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Note of Intent Paris Green Fashion Week 2020

Fashion up your sustainability!



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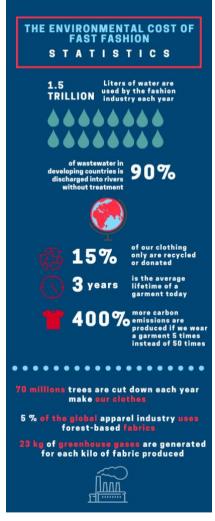
1. Introduction

The environmental crisis we are currently witnessing is unprecedented in its magnitude, pace and severity¹. Today, its acknowledgment cannot be questioned but the alarm bell has been rung since the 1970s as a result of major environmental disasters. The global human ecosystem is threatened due to unequal productivity and distribution of goods and services. Inequalities are growing, the poor are getting poorer and the rich are getting richer. The globalization is accelerating this process, while developing other serious issues. The current issues are controversial nevertheless there is a broad agreement about the following main issues: climate change; degraded air quality, degraded water quality, scarcity of fresh water, land contamination, deforestation, soil erosion and degradation, biodiversity loss, etc.

In a World in which everything is made to be consumed or bought, the fashion industry is no exception to this rule.

Indeed, clothing sales have almost doubled between 2002 and 2015, increasing from 1 billion dollars US to 1.800 billion US dollars. By 2025, an additional increase of 2,1 billion US dollars is expected. More than 500 billion US dollars in value are wasted each year due to an under-use of clothes and a lack of recycling. We estimate that only 1% of clothes are finally recycled into new clothes. In France, only 1/4 of 700 000 tons of consumed textiles each year are sorted and upgraded in dedicated centers². Materials in poor condition are generally shredded and transformed in cleaning rags or insulation materials, which can only be seen as a temporary extension of their lives. Sadly, responsible fashion only represents 5% of all sales³. This number is frightening in today's ecological context. Urgent action therefore needs to be a priority.

"The only clothes that do not pollute are the ones that have not been produced yet". Why? Because 1,2 billion tons of greenhouse gases are produced by the fashion industry each year⁴. It is the second most polluting industry after oil and also the second most water consuming one after agriculture. 40% of our clothes are manufactured from cotton which is the most polluting cultivation of the world. 25% of pesticides and 10% fertilizers used in the world are destined for growing-cotton activities. Bright colors, prints, and finishing



¹ Park, C. (2001). The Environment: Principles and Applications. 2nd ed. Routledge.

² Lunetta, L. (2018) Révolte dans la mode, Arte documentaire, URL: bit.ly/2QjwPrd (Last Access: 13.12.218)

³ Sbai, M. (2018) Une mode étique est-elle possible? Dans: Edition Rue de l'échiquie.

⁴ Nature Climate Change (2018) The price of fast fashion, Vol. 8.



touches are attractive characteristics in fashion, however, many of them include harmful chemicals. Just one example: The jeans you buy consumes 7000 to 11000 liters water during its production cycle.

Our solution will allow a long-term transformation of the way clothes are manufactured, used and removed. By promoting responsible fashion brands that are selling high quality, resistant, and entirely recyclable and still totally modern clothes, consumers will change their vision of "eco-fashion" and will start consuming differently and consciously. This solution will help to reduce new clothes' consumption and overall, reduce pollution due to a growing awareness from producers and consumers⁵.

In other words, what people need is to open their eyes on how to consume differently. The large majority of the population is aware of the issue and is willing to contribute to make the planet a better place. However, they often find themselves stuck in a vicious spiral as fast fashion and the capitalistic model that we live in, push them to consume low cost products. Numerous studies display the lack of alternatives the consumers face while shopping clothes despite the fact that environmentally friendly clothing brands exist but are not visible enough. The transformation will impact and pressure the way mass-producers of fast fashion such as Zara and H&M produce and sell their product. It also is through their transformation and their awareness that the transition will be completed.

2. Our Concept

Our goal is to create a sustainable Fashion Week in the world's fast and luxury fashion capital: Paris. The aim is to promote eco-friendly fashion. The Paris Green Fashion Week will become as glamorous and selective and create as much media attention as the Paris Fashion Week by imitating its codes of success but by promoting exclusively sustainable fashion designers.

The Fashion Week, as its name suggests, would be a week dedicated to fashion, during which designers would present their collections to fashion-lovers, buyers, influencers and journalists from around the world through fashion shows. At the heart of the fashion industry, Fashion Week is an essential event. According to Pascal Morand, Executive President of the Fédération Française de la Couture, du Prêt-à-Porter des Couturiers et des Créateurs de mode, "they generate 1.2 billion euros of economic benefits per year and 10.3 billion euros in terms of commercial transactions"⁶. Fashion Week is therefore above all a business. It is also a media event with the aim of attracting the press and influencers for even greater visibility.

The participating creators would be selected based on the following criteria: 1) using ecofriendly, recycled or regenerated raw materials, 2) reducing waste and scrap volumes, 3)

⁵ Helbig, K. (2018). Shop less, mend more: making more sustainable fashion choices, in: The Guardian.
⁶ Journal du Luxe. Quelles sont les retombées financières de la Fashion Week de Paris ? URL : https://journalduluxe.fr/impact-economie-fashion-week-france/ (Last Access: 12.12.2018).



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inventing new ways to utilize products at the end of their life-cycle, 4) using packaging with the minimum impact on the environment. We wish to conserve the exclusive aspect of this fashion week by inviting celebrities and influencers in order to conserve the highly desirable and glamorous aspect of the Paris Fashion Week. However, the event will be mediatized in order to create a great level of awareness on the issue of pollution in the fashion industry and the existing alternatives to the current production system.

Our solution is efficient because it raises awareness on the issue of sustainability in the fashion industry. Our goal is to enable a long-term transformation in the way clothing is manufactured, used and disposed of. By promoting fashion brands that produce high-quality, durable, repairable, third party wearable and fully recyclable clothing, we are convinced that consumers will have a different vision of "green" fashion and consume differently, less and better. In the very long term, our initiative will lead to a decrease in pollution in the industry, as we expect a decrease in the consumption of new clothes in general through consumer awareness as well as an adaptation to the demands of consumers to produce ethical fashion good on behalf of producers. Other initiatives that aim to raise awareness on this issue exist, however, our solution is original because with us, the issue becomes a fashionable and glamorous cause to embrace and we believe that the outcome will be more efficient than simply promoting sustainable fashion because it is ethical. Our solution is highly feasible, as it has been done before, our greatest challenge is not the creation per say of the event but rather if it will generate the anticipated "buzz" effect.

Our Proof of Concept will consist in long run analysis that we will carry out together with the "Institut écologie et environnement" and with the French market research company BVA. The research will be conducted in order to track changing customer behavior on buying clothes in store and online and will measure the impacts this creates on the fashion industry. We will therefore also measure changes in the market shares of big fashion companies like H&M and track their responses to our event. Moreover, we will conduct a survey four days after the GFW in order to get to know the level of satisfaction and awareness created by the event. Rising like and share rates of our social media accounts and higher impressions on sustainable designers' websites will also serve as a proof for a better awareness of the topic.

3. Positive Impacts

The expected impacts of this Green Fashion Week are numerous, both in the short and long term, and at the level of consumers and producers.

At the moment of the event, thus as a short-term objective, we want consumers and brand advocates to become aware of the situation of the disastrous ecological footprint the fashion industry creates. It is a call to action and a call to take responsibility for those creating, selling, distributing and buying. Consequently, we target people already very concerned by the subject and those who will become aware of the topic during the GFW. The aim is therefore to reach as many people as possible (through traditional and digital media), of all ages and backgrounds united by the love for fashion in order to multiply the impacts. Also, we want to change



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people's vision of green fashion: Clothes can be both fashionable and eco-friendly. This is why our slogan has been chosen to be "Fashion up your sustainability!". To change the mislead vision of eco-friendly clothes, we will make Paris Green Fashion Week the place to be and the place that people want to join on Social Media. People attending via social media platforms will virtually meet their favorite influencers and designers such as Chiara Ferragni or Stella McCartney that will help create awareness.

In the long run, the main impact will be a deep transformation on how clothes are manufactured, used and recycled. In that way our initiative will lead to a decrease of pollution in the fashion industry, and thus in the world in the general. Environmentally friendly clothing brands exist but are not visible enough. This is where AGRAP and the GFW jump in: We want to support and push these designers to become the main actors of the fashion industry. As these environmentally-friendly clothing brands will become more important, producers of fast-fashion such as H&M will have to change their way of producing and selling if they want to maintain customer loyalty. This is the ultimate goal of our project.

4. Main Risks

There are several disadvantages and risks that need to be addressed in order to make the GFW a success.

A first and rather central issue could be the funding. As a matter of fact, high costs will not only arise during the week itself but important amounts of fixed costs for the location for example need to be paid beforehand. In the same way marketing is crucial to make the GFW a success and therefore needs important investments already a few months before the event. To avoid the risk of accumulating and exponentially growing costs, the development of the business plan needs to be as accurate and rigorous as possible. Offers from potential locations, marketing partners etc. need to be gathered early to assess as well as possible the total costs. Additionally, contracts with pop-up stores need to be drafted to evaluate the potential amount of income generated during the event. At the same time cooperation with funds (France or European Union), governments (national or local) or established fashion brands could be a great financial support. Such institutions need to be informed and our idea pitched.

Secondly, one must be aware of the danger of greenwashing of established fashion brands. Collaborations need to be evaluated carefully. In fact, they are on the one hand an important tool to reduce total costs and to promote the event. On the other hand, they constitute the danger of discrediting the project if their values and actions (supply chain, working conditions of employees, political engagements) do not match the sustainable vision of the GFW. While we do not want the GFW to become an opportunity of greenwashing for big fashion brands, we do not want it to be associated with eco-militants (Peta etc.) either. Such an association would again hold the danger of a lack of plausibility and could significantly reduce the number of potential stakeholders. Once more our partners need to be carefully evaluated.

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The importance of the media (newspaper, television, bloggers etc.) at the event itself but also beforehand as a marketing tool and afterwards to increase the long-term repercussion of the GFW and to make it a yearly recurring event can be named as a third risk. Here again the focus needs to rely on marketing, on our partners and our communication in order to ensure credibility and consistency.

As a fourth risk one can name the possibly negative reaction of big established fashion brands to our event. They may feel threatened by the sustainability movement and awareness we ultimately wish to create and encourage with the GFW. To prevent eventual confrontations or tensions we need to openly communicate with those actors. One could even imagine proposing a collaboration with some brands (if they match our values) in order to incorporate them in our work, profit from their knowledge and to show them how they can invest in and profit from sustainability. Additionally, we should be cautious about clearly differentiating the GFW form the 'classic' Paris Fashion Week so that eventual misunderstandings and confusions between the two events can be prevented. Such incidents could harm not only our event but also upset brands that do not want to be associated with us.

In addition to a precise establishment of our business plan with a focus on costs, important investments in marketing and the careful choice of our stakeholders one can think about supplementary actions that can prevent the above-named risks and disadvantages. An example is to gain the support of important established actors of the sustainable fashion industry like Stella McCartney. She would considerably contribute to the credibility of the event and could bring in valuable contacts to sustainable creators and other actors. Moreover, in terms of mediatic presence next to traditional media (newspapers, radio and television) fashion bloggers or youtubers could be an important asset to promote the GFW. As a last point it would certainly be helpful to create an alliance with experienced and established event management organizations (Bureau Betak, Villa Eugénie, La Mode en Image) to profit from their knowhow.

5. Deployment strategy

Creating awareness is our aim by making Green Fashion Week Paris the place to be for the global fashion industry. However, in order to be able to host an extraordinary event it is important to split and manage the main tasks in the team. Every team member is responsible to push strategic areas forward and work as a contact person for any issues to our clients. Those strategic areas are namely finance, event management, brand cooperation and communications.

Green Fashion Week Paris can only be realized with financial support. Therefore, a key step is investors acquisition. Investor relations take both into account, business angel support as well as financial support. Besides an ordinary donation, investors from the fashion industry should be convinced to provide their pieces for free. As the mission of the event is to spread an educational as well as an environmental effect, finance is also responsible to apply for French governmental as well as European subsidies.

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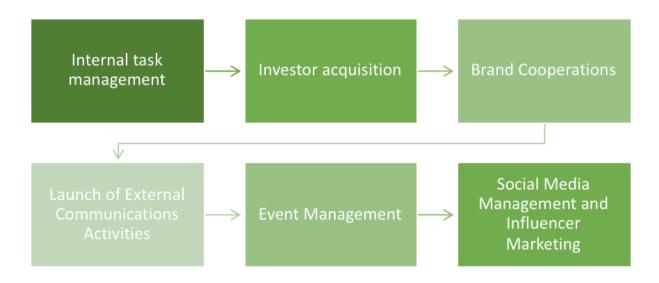
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The next strategic field is event management. One of the major tasks is to make the event public. A website will be launched <u>www.greenfashionweek.com</u> (of course, the domain name is already reserved). The website gathers all important information at one place: showcasing designers, information for participants, entry requirements, location, tickets, culinary highlights and party scene. The department is responsible for the logistic and event organization in general. One year before the event, the location and staff need to be booked. Furthermore, creative and young start-ups will be acquired for the parties and food festivals during the Fashion Week.

The main part of the Green Fashion Week is the pure fashion experience. The acquisition of all presenting fashion designs is the responsibility of our brand management department. Brand companies are contacted actively both regarding fashion exhibition as well as financial support – in close cooperation with the financial department. At the same time, we start with calls for participation. Our participative event finally lives from creative minds! This call is not only available online, but also in all major fashion magazines regarding fashion, but also ecological and creative matters.

External communication is key for the success of every event, so as for the Green Fashion Week Paris. Our communications department will take care of every social media channel (Facebook, YouTube and Instagram). They will get in touch with influencers, motivating them to join us on our journey to a better, ethnically and ecologically correct fashion world. Half a year before the event, massive advertisement activities and press penetration will take place. On top of that, personal invitations will be sent to all our mentors, international fashion stars, politicians and stakeholders in environment and fashion issues. Closely before the event, influencers will be invited to "background" story the events, rehearsals and press interviews to keep people talking about us.

To keep in touch with our visitors, brand partners and all those who have closely followed our project, we will set up a customer relations service that will work through newsletters and an info-telephone. In this way, we can ensure to establish GFW in the long run and create loyalty.





6. Financial Analysis

Costs related to the organization of such an event are spread over the year, even if a big expense is to be expected during the time the Green Fashion Week will take place. The costs prior to the event are related to the communication, advertising, marketing of the event and must be consistent to perfectly reach the target group of the GFW. Indeed, the success of this event, both financially and operationally, will be total if the response and awareness generated by this GFW is important. There will obviously be heavy costs related to the organization of the event itself, whether in the location of the venue⁷, or the costs associated with the events around the fashion week that will contribute to making it as attractive as possible. Furthermore, during the event, we plan to set up partnerships with fashion schools to welcome volunteers' students who will have the chance to be at the heart of PGFW. These partnerships will save us staff costs and allow students to have an unprecedented experience in contact with our teams.

With regard to the means of financing these items of spending, several channels must be explored in order to guarantee a high quality GFW:

- Our project is eligible for numerous grants (especially at the EU level, the Ministry of Ecological and Solidarity Transition, the IDF region, or the city of Paris).
- We plan to take a percentage of the sales achieved by the pop-up stores located in the premises during the GFW.
- We plan to condition participation in the GFW for brands / creators to join our association. They must therefore pay the fee which will be an entry fee for the presentation of their products. This system will allow us to have funds before the event and avoid the need to advance money.
- It is planned to carry out a canvassing campaign to find donors and sponsors who would support our project.
- Finally, we will lead a crowdfunding campaign, where the biggest contributors will be able to attend the GFW in a privileged way.

7. Organization

In order to achieve our goals, we will indeed need a strong organization. First, AGRAP will choose its structure depending on the context and external parameters. Obviously, this structure will operate in France, so it will necessarily have to fit in the French legal frame and legislation. The two main options for a project like ours are: being a society (1901 Law), or a choosing to be a company. More specifically, the most reliable structure in terms of company would be a SAS type (a simplified joint-stock company). The key advantage is that the structure is really flexible, enabling us to actually write the legal status on our own and adjust the mechanisms inside the company and build a tailored structure for your field of application. Moreover, the costs of the creation of the company (except capital inflows) are very little (less that 800 euros

⁷ Even if we hope for in-kind sponsorship of a foundation or building owners, we do not want to include this directly in our financial analysis to be sure to have enough cash in the end.

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p a r i s through a web platform like legal start). In addition, AGRAP might have to host important funds, due to grant seekers work, private or public investors, or Crowdfunding campaigns. The counterpart will consist in high fixed costs as well as some variable costs that we explained earlier. In order to face these cash flows, having a solid structure is a priority and the SAS

Another major challenge for our organization is to gain credibility. In such a highly saturated and crowded market with almost no entry barriers, we need to focus on becoming credible among actors of the fashion world. First of all, that means seeking sponsorships. In such wise, setting up a dedicated team to work on sponsorships is a priority. On a strategic point of view, the idea is to target a certain type of brand. The goal of the investor relations team is to build a network and target the brands that already have a sense of philanthropy or had a previous philanthropic engagement. We sell the idea of disrupting fashion world's symbols and having a fresh point of view on the industry. Also, we need partners in magazines to promote our event. A typical target for us would be *Numéro Magazine*. Indeed, Babeth Djian, founder of *Numéro*, has built a foundation for Rwanda that aims at building schools and encourage education in the most difficult areas. Every year, she raises funds among brands and actors of the fashion world⁸. An event like ours could easily be endorsed by entities like *Numéro*, as they always look for fresh opportunities to break through.

seems to be the most appropriate.

Regarding Human Resources, one of the objectives is to make the project attractive to be able to recruit professionals from the fashion world. The market is pretty suitable for recruiting people for a limited period of time as many actors' cumulate tasks and jobs in the fashion industry by freelancing. That means we would not imprison people by working for AGRAP but we would offer them an alternative way of using their skills. We met a current PR working as a freelancer for Dior France, Victoria Michaux, who explained her willingness to find « alternative projects », things that would « motivate [her] to do good. Sometimes, I feel like we forget that the fashion world has a huge responsibility, there are issues that we can deal with, and sometimes it can really fit with the brand's interests »⁹. Still, we would also need to rely on experimented fashion agencies in order to make sure to have a stable partner at our side during the organization of the event. Finally, the key is to have the ability to raise brains, and skilled professionals in order to gain this essential credibility that appears to fit with a potential demand among actors of this market.

⁸ Numéro. Le diner gala en faveur des enfants au Rwanda. URL : <u>https://www.numero.com/fr/soirée/diner-gala-rwanda-association-aem-babeth-djian</u> (Last Access: 12.12.2018).

⁹ Victoria Michaux. Interview on the 22nd November 2018 by AGRAP in Paris.





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