ThredUp, Rent the Runway, The RealReal Rally For Reuse Reform

By Chuck Dobrosielski

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ThredUp, Rent the Runway, The RealReal and eight other reuse and rental providers are banding together to create a vision for the future of textile waste policy.

The American Circular Textiles (ACT) policy group’s roots lie with New York’s Fashion Sustainability and Social Accountability Act. First introduced in October, the proposed legislation—the bill is currently sitting in committee—would require brands and retailers making at least $100 million in revenue and conducting business in New York to divulge their environmental and social impacts and establish binding science-based targets in line with the Paris Agreement’s 1.5-degree goal. These businesses would also have to map at least half of their supply chain, disclose the annual volume of material produced and reveal the median pay of their supply-chain workers as measured against local minimum and living wages.
Among those who saw a missed opportunity to go further was Rachel Kibbe, the founder of the environmental consultancy Circular Services Group. But, where others critiqued the bill for focusing too heavily on disclosure, Kibbe lamented its omission of textile reuse and “circular waste hierarchy principles.” She penned a letter outlining her suggestions and, working with Marisa Adler, a senior consultant with the consulting firm Resource Recycling Systems, she gathered more than 30 signatories to her letter, including government agencies and recommerce platforms.

“The bill was written suggesting that recycled content be used as a means to decouple fashion’s growth from environmental impact, and we were concerned about leaving out reuse,” Kibbe, said. “At present, reuse works and recycling doesn’t yet—it’s not scaled. And most of the recycling that’s happening is derived from fossil fuel waste... diverted from bottle and packaging industries and these textiles then shed microfibers into our water system, and they are also unable to be recycled again.”

Though none of the recommendations made it into the New York legislation and the consultants ultimately concluded their suggestions belonged in a separate bill, Kibbe said they observed “an urgent desire” for domestic textile waste policy—there’s currently “next to none,” she noted—as well as for “a formal non-competitive space to collectively collaborate on this work.”

“So, we took this opportunity as a unique moment in time to organize and formalize our work, and that has become ACT,” Kibbe said.

Officially introduced in June, the American Circular Textiles policy group is spearheaded by CSG and RRS and includes 11 founding organizations: ThredUp, Rent The Runway, The RealReal, CaaStle, Thrilling, Trove, Treet, Recurate, SuperCircle, Fashionphile and Tersus. It has held two meetings so far, with plans to convene once a month until the end of the year, at which point it hopes to release a white paper outlining policy mechanisms that will advance textile reuse. The individual sessions, Kibbe said, will focus on education around the different policy levels and mechanisms that could possibly go into the final paper, with members voting on what ends up in the final draft.

“It really ultimately depends on how the group prioritizes the different types of waste policies that we are educating them on,” Adler said. “This group, since it’s primarily focused on engagement with companies involved in reuse, there is a very strong support for policy that will encourage and remove barriers to increasing the reuse of textiles....We’re exploring policy mechanisms like extended producer responsibility [EPR], product stewardship....We’re looking at tax incentives, tax disincentives, both on sales tax and corporate tax. And we’re also looking at some of the softer policy mechanisms around mandatory development of a working group to conduct more research and inform next steps, or federal funding or state funding or some level of grant funding for either pilots or infrastructure development or R&D.”
ACT’s goal is to create something “broad in scope” and accessible to experts and stakeholders, as well as policymakers and those new to the topic, Kibbe said. This final paper, Adler said, will not be “prescriptive” or especially detailed, similar to the textile waste position paper released by the California Product Stewardship Council. “It’ll be a little different than that, but it’ll be around the same level of depth,” she said.

“It’s mostly around aligning the sector and creating a high-level platform, so it’s probably going to be something more high level, and then we’ll dive into the implementation details and implications of that next year,” Adler added.

Initially, Kibbe said ACT’s plan was to focus on federal legislation. “Given the state of the federal power around climate being dismantled,” however, the organization has since decided to refocus on the states. According to Adler, these efforts will include promoting model legislation or “at least tenets of model legislation that we strongly believe should be incorporated in any state-based policy.”

“We have seen that it’s much more likely to have a state-by-state adoption of significant waste policies,” Adler said. “There has not been any federal action to address any kind of holistic systems around waste, much less textiles. It’s very controversial and it’s really hard to get bipartisan support for waste policy at the federal level. That said, state-level policies do create a patchwork and it’s very difficult for anyone who’s been obligated to comply with the new regulations to actually comply when the requirements vary from place to place.”

ACT intends to expand its focus to recycling next year, with plans to bring recyclers, brands and retailers together to work on a white paper similar to the one it hopes to publish in December.

“We have started those conversations,” Adler said. “We have been speaking with brands and retailers and we will be shortly speaking with our great network of recyclers, both existing mechanical recyclers and also the newer chemical and advanced molecular recyclers, about joining this group. Those conversations with the brands and retailers have been going very well. We’re just not quite ready, administratively, to pull the trigger on that yet.”