

## SUSTAINABILITY

# Textile Recycler Recover to Open New Factory in Vietnam



Anders Sjöblom

● Expansion into the key market follows a \$100 million investment from Goldman Sachs and a new CEO.

BY RHONDA RICHFORD

**PARIS**— Spanish materials science company and textile recycler Recover is opening a factory in Vietnam as it expands into a key production market.

This marks the fourth facility for the company, following its factories in Spain and Bangladesh, as well as Pakistan, which operates through a partner.

"This is a pioneering move, and I'm pretty excited to see where we can innovate together with the industry on site in Vietnam," said chief executive officer Anders Sjöblom. "It's another way we can accelerate this work," he said, speaking about the company's goal to continue to innovate recycled material blends and provide the more sustainable solutions for fashion brands.

Vietnam is the third-largest textile exporter worldwide, and being on the ground creates an advantage for Recover, as the country has import bans on some types of fibers and waste.

The Vietnam factory follows the \$100 million minority equity investment in Recover led by Goldman Sachs Asset Management in 2022. Sjöblom, formerly

fulfill their growing demand for recycled materials while keeping flexibility in their supply chains.

Sjöblom said Recover works with "all of the major fashion brands in terms of volume," but kept names under wraps. The firm has previously worked with C&A, Lands' End and Perry Ellis.

"We are also starting to work with more premium and high-end brands, both because they realized our quality is getting much better, and also from our end, it's big part of our mission to really increase desirability and interest from consumers in sustainability."

That mission shifted when Sjöblom stepped in, as he set out to tweak the company's strategy to create more premium products and communication with consumers.

"Inspiration is a big part of our strategy going forward," Sjöblom said. For example, Estonia's Olympic uniforms were made with Recover materials, and the company recently created an art project with Spanish photographer Estela de Castro. More unique co-creations are in the pipeline for 2025.

"There are a lot more things that we can do here, always connected to fashion, to really elevate the perception of sustainability and create some interesting new value in the industry, also for the end consumer," Sjöblom said.

"The fashion industry has been great at creating desire, but we haven't really used it for sustainability, and now is the time. Applying all of the tools that we have in the fashion industry, of elevated visual language, narratives, influencer collabs, unexpected, creative projects, to create also a bit of a more buzz around sustainability, to tap into people's emotions," he said.

Sustainability should have an aspirational, rather than rational, marketing message, he argued.

"We really need to engage in creating desirability, because we know consumers are willing to pay for what they desire.

Fashion is an emotional decision. You don't buy clothes because it's a rational investment. You usually buy it because you want it, and that's what we need to tap into with sustainability as well," he said.

Brands will need to back up their promises by deploying recycled fabric across product lines and not just relegate it to capsule collections.

A key part of Recover's strategy will be

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to educate and work directly with design teams at its headquarters to learn about working with the materials, as well as with brands on how to better communicate with consumers.

Sjöblom also supports sharper legislation that offers incentives for brands and suppliers that are working with sustainable materials, alongside penalties for those that do not.

"It will be very important to demand a minimum share of recycled content, and that can grow over time as innovation scales and we have new innovations that bring prices down, which happens in any new industry. But there needs to be a clear roadmap," he said.

"We need to align incentives across all of the players in the supply chain, and also be clear that this is a willingness and a demand from the consumer and the top brands, not something just pushed from below," he said.

Systemic traceability and transparency will also play a bigger role for brands as consumers want reassurances about what they are buying.

To deliver on traceability targets for the brands, Recover is mapping its own supply chain including documenting waste sources. It is also adding a digital tracer in its fibers that can be read by a scanner to ensure authenticity.

"Those brands, especially the big brands, that have a genuine sustainability agenda, they should be recognized for it," Sjöblom said, noting the problem of competing labels and certifications can confuse the consumer or can be falsified. "Brands and players in the industry that aren't sustainable should also be sort of exposed."

Following Vietnam, Central America is on Recover's radar as companies in North America are looking to bring their production closer to home.

"From sustainability, from cost, and potentially also from political incentives or barriers, near-shoring will probably be even more interesting the coming years," he added.



Recover fiber