



# THE FIBERS ROADMAP

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

## WEBINAR #3: STRATEGY SESSION

Collaboration | Equity | Respect | Stewardship | Integrity



**SUSTAINABLE AGRICULTURE  
and FOOD SYSTEMS FUNDERS**

# WEBINAR #3 GOALS

- Explore all five Gaps and Levers in the Roadmap.
- Share updates on partnership conversations.
- Hear from YOU in breakouts on your questions, ideas, models, and areas of interest.
- Use input to create a more detailed workplan with next actions for each lever in 2021.
- **Starting point:** Fibers funding range to date: **\$3,084,000 - \$7,450,000.**



# ACKNOWLEDGEMENTS

## Advisors

**Sarah Bell**, 11th Hour Project

**Rebecca Burgess**, Fibershed

**Virginia Clarke**, Sustainable Ag & Food Systems Funders

**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

**James Rogers**, JCR Consulting / Form. The North Face

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

**Team:** Sarah Kelley, Jenny O'Connor, and  
Calla Rose Ostrander

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Initiative, Jena and Michael King Foundation, One  
Earth, and an RSF Donor Advised Fund

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60 Project Interviewees  
12 Case Study Businesses

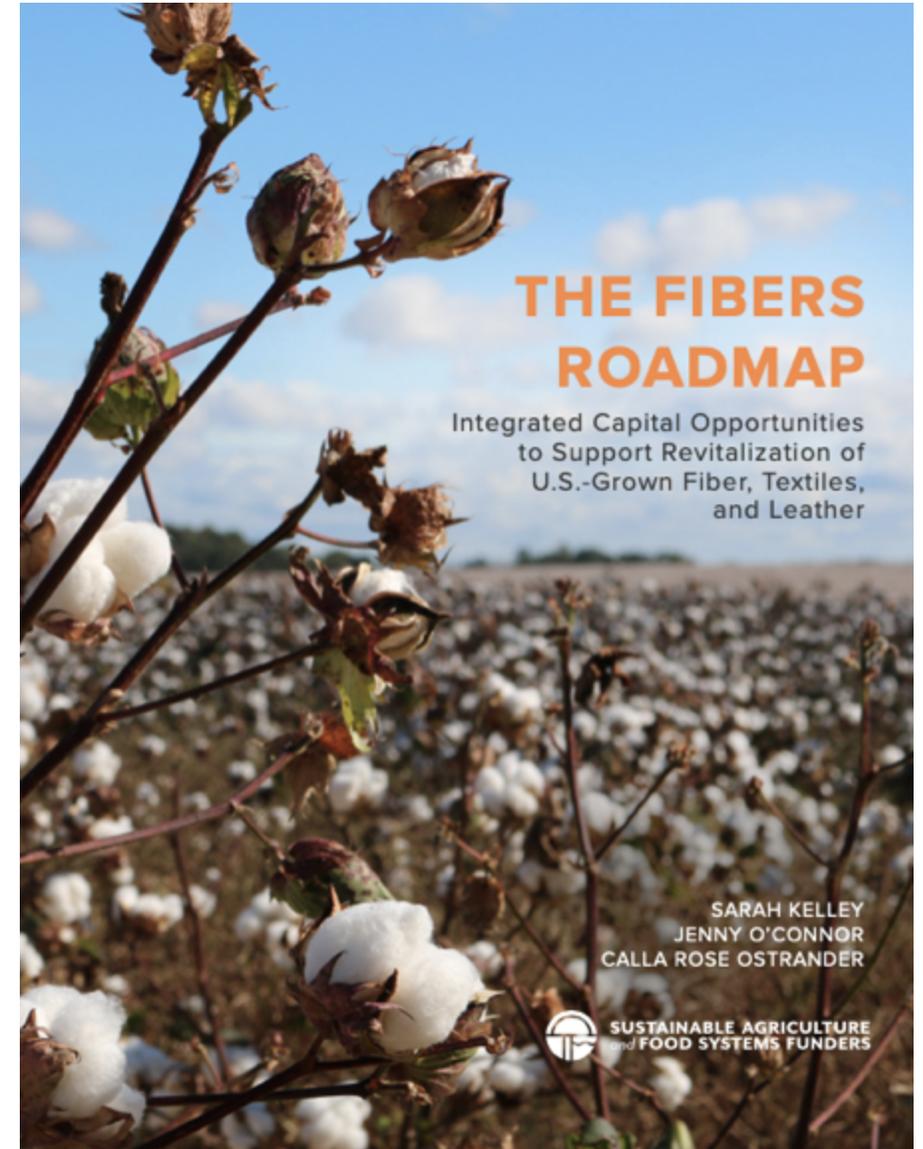
A project of Sustainable Agriculture and  
Food Systems Funders (SAFSF)

# 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**.



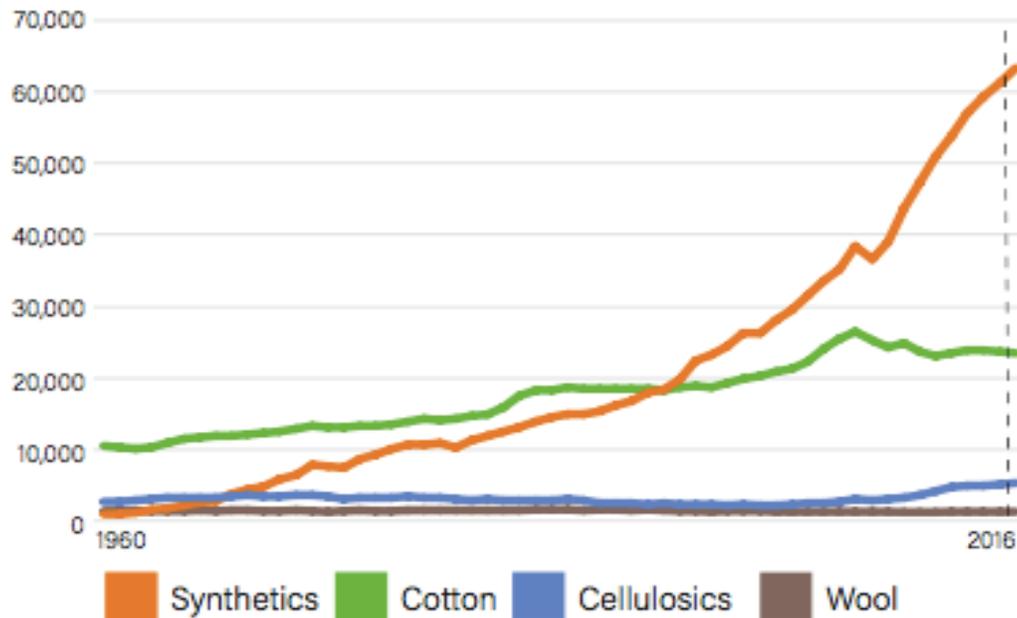
A dense thicket of green bushes with many white plastic bags scattered throughout. The text "BACKGROUND EQUITY & JUSTICE" is overlaid in the top left corner in a bright yellow-green color.

# BACKGROUND EQUITY & JUSTICE

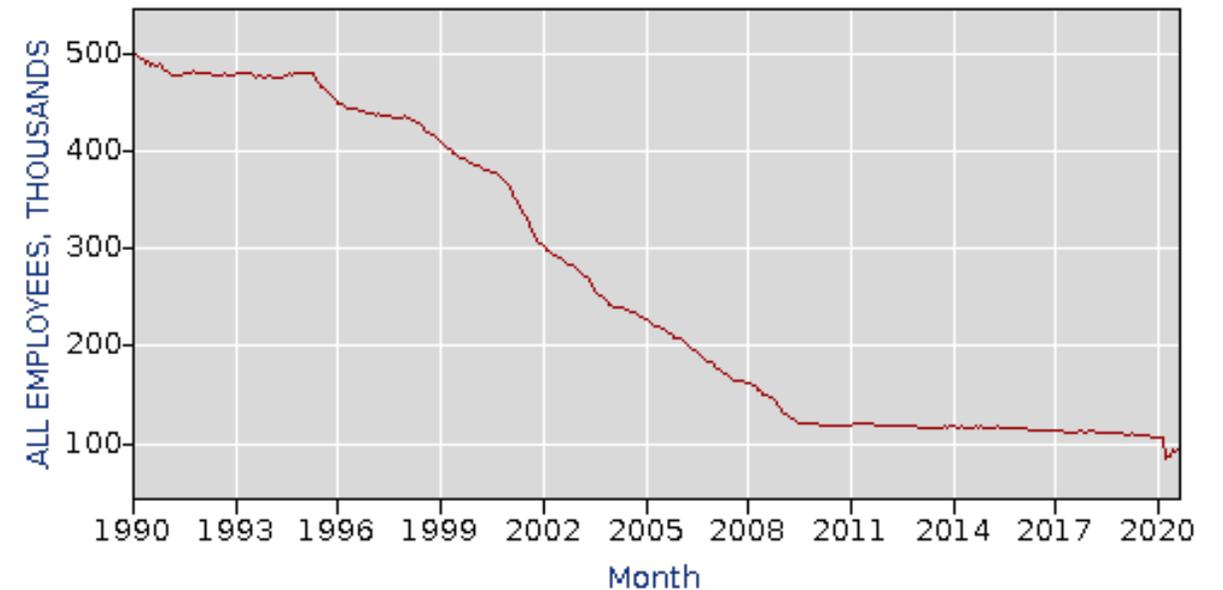
# BACKGROUND

## INDUSTRY IMPACTS

GLOBAL FIBER CONSUMPTION TREND<sup>3</sup>



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



# BACKGROUND

## THE CASE FOR RESHORING

Key benefits:

- Reconnection
- Transparency
- Wealth Creation
- Waste Reduction



# BACKGROUND

# INTEGRATED CAPITAL FRAMEWORK

- We can't rebuild a regenerative, just fiber system with old extractive financial models.
- The RSF Social Finance Integrated Capital Framework gives us one tool for understanding new approaches.

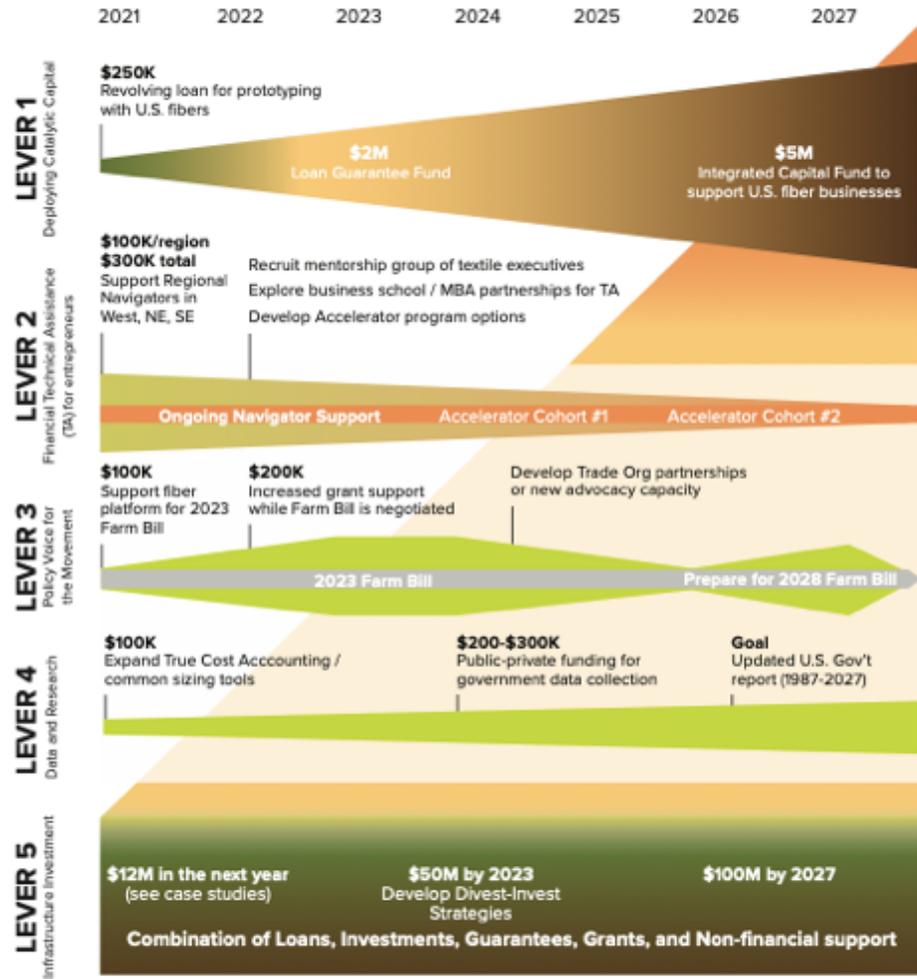


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# GAPS AND LEVERS SUMMARY

- **Lever 1:** Deploying catalytic capital to overcome barriers
- **Lever 2:** Business technical assistance (TA) for fiber entrepreneurs
- **Lever 3:** Policy voice for the movement
- **Lever 4:** Data and research
- **Lever 5:** Infrastructure investment

# THE VISUAL ROADMAP



## TYPES OF CAPITAL



# GAP 1

## The Commitment Catch-22

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

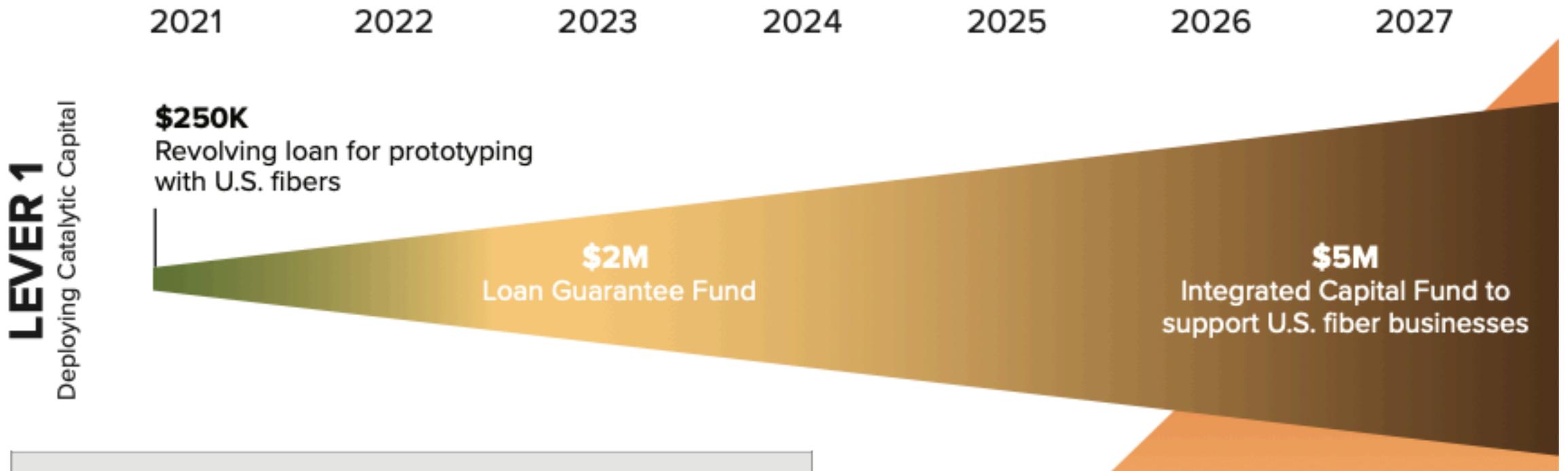
### Equity Gaps Compound the Commitment Catch-22:

”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 1

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



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# GAP 2

## Financial Technical Assistance (TA) for entrepreneurs

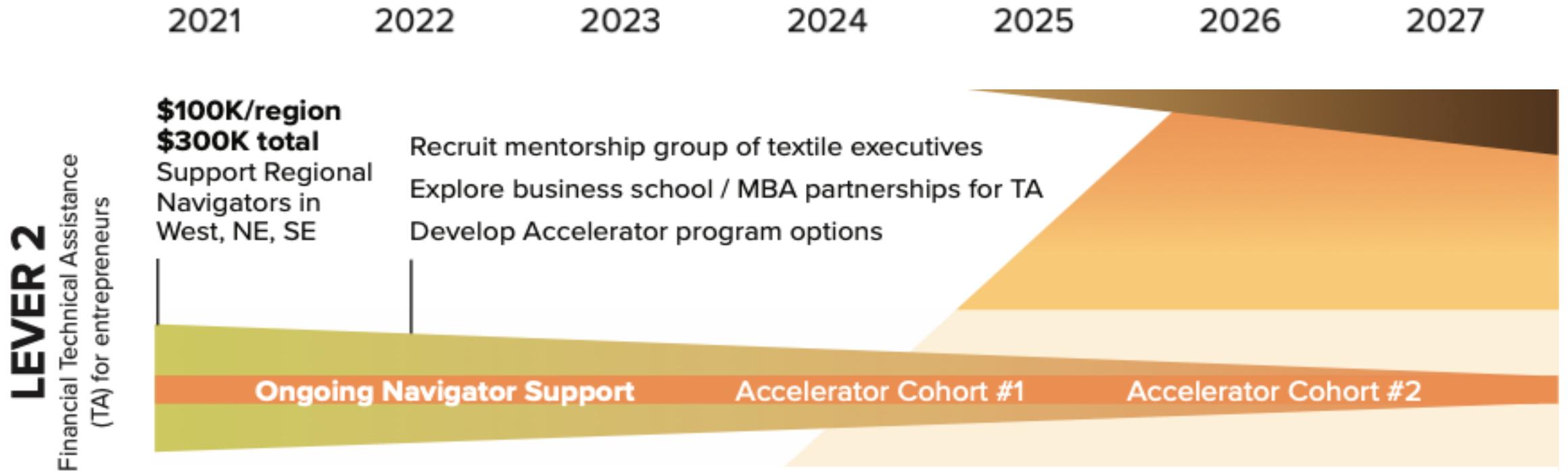
- While skilled in production, U.S. fiber system entrepreneurs often lack financial TA.
- 5<sup>th</sup> generation tannery: **“We know how to make leather; we don’t know how to grow a business around this service** that people may not even know they’re looking for yet.”
- Experienced investor: “. . . in any early-stage financing, **the TA is actually more important than the money.** Because if you can wrap an entrepreneur in knowledgeable TA, the capital will come in more easily.”



Photo courtesy Botanical Colors

# LEVER 2

## Support tiered, equitable TA for fiber entrepreneurs



# GAP 3

## Policy Voice

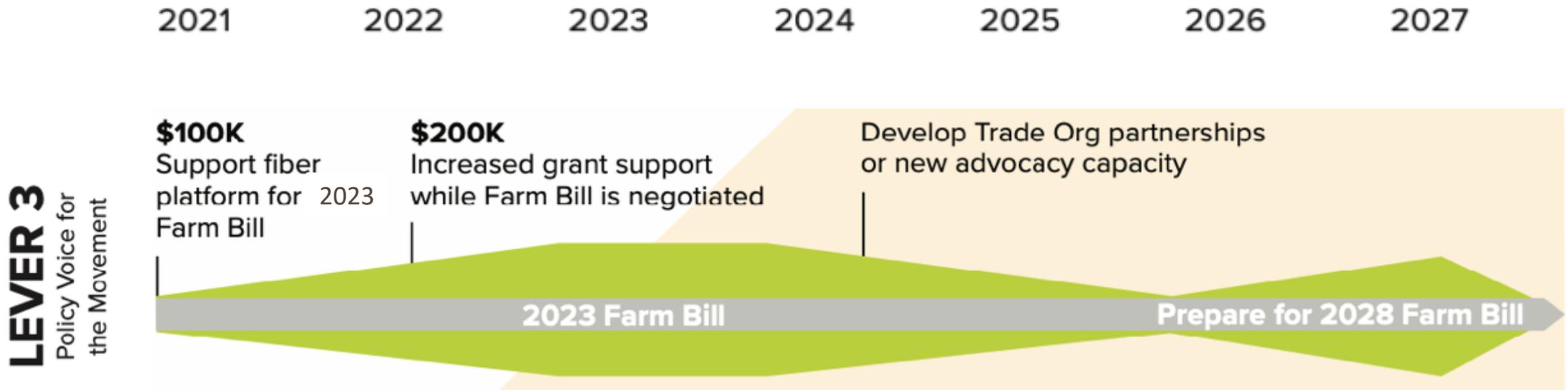
### Interviewees named a range of policy issues:

- “Lack of supportive policy, and the favoritism toward big ag, corn, soy, etc.”
- Need for clearer regulations for industrial fiber hemp production.
- Garment Worker Center’s SB 1399 to eliminate piece-work pay.
- Trade Policy: U.S-Mexico-Canada Agreement (USMCA), China trade war.
- Policies on single use plastics.

The movement lacks a unified voice to engage on these policy issues.

# LEVER 3

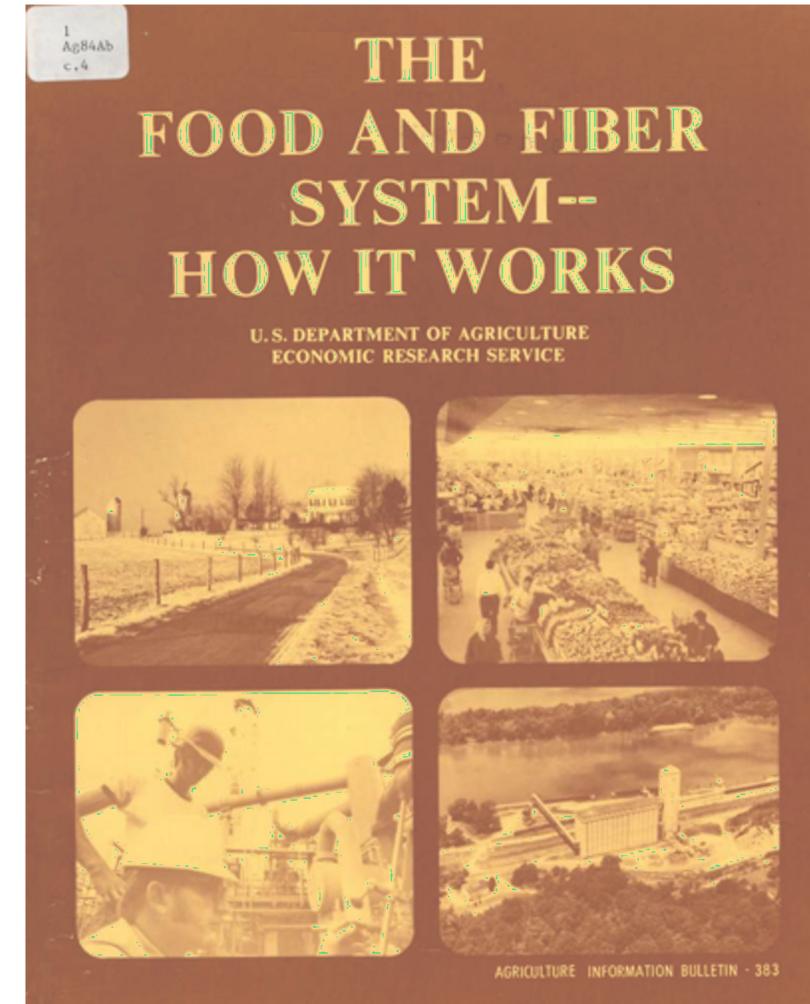
## Support existing or new policy advocacy capacity



# GAP 4

## Data and Research Needs

- Last full U.S. government report on U.S. textile industry was in 1987.
- USDA Census of Ag includes little data for fiber crops other than cotton.
- Research needs on production and processing for U.S. fibers and leather.
- Data on regenerative ag practices/impacts, especially C sequestration in fiber crops.
- More consistent financial assessment tools:
  - **True Cost Accounting** systems to assess brands' externalized costs.
  - **Common sizing** tools to give investors textile industry benchmarks.



# LEVER 4

## Public-Private Funding for updated data and research

2021                      2022                      2023                      2024                      2025                      2026                      2027

**\$100K**  
Expand True Cost Accounting /  
common sizing tools

**\$200-\$300K**  
Public-private funding for  
government data collection

**Goal**  
Updated U.S. Gov't  
report (1987-2027)

**LEVER 4**

Data and Research

# GAP 5

## Infrastructure Investment

U.S. fiber processing infrastructure is fragmented, fragile, and in need of modernization.

- Case Study businesses seeking **\$12M by 2021** and **\$50M in support over next three years.**
  - Fibershed RFMI has identified other investment needs in West, including processing for wool, hemp, and flax, and vegetable tanning for leather.
  - Other Half Processing identified a need to incorporate on-site hide processing equipment in new slaughterhouses.
- 
- Draper Knitting, Canton MA. Photo by Charlotte Atkinson, Via SENE Fibershed
- **Infrastructure investments must be integrated with funding for field-building, TA, data, and policy to fully succeed.**

# LEVER 5

## Integrated Infrastructure Investment

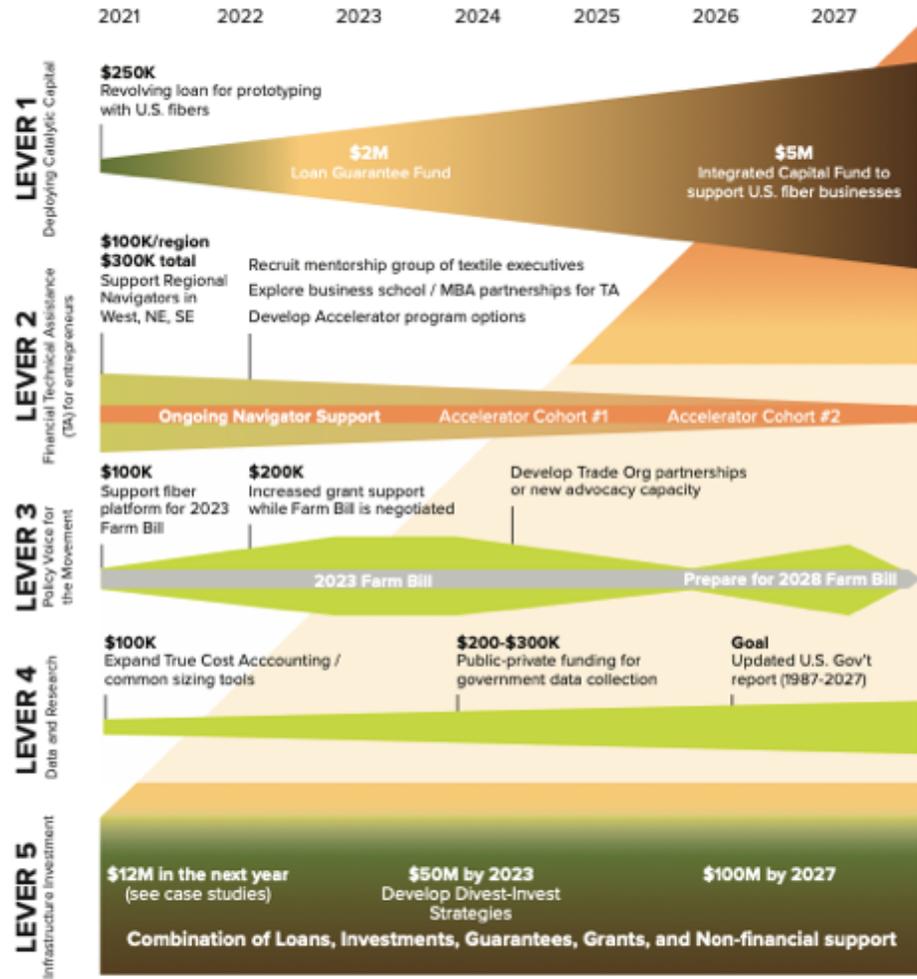
2021      2022      2023      2024      2025      2026      2027

**LEVER 5**  
Infrastructure Investment



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# THE VISUAL ROADMAP



## TYPES OF CAPITAL



# **BREAKOUT GROUPS:**

- **Lever 1: Deploying Catalytic Capital (Moderator: Sarah K.)**
- **Lever 2: Business TA (Moderator: Jenny)**
- **Lever 3: Policy Voice (Moderator: Traci)**
- **Lever 5: Infrastructure Investment (Moderator: Calla Rose)**

**Please rename yourself in zoom  
to indicate your breakout group.**

# **BREAKOUT GROUPS PLAN:**

- **Welcome/intros**
- **3 prepared questions**
- **Your questions and discussion**
- **Take notes on google slide**

# REPORT BACK

- **3 bullets / 3 minutes per group**

**SLI.DO POLL –  
3 questions + 3 words on fiber**

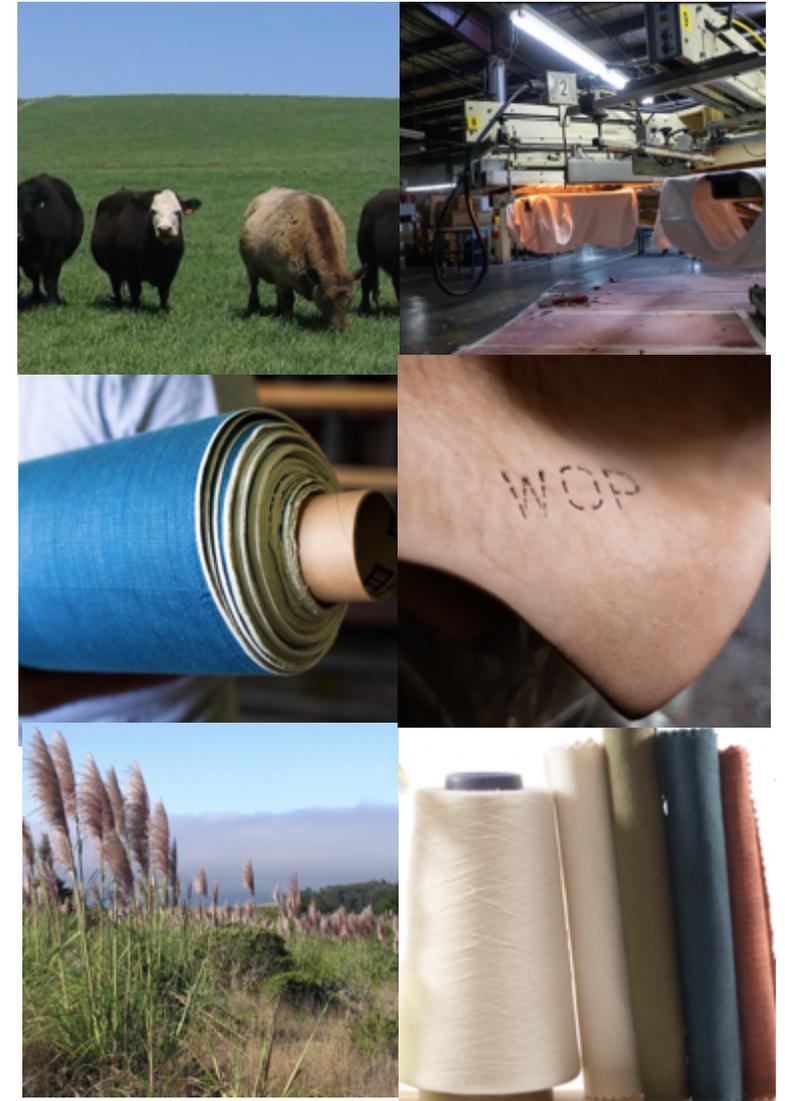
# CASE STUDY MAP

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 investors to deploy integrated capital approaches.

- |   |  |
|---|--|
| 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			
cotton	hemp	natural dye	wool
flax	leather	fibers from waste	



# NEXT STEPS

Roadmap and Case Studies available at:  
[www.safsf.org/fibers](http://www.safsf.org/fibers)

## Upcoming Webinars:

- **SAFSF Fiber Systems Stakeholder Webinar – Thursday Jan. 14**
  - **Other funder/investor webinars in development to feature all Case Studies**
- Follow-up on breakout group action items and next steps for 2021
    - **Connect with us** ([fibers@safsf.org](mailto:fibers@safsf.org)) or the case study businesses
      - **Sign up for SAFSF email list:** [mailchi.mp/safsf/fibers](https://mailchi.mp/safsf/fibers)

# THANK YOU





**SUSTAINABLE AGRICULTURE**  
*and* **FOOD SYSTEMS FUNDERS**

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