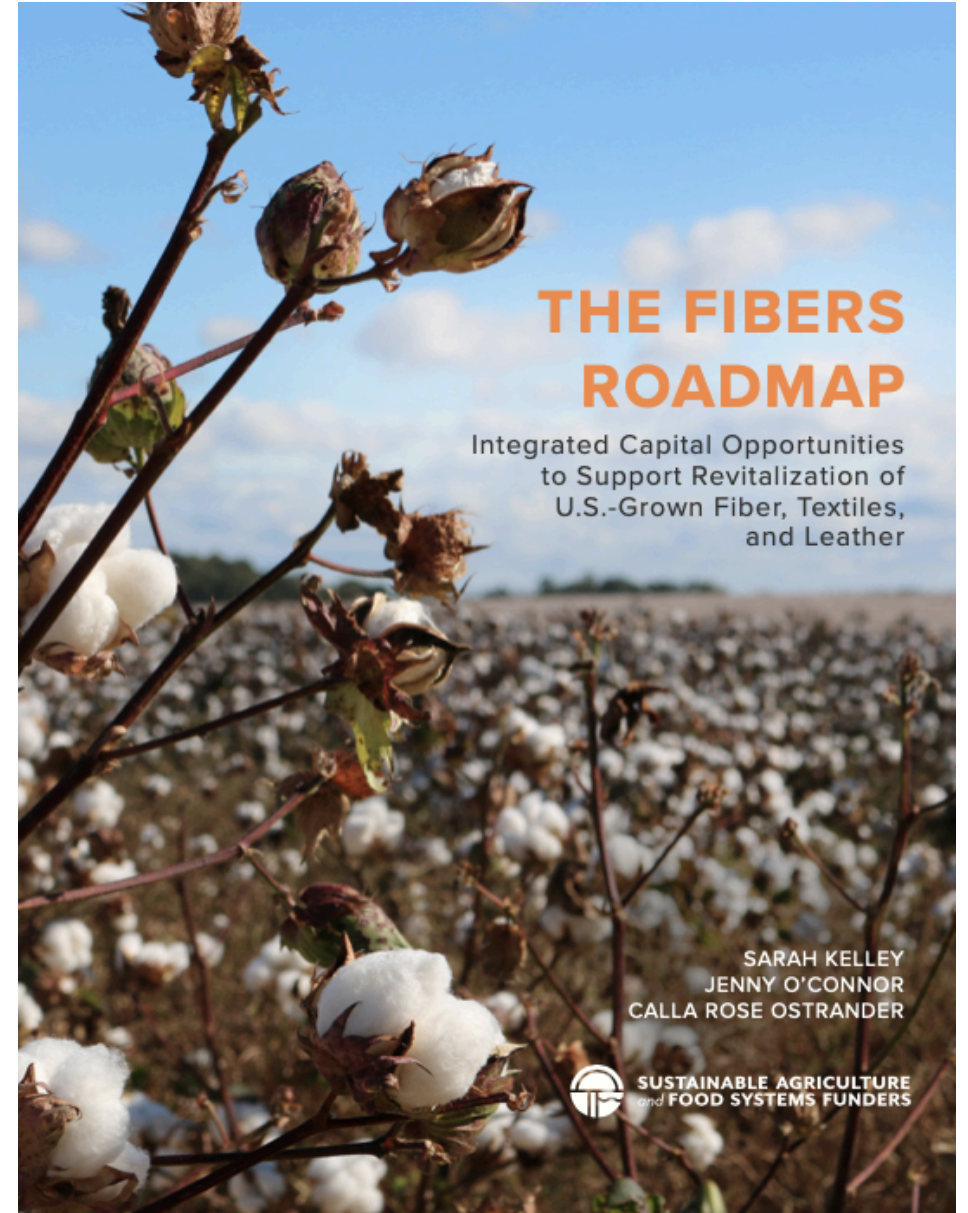
# BACKGROUND

## THE FIBERS ROADMAP

- **Goal:** Coordinated “Roadmap” for funding and financing opportunities in U.S. textile production/processing.
- **Audience:** Investors, funders, family offices, and brands that provide grant support and other investment.
- **Scope:** Mid-scale U.S. fiber production and processing, soil-based fibers. Not synthetics; not just apparel.
- **Priority:** Equity, racial justice, and Just Transition

Over 60 interviews synthesized into **7-year financial Roadmap** identifying **5 key Gaps and Levers**.

Collaboration | Equity | Respect | Stewardship | Integrity



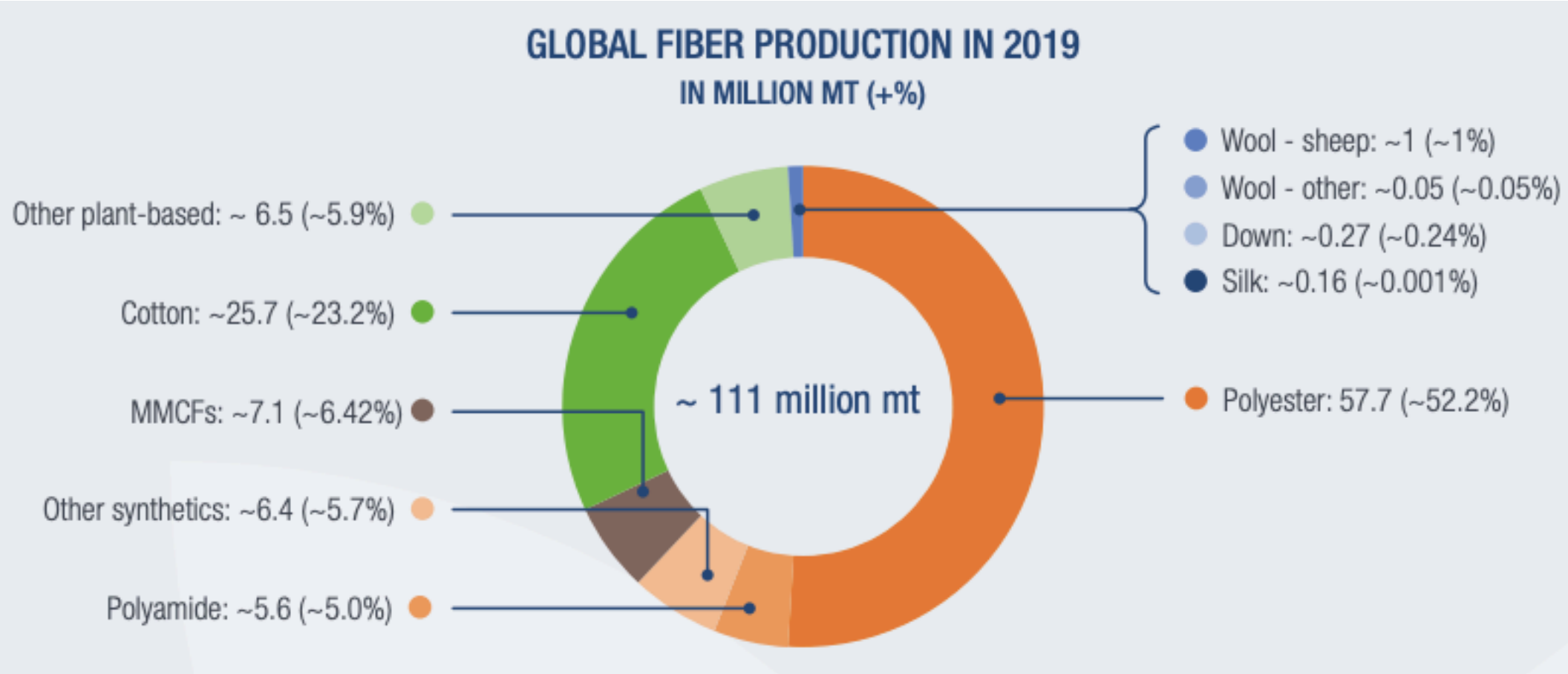






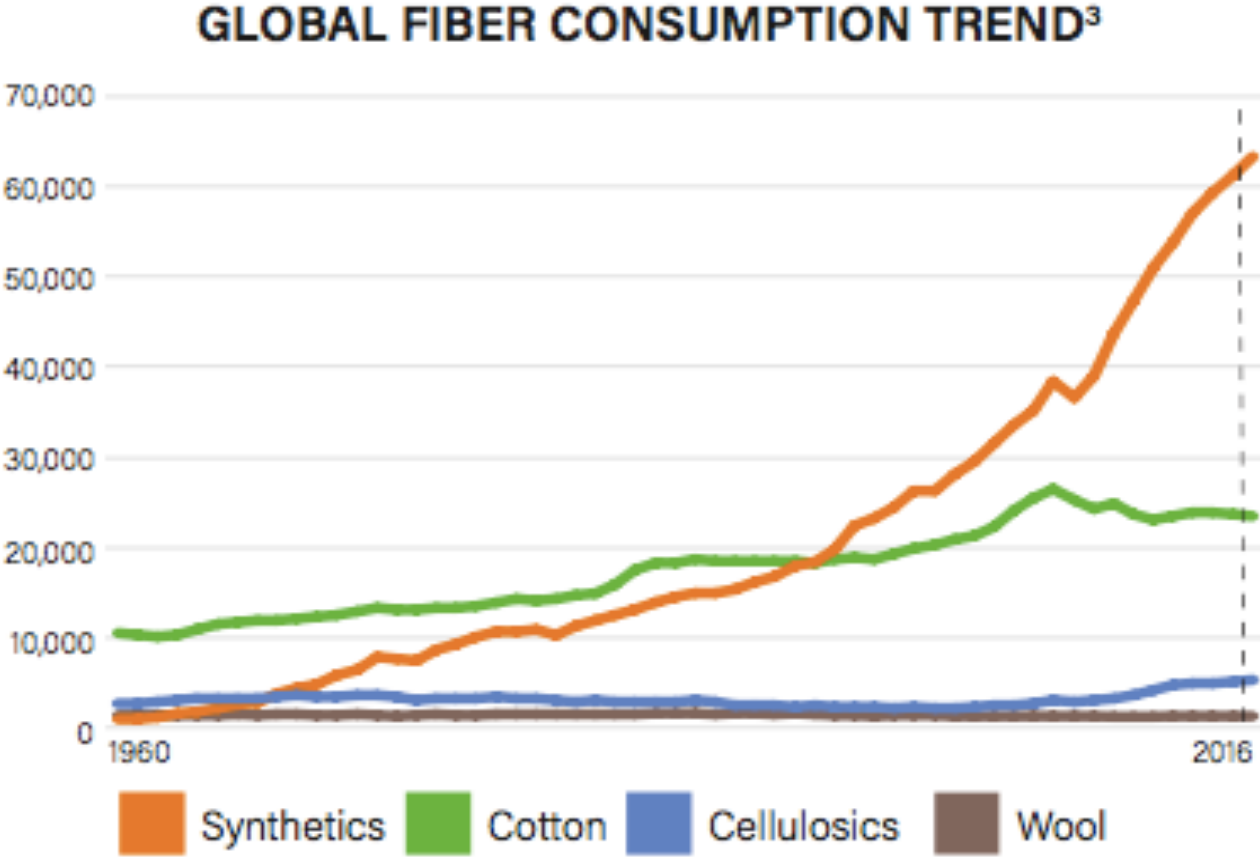
# BACKGROUND

## The Fiber, Textile, and Leather industry: Key Statistics and Sustainability Issues



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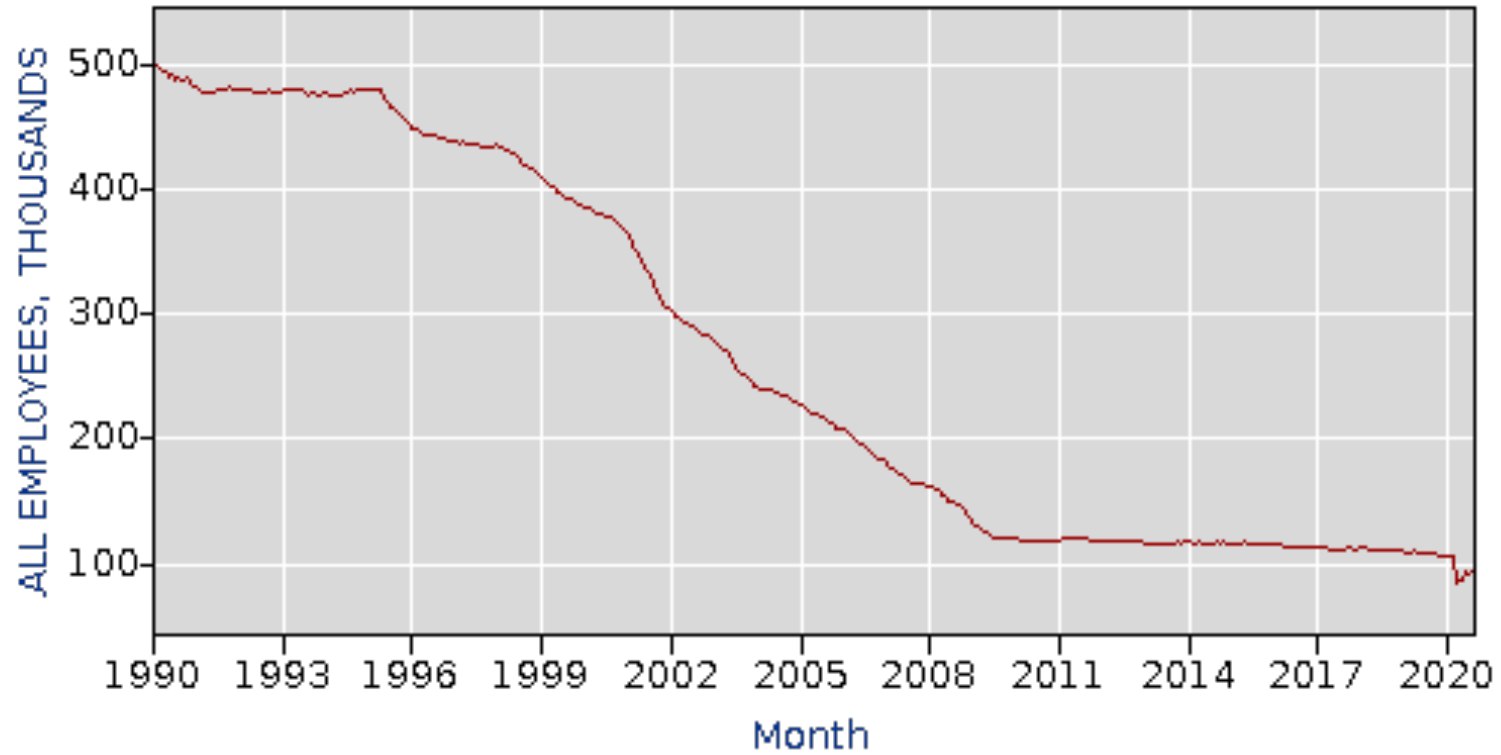




Collaboration | Equity | Respect | Stewardship | Integrity



## U.S. Bureau of Labor Statistics, Textile Mill Employment

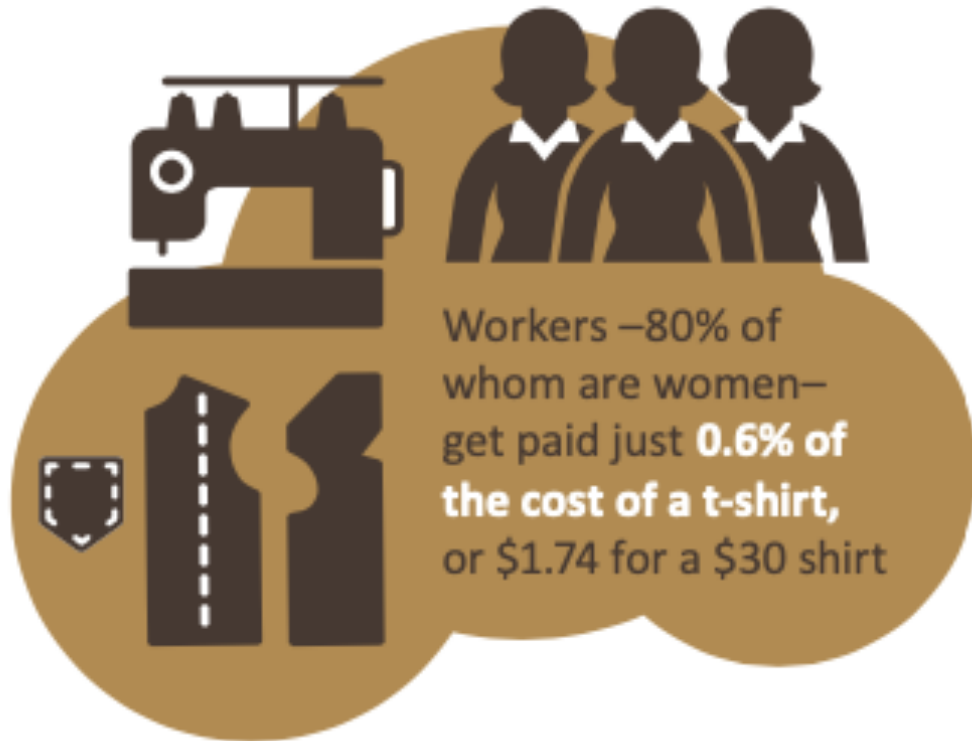








# BACKGROUND EQUITY & JUSTICE



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# BACKGROUND

## THE CASE FOR RESHORING

**Reshoring:** examining the possibilities for bringing fiber processing and supply chain stages back to the U.S.

### Key benefits for reshoring:

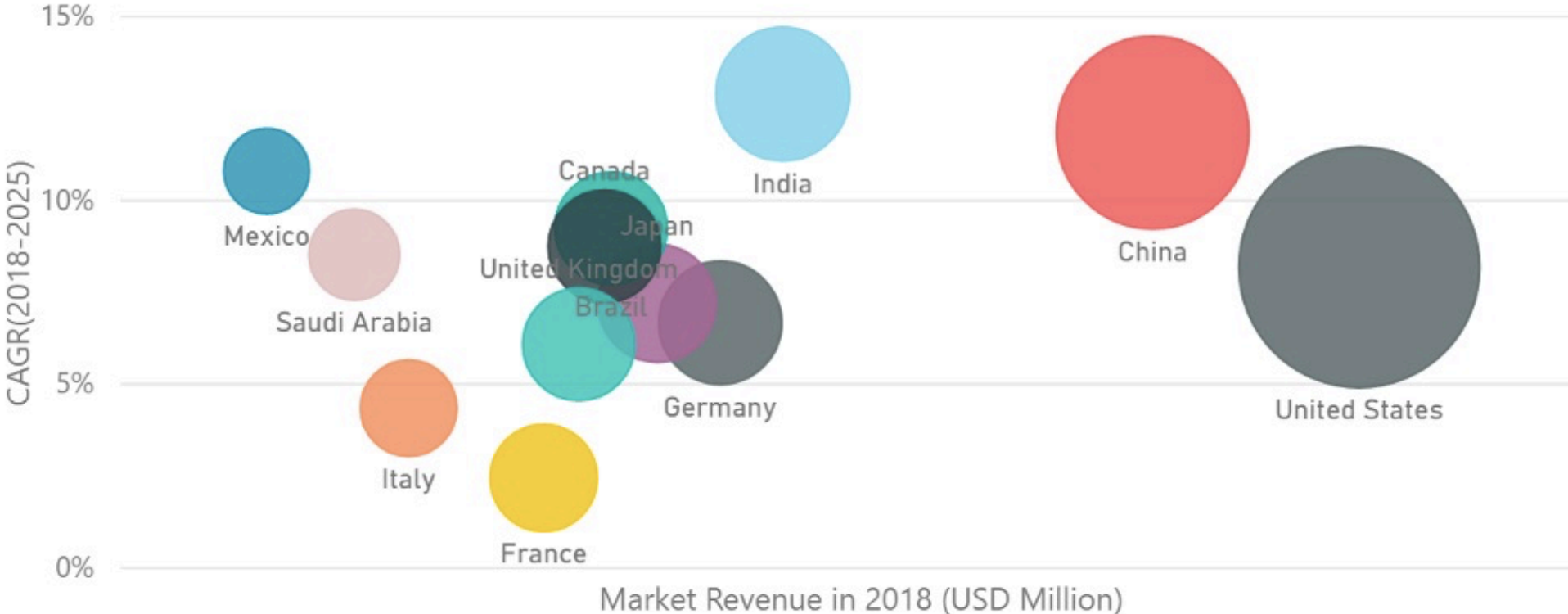
- **Reconnection** – *re-introducing people to the labor and materials needed to produce fiber and textile products.*
- **Transparency** – *the potential to be able to see all stages of the supply chain*
- **Wealth Creation** – *supporting ownership of the means of production and community investment*
- **Waste Reduction** – *allowing manufacturers to respond more quickly to demand.*



# MARKET RESEARCH

## “Eco-Fibers” Market Opportunity Assessment by Country

Country ● Brazil ● Canada ● China ● France ● Germany ● India ● Italy ● Japan ● Mexico ● Saudi Arabia

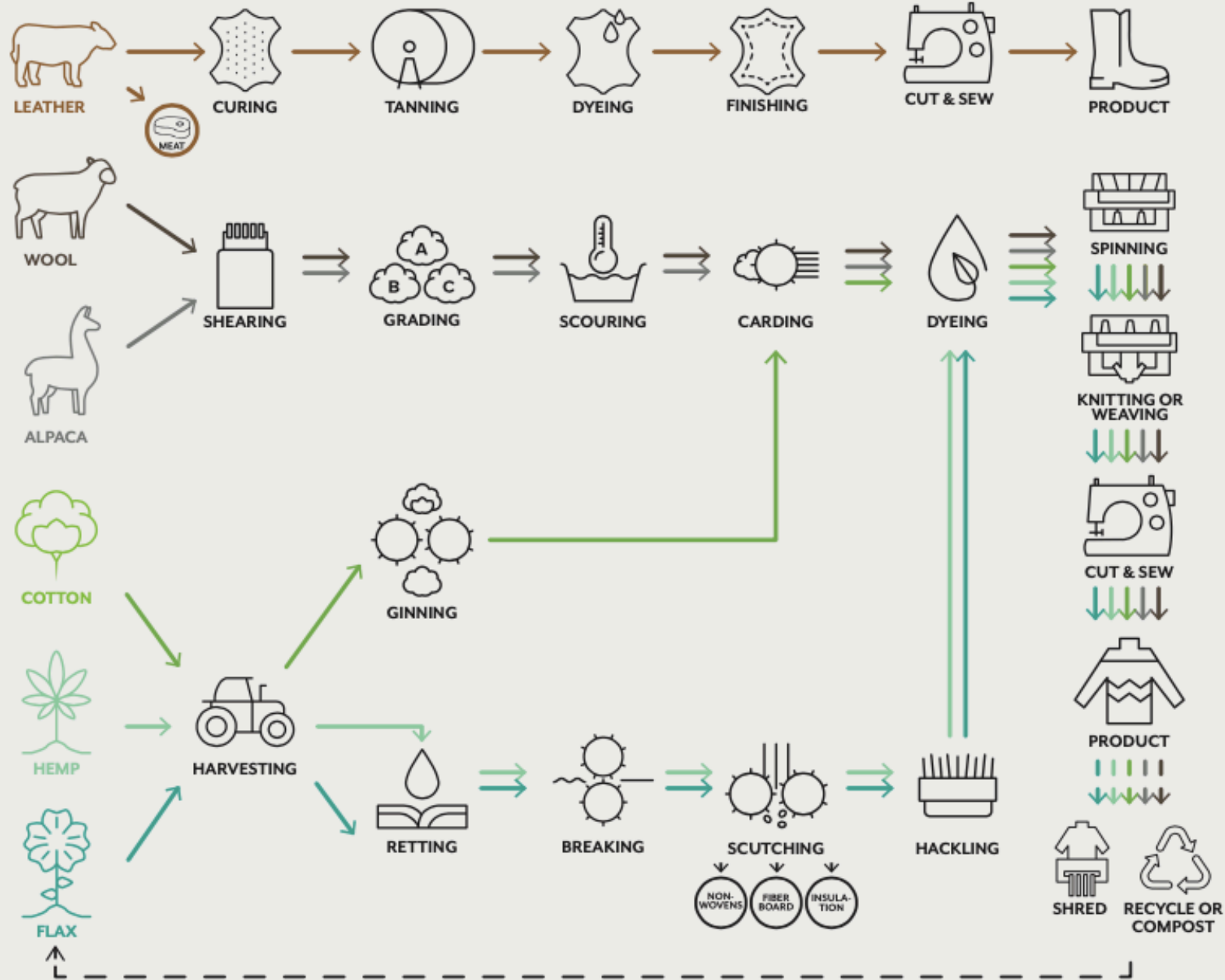


# MARKET RESEARCH

## KEY TAKEAWAYS

- **\$900 billion**: approximate current value of the global textile industry
  - Projected to grow to around *\$1.2 trillion* by 2025-2027
  - *\*Currently about 2x the size of the smartphone market\**
- **\$77.9 billion**: value of U.S. textile industry in 2017 (16% growth since 2009).
- **\$40.58 billion**: “Eco-fiber” demand in 2019
  - Projected to grow to *\$58.29 billion* by 2025, outpacing the overall market.

# THE FIBER SUPPLY CHAIN



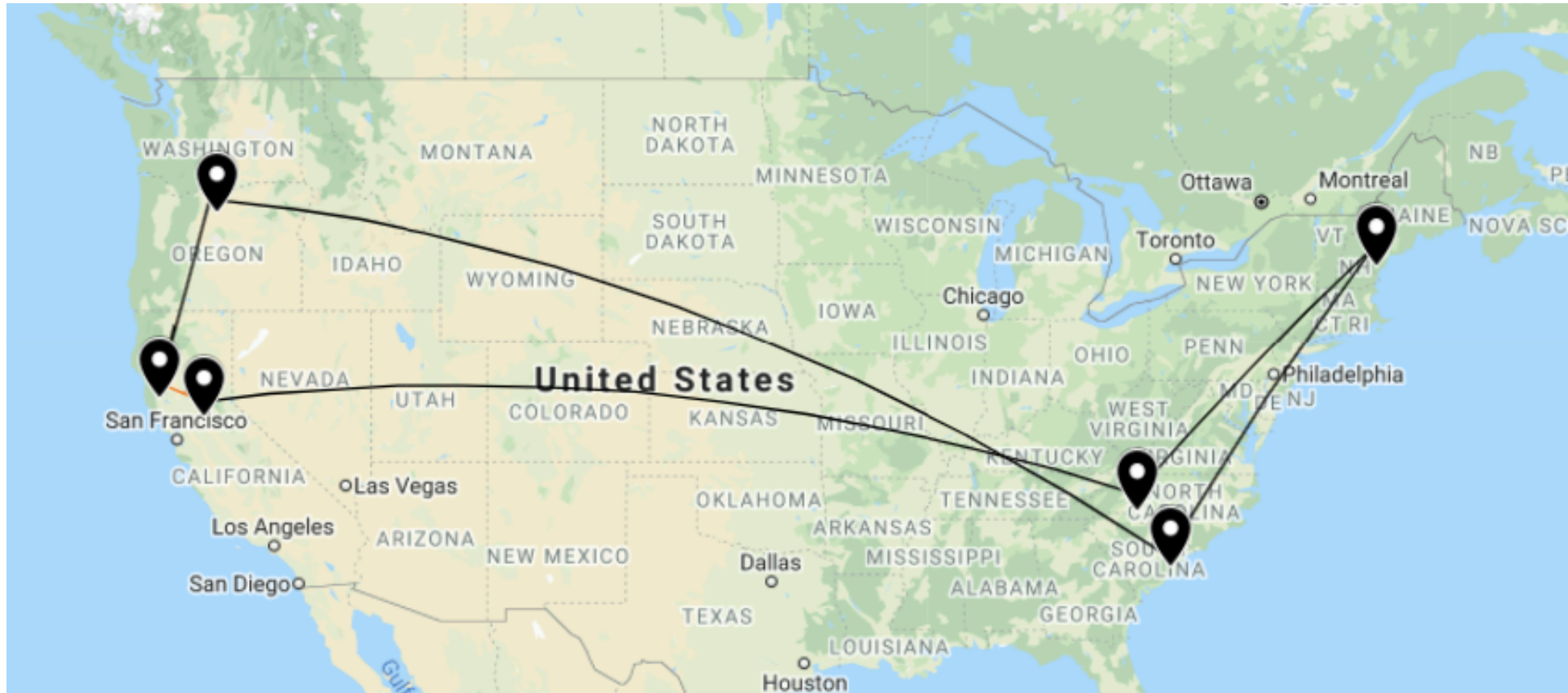






# SUPPLY CHAIN

## UNDERSTANDING THE SUPPLY CHAIN





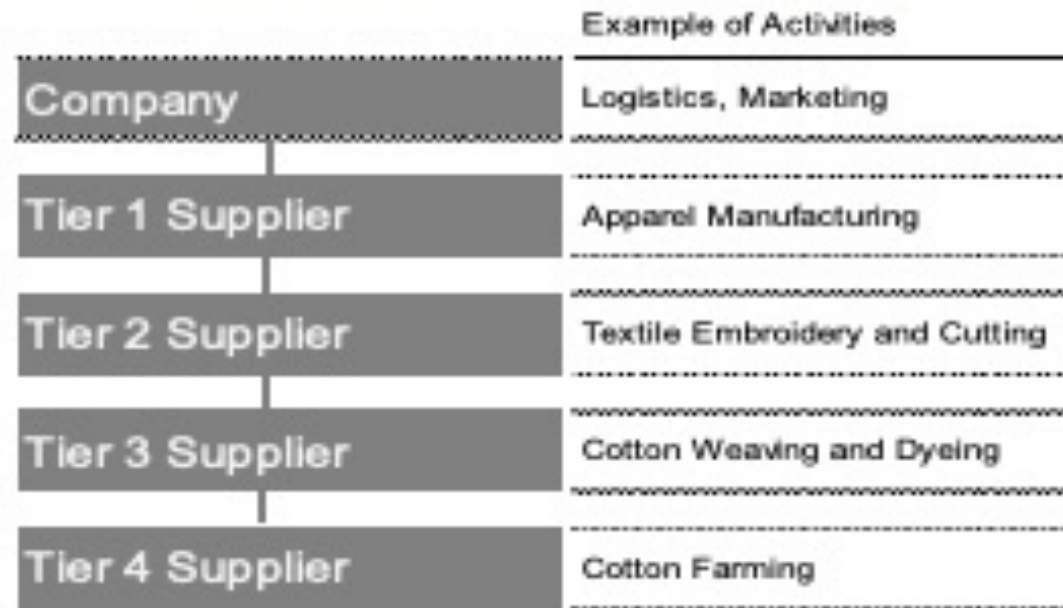




# SUPPLY CHAIN

## THE ROLE OF BRANDS

Figure 1: Schematic illustration of the value chain of a textile company



Source: Puma

Brands are many steps removed from farmers and mid-scale U.S. fiber processors.

Reforming this model and moving to greater transparency and traceability will require creative and **catalytic use of philanthropic capital.**



# RE-EXAMINING FINANCING INTEGRATED CAPITAL MODEL

The SAFSF Fibers Roadmap aims to mobilize capital to support just, regenerative fiber production and processing.

- To create truly regenerative systems, capital must also move in fundamentally different ways.
- The RSF Social Finance Integrated Capital Framework is a tool for understanding new approaches.



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# RE-EXAMINING FINANCING

## KEY CONSIDERATIONS

- Re-thinking Risk & Return (including exit strategies)
- Reassessing ownership structures and business models
- Critiquing traditional industry payment terms
- Shifting financing power dynamics and decision-making



# GAPS AND LEVERS

## 1. The Commitment Catch-22

### GAP:

- **Brands want a guaranteed scale of production** before they will commit to contracts.
- **Fiber system entrepreneurs needs contracts** for guaranteed revenue to increase scale.

### Equity Gaps Compound the Commitment Catch-22:

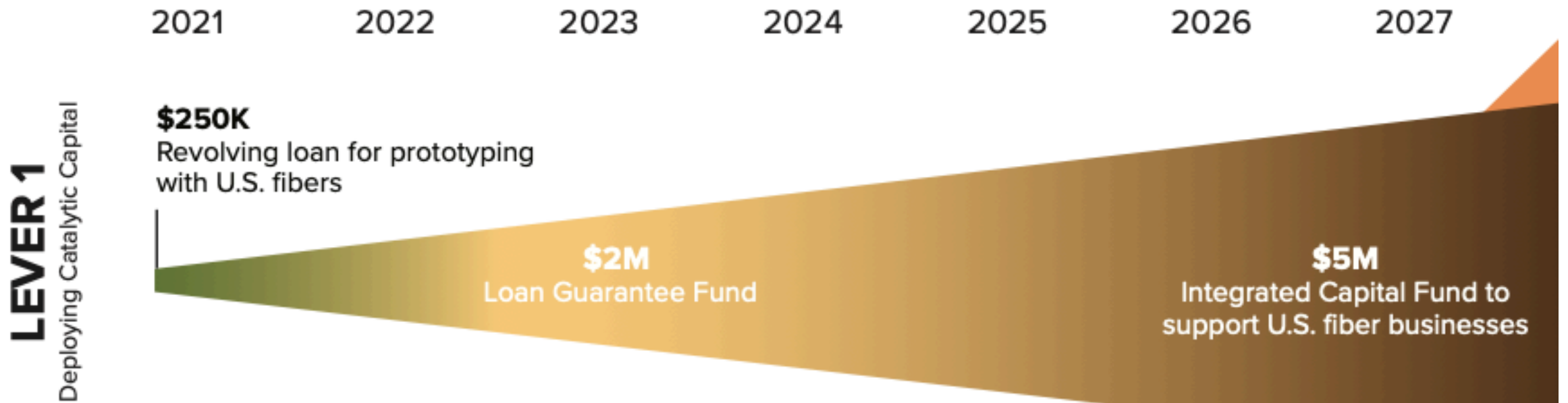
”They [banks] are saying, ‘we have an open-door policy’—and we can walk through that door as much as we want to. . . ***we’re just not leaving with the funds.***”

- Jason Lindsay, Southeastern African-American Farmers’ Organic Network (SAAFON)

### LEVER: **Deploying catalytic capital** to break the Commitment Catch-22

# GAPS AND LEVERS

## 1. Deploying catalytic capital to break the Commitment Catch-22



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# GAPS AND LEVERS

## 2. Financial Technical Assistance (TA) for entrepreneurs

### GAP:

- While skilled in production, U.S. fiber system entrepreneurs often lack financial TA.
- 5<sup>th</sup> generation tannery: **“We know how to make leather; we don’t know how to grow a business around this service that people may not even know they’re looking for just yet.”**

**LEVER:** Support wraparound TA for fiber system businesses.



Photo courtesy Botanical Colors

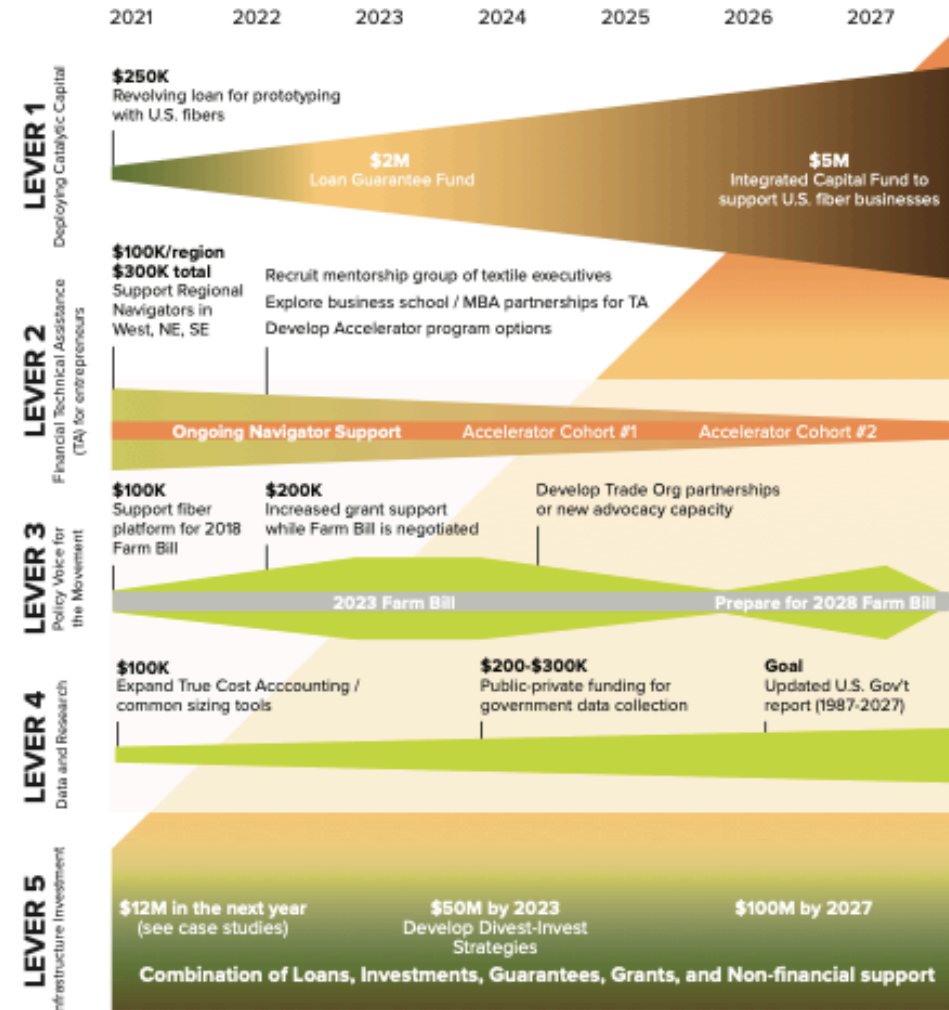
# GAPS AND LEVERS

## 2. Financial Technical Assistance (TA) for entrepreneurs





# THE VISUAL ROADMAP



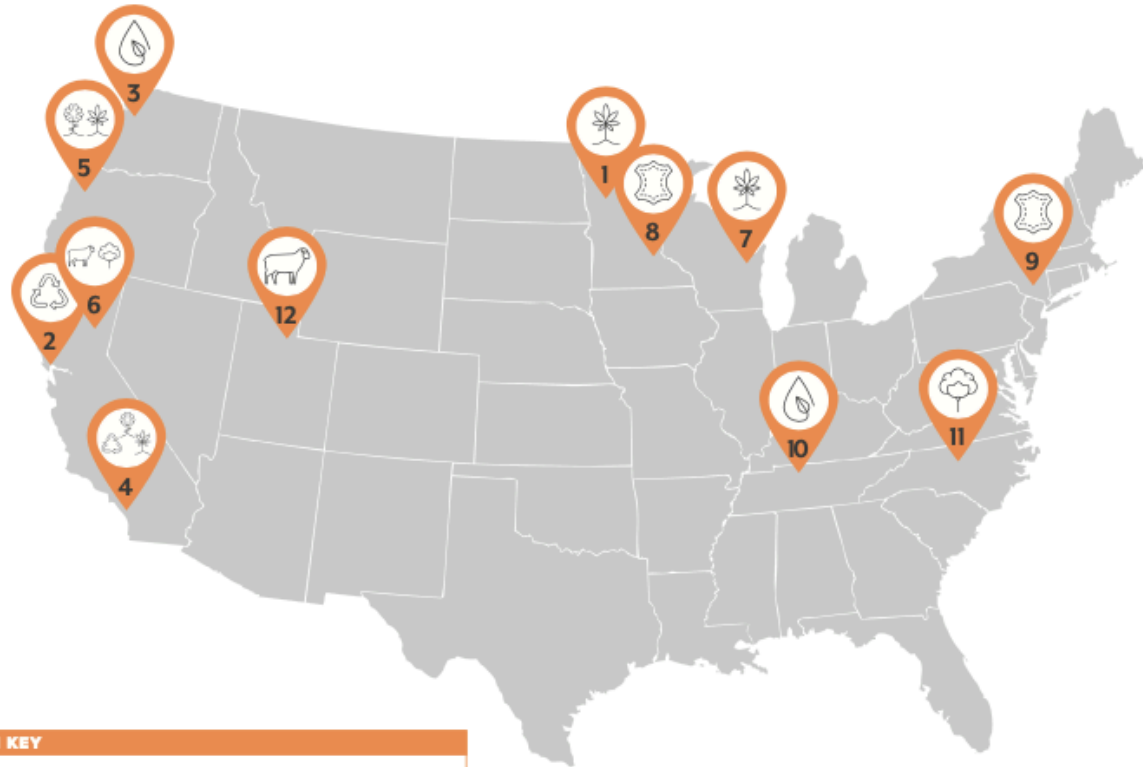
## TYPES OF CAPITAL



# CASE STUDY MAP

The 12 Case Studies included here represent just a small slice of the innovative, place-based fiber system businesses that exist or are emerging across the country. Each one offers opportunities for funders and

- |   |  |
|---|--|
| 1. Anishinaabe Agriculture Institute/Winona's Hemp, LLC | 7. Native American Fiber Program         |
| 2. Apparent Ventures LLC                                | 8. Other Half Processing SBC             |
| 3. Botanical Colors                                     | 9. Pergamena Parchments & Leathers, Inc. |
| 4. Circular Systems SPC                                 | 10. Stony Creek Colors                   |
| 5. Fibrevolution LLC                                    | 11. TS Designs / Solid State Clothing    |
| 6. Huston Textile Company                               | 12. Wild Valley Farms                    |



## ICON KEY





[www.nativeamericanfiberprogram.com](http://www.nativeamericanfiberprogram.com) | [www.regenerativeagriculturefoundation.org](http://www.regenerativeagriculturefoundation.org)

CASE STUDY:

# Native American Fiber Program

**Regenerative Agriculture Foundation** Founded in 2019

NAFP DIRECTOR: Fred Briones | ONEIDA NATION: Ernie Stevens | MENOMINEE NATION: Marcus Grignon | TURTLE MTN: Sheldon Thomas  
NDSU Center of Bioplastics and Biocomposites (CB2)

## ABOUT NAFP

The purpose of the Native American Fiber Program is to support communities and practitioners who still maintain place-based fiber practices, as well as support the production of fiber in tribal communities utilizing regenerative agriculture practices. Its mission is to perpetuate Indigenous fiber knowledge, arts, and economic opportunities.

## MAIN BARRIERS OR NEEDS

The barriers include inclusion of traditional ecological knowledge, access to capital, and laboratory test results for

R&D

PRE SEED



HEMP



# NEXT STEPS

**Read the Fibers Roadmap and Case Studies**

[www.safsf.org/fibers](http://www.safsf.org/fibers)

**Learn More about the Roadmap During Upcoming Webinars**

**SAFSF Fibers Roadmap: Case Studies from the Fiber System**

*November 17, 2020 @ 11:00 am – 12:15 pm PT*

**Strategy Session on Roadmap Levers and Next Actions**

*December 3, 2020 @ 11:00 am – 1:00 pm PT*

- Discussions underway on fund vehicles, advisory structures, and partnerships
- **Connect with us** ([fibers@safsf.org](mailto:fibers@safsf.org)) or case study businesses
- **Sign up for our email list:** [mailchi.mp/safsf/fibers](https://mailchi.mp/safsf/fibers)



# Q & A

