

Adidas sets sustainable cotton goal

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The main textile on the Adidas Supernova Glide 3 includes 50 percent recycled polyester. The laces are 100 percent recycled polyester. It also features renewable foam and a Formotion heel technology that reduces waste by 50 percent.

With its Portland operations already leading by example, Adidas AG on Tuesday announced a global strategy to reduce its environmental footprint by 15 percent by 2015.

The effort touches every function of the German footwear and apparel brand — from internal office operations to the amount of sustainable content in its shoes.

But perhaps the most notable example is the company's commitment to use sustainably produced cotton for all of its products by 2018.

Adidas, which keeps its North American headquarters in North Portland, in 2004 became a founding member of the Better Cotton Initiative, a movement to reduce the environmental impact of the global cotton industry mostly by reducing water consumption and pesticides.

Adidas will begin introducing sustainable cotton into its supply chain this year, increasing its use to 40 percent of all its cotton consumption by 2015 before going all in by 2018.

“We think that supporting this approach helps us to mainstream the sustainability agenda within the global cotton market,” Frank Henke, Adidas’ director of social and environmental affairs, said in a phone interview from Germany.

Cotton is a hot-button issue in the apparel world today, especially as surging prices put a strain on profit margins.

Worldwide cotton prices have more than doubled in the past year, rising to \$1.79 per pound in January from 77 cents a year earlier, according to data from the National Cotton Council.

Last week, Nike Inc. — Adidas’ chief rival — said it would be increasing prices on its footwear and apparel products in an effort to combat rising production costs, including cotton, that have cut into its margins.

With cotton prices already high, it could be risky for Adidas to suddenly be selective about the cotton it chooses.

But Henke said an investment in so-called “better cotton” isn’t expected to increase product prices.

The idea, he said, is to bring improvements to how more mainstream cotton producers operate.

It differs from niche markets such as organic cotton, a designation specific to cotton produced without pesticides or genetic modification.

“The Better Cotton approach is much broader,” Henke said. “It allows, to a certain extent, a reasonable amount of pesticide management, but addresses water management, crop rotation and social issues within the global cotton market.”

Meanwhile, environmentally friendly alternatives to cotton are gradually working their way to the market.

Last week, Naturally Advanced Technologies Inc. reached a 10-year supply agreement with Hanesbrands Inc. that will commercialize the company’s flax-based fiber.

Led by Portland-based CEO Ken Barker, a former Adidas apparel executive, Naturally Advanced is pioneering a technology called Crailar that removes

the binding agents in normally rough fibers like flax and hemp, resulting in a soft and strong fiber similar to cotton.

Henke said Adidas has already tested and piloted using environmentally innovative material in certain product lines. Its Better Place product category, for example, has made use of organic cotton and its Supernova Glide 3 running shoe is made with 50 percent recycled polyester and 100 percent recycled polyester laces.

The Adidas environmental strategy, however, stretches beyond just cotton.

Among its other goals:

— A 50 percent reduction in the amount of colors used within the Adidas Sports Performance division by 2015, excluding colors required by clubs outfitted by the brand.— All of its footwear and an increasing amount of apparel in sports performance will have what it calls “more sustainable content” by 2012.—A 10 percent to 15 percent drop in energy emissions by product output at core suppliers by 2015.—A 20 percent drop in energy consumption, 30 percent reduction in carbon emissions, 20 percent water savings per employee and 25 percent waste reduction per employee by 2015.

The broader goal is to implement a strategy that is embraced by all of Adidas’ far flung operations.

Henke said that in Portland, the Adidas Village campus is already ahead of the game. It is among five North American sites that, working together, achieved ISO 14001 certification, a critical environmental management standard.

The efforts included a 9 percent reduction in energy use at Adidas Village since 2008 and simpler tasks, such as eliminating the use of plastic liners and trash bins and setting a double-sided default on printers, saving on paper use.

“We think Portland is definitely to be seen as a role model for other sites due to the in-depth work they have done to drive that management approach,” Henke said.

How green is the village?

In conjunction with the release of its annual Sustainability Report Tuesday, Adidas AG offered some environmental statistics on the performance of its Portland-based North American headquarters, dubbed Adidas Village.

- Reduced energy use by 9 percent since 2008. Signs placed in all conference rooms reminded people to turn off lights when not in use.
- Reduced water use by 46 percent since 2008. Attributed in part to planting native vegetation around the campus, which requires little irrigation.
- Eliminated the use of plastic liners in trash bins, accounting for about 200,000 liners per year.
- Launched a poly bag recycling program for all the sample bags that come into various Adidas divisions.
- Instituted a double-sided printing default at end of 2010, which could result in a 40 to 50 percent drop in paper use annually.
- Held a week-long event focused on engaging employees in sustainability efforts. It included “bike to work day,” “bring a plant to work day” and “alternative transportation day.”
- Reduced energy use by 9 percent since 2008. Signs placed in all conference rooms reminded people to turn off lights when not in use.