

SUPPLY CHAIN TRANSPARENCY



A new definition of quality

Brands are increasingly linking social and environmental responsibility with product quality and Intertek Sustainability Solutions says it has now simplified how this can be measured.

It is hardly news that quality has been – and remains – central to retailers and consumer brands as they deal with the textile mills that supply them. Mills are continually upgrading the level of quality in order to meet customer expectations for durability, colour and design. The challenge, of course, has been to deliver on these expectations without a major increase in cost.

Today, however, Intertek Sustainability Solutions part of the global Intertek Group says it has witnessed an interesting and near ‘seismic shift’ in terms how quality is defined: “retailers and brands are looking beyond basic quality and are now asking textile mills to demonstrate their performance in the areas of social responsibility and environmental sustainability,” said Andre Raghu, President of Intertek

Sustainability Solutions (ISS).

But what does social and environmental performance have to do with quality? A great deal, as it turns out; many industry players are discovering that the most socially and environmentally responsible mills also provide the most consistent quality. In other words, quality, social responsibility and sustainable environmental practices are now firmly linked.

In interviews with several US brands, Intertek asked what the term ‘ethical sourcing’ actually means to them. “One quality specialist with a major retailer told us that from her perspective the change has been pronounced,” noted Raghu. “She said that ethical sourcing [used to be] focused on fair labour practices and worker safety, worker rights, those types of things. That model is now pretty mature.

“She went on to state that the apparel industry as a whole does a good job in those areas... Today, the issue of ethical sourcing has expanded considerably to include products themselves.”

While this particular brand wants to remain outside of the sustainability spotlight for now, a brand representative we spoke to asserted that ethical supply chain management has now become almost a norm in the industry. “The difference today is that retailers and brand manufacturers, textile mills and consumers, are all expanding this norm to include product safety, durability, etc – not [just] upon manufacture, but for the entire life of the product.”

There is plenty of research to show how important it is for consumers to believe a product is safe to use. And beyond this, consumers are now extending this interest to include ‘eco-friendliness’ and humane workplace conditions – these issues are becoming part of the value equation for them.

The difficulty that the apparel and textile industry faces in attempting to bridge quality with ethical sourcing is the proliferation of social and environmental standards using a variety of metrics. There is a real concern that with retailers and brands pursuing the ethical sourcing via separate tracks, that the real progress being made will get lost in the shuffle. This is some evidence that consumers find it difficult to establish whether a product has been ethically sourced due to label confusion, and they are often left to the equivalent of comparing apples with oranges.

It’s obvious that the most effective path forward would be if retailers, consumer brands

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and textile mills could come together on this issue. "While efforts to consolidate a number of different codes and compliance strategies have been made, they've received little traction. Until now," said Raghu. "Increasingly, companies are demonstrating interest in industry collaboration. The truth of the matter is that most ethical sourcing and sustainability programs have an extraordinary degree of overlap. After all, the overriding goal to do right by workers, consumers and the environment is more or less the same."

Sustainable textile procurement

Intertek has noted this increased demand for industry collaboration on ethical and sustainable sourcing and has developed the new Mill Qualification Program (MQP), which was reported in *Ecotextile News* last November. This first-of-its-kind program aims to greatly simplify the process of sustainable textile procurement.

MQP was developed by an alliance of leading fabric mills, global retailers and consumer brands, in partnership with ISS, which provided the metrics and evaluation services. One of the key goals was to standardise mill sustainability auditing according to accepted industry practice.

For each participating textile mill, MQP supplies ratings for various sustainability indices as well as a comprehensive benchmark report and a web-based platform which provides instant information sharing and feedback. The developers' goal was for MQP to give mills the chance to proactively, voluntarily and transparently demonstrate their sustainability performance. This, they thought would be a game-changer in a market that gave mills little opportunity to compete for brands and retailers' attentions with comparable sustainability ratings – and in a market where the brands and retailers for their part had no consistent and therefore reliable method



The definition of quality has broadened to include sustainability



to benchmark and compare mill sustainability data across multiple industry sectors and geographic regions.

The MQP concept also emerged from the continual desire in the industry to reduce mill evaluation costs and improve time-to-market. MQP therefore incorporates a quality metric along with ratings for social responsibility and environmental sustainability. Raghu went on to explain: "The successful promotion of responsible textile production depends on successfully integrating performance and cost benefits, in addition to sustainability value."

Consumer in control

The key consideration when it comes to ethical sourcing is the consumer. It's by now a given that the internet and cell phones, social

networks and texting have made for instant information access and put the consumer in control.

And now that mass consumer advertising is no longer seen as efficient by some companies, information has gained even more marketing power. While some may bemoan being deluged with too much information and too many choices, the fact is that consumers keep surprising the experts with how much information they can handle and how well they can assimilate and differentiate it.

Protecting the environment, treating workers properly and selling products that are made well and are safe to use are all of paramount concern to consumers. One MQP user (representing a major retailer) made this key observation: "There's an obvious link between quality, ethics and the environment. Our preliminary data supports it but it's also just common sense. If you're keeping your waste water clean, if you're reducing your energy consumption, if you're treating your workers fairly, if you're paying your taxes...if you're doing all those things, your factory floor is going to be one of those floors that produces great quality. Because from a business standpoint, that's what you do – quality is what your company stands for."



That the definition of quality has broadened to include sustainability factors is a veritable sea change for industry, which previously, was content to view sustainability and ethical supply chain management as belonging in the operational risk management silo.

"Today, most of the major industry players view these elements integral to quality as the consumer defines it," concluded Raghu.

Eco-thinking: Brands are looking beyond basic quality and are now asking textile mills about social responsibility and environmental sustainability.