

## CASE STUDY:

# Huston Textile Company, LLC

**Mather, CA** Founded in 2012 by Ryan and Kat Huston | U.S. Army Veteran-Founded  
Seasoned advisors from brands, philanthropic foundations, and non-profits | EMPLOYEES: 2+ multiple contractors

## ABOUT HUSTON TEXTILE COMPANY

Huston Textile Company (HTC) is a creator and purveyor of high quality, small batch fabrics using vintage American machinery for retail and wholesale clientele. HTC is committed to a textile revolution rooted in the soil and the repatriation of heritage community knowledge and infrastructure.

HTC's production ranges from place-based, 'fossil fuel-free' workwear to luxury wovens and knits. By blending domestically-sourced natural and regenerative fibers (cotton, flax, hemp and wool) from certified producers, and working with a wide range of U.S. farmers and supply chain partners, HTC creates textiles made to last.

Facing the need for collective action to combat climate chaos, HTC aims to build community through education and economic relationships, redefine an industry and innovate for the future, and revolutionize supply chains for fashion and manufacturing in America.

## MAIN BARRIERS OR NEEDS

- Strategic Capital for management and production for small to medium American producers, with access to affordable inputs at a level that allows for seasonal schedules.
- Cultural and consumer awareness of the true costs of fast fashion/ consumables, including education on the critical importance of re-shoring and re-storing our "soil to stitch to soil" ecosystems with regenerative processes.
- Continued R&D to develop goods, markets, and infrastructure to fulfill product commitments.
- Space—HTC expects to outgrow current production facility within 2–3 years. Evaluating aligned real estate partners to build a modern production space to support expanded capacity. Multiple opportunities within strategic tax-incentivized locations such as Opportunity Zones.



WOOL



COTTON



## IMPACT AREAS



Water Regulation



Carbon Sequestration



Waste Reduction



Support Farming Communities



Emissions Reduction



Economic Development/  
Job Creation

Continually impacted areas within HTC include: Supply chain traceability, technology, combating climate change, sustainable and natural material mix, circular fashion systems, efficient use of water, energy and chemical use reduction, respectful and secure work environments, and promotion of family-supporting wage systems.

**CURRENT CAPITAL STACK A/O INVESTMENT TO DATE**

Over the last 7 years, total capital investment into the company is less than **\$1M** and consists of founder investments, performance/impact and innovation-oriented inventory and supply chain grants, Program Related Investments (PRI), Family and Friend placements and a Private Angel Investment. Mission aligned impact investor and management restructuring to support 3–5 year objectives is nearing completion.

**TYPE AND MAGNITUDE OF INVESTMENT SOUGHT**

Impact investment and mission aligned partnerships are envisioned to fulfill a 2–3 year growth plan with initial opportunities in Debt, Equity, Grant and other partnerships in real estate developments to deliver on a CapEx need of **\$3–5 million** exclusive of real estate. This investment will be spent delivering on demanded products to identified wholesale and retail customers. This increased production will allow delivery on a sustainable, commercial scale while continuing to position HTC to meet the market demands of our artisan and commercial customers.

CapEx will support:

- Working Capital
- Management and Workforce Development
- Sales and Marketing
- Infrastructure: product line capacity expansion through machine acquisitions
- Inventory to expand library of fabric samples and production capabilities

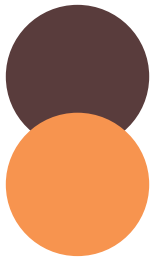
**REVENUE MODEL AND PROJECTED PROFITABILITY TIMELINE**

While locating and restoring vintage textile machinery, adapting to a fully U.S. materials sourcing chain, and understanding a strong pipeline of small, medium and large retail and wholesale client needs, HTC's revenue model has been growing through R&D products and small producer purchases. HTC projects that growth in material outputs (natural fabric yardage) will continue to grow year-over-year, increasing revenues while reducing margins.

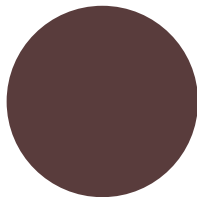
Our profitability timeline relies heavily on fabric output and seasonally changing supply chain variables; details available on request.

**INTEGRATED CAPITAL PATHWAY: HUSTON TEXTILE**

2013–2017 — 2017 — 2018 — 2019 — 2020 — 2021–2023



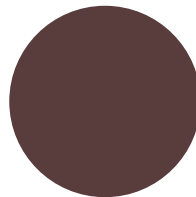
Founder Investments; Family and Friends Support



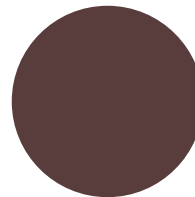
Program-Related Investment (PRI)



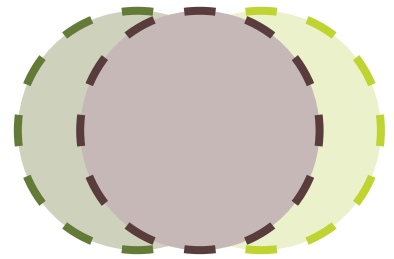
Innovation-oriented inventory and supply chain grants



PRI and grant support leverage Private Angel Investment



Mission-aligned Impact Investor



CapEx need of \$3–5 million exclusive of real estate. Seeking impact investment and mission-aligned partnerships to fulfill a 2–3 year growth plan with initial opportunities in Debt, Equity, Grant and real estate

**TYPES OF CAPITAL**



**NON-FINANCIAL SUPPORT**

Business Planning TA  
Network Connections  
Advisory Support



**GRANTS**

State & Federal Grants  
Philanthropic Grants



**LOAN GUARANTEES**

Philanthropic Guarantees  
Guarantee Pools



**LOANS**

Friends/Family Loans  
Other Debt Financing  
Bank Loans



**INVESTMENTS**

Revenue Share Agreements  
PRIs & MRIs  
Equity