

CONTEXT: Interviews conducted as part of an investigation into the barriers to, and opportunities for, achieving Circular Synthetics. Research was funded by Business of Fashion, Textiles and Technology Creative Research & Development Partnership (BFTT CRDP—£5.5 million) led by the University of the Arts London, part of the UK Creative Industries Clusters Programme (CICP) funded by the Industrial Strategy Challenge Fund, and delivered by the Arts and Humanities Research Council (AHRC) on behalf of UK Research and Innovation.

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Interviewee: CEO, textiles collection and sorting business

1: Interviewer

2: Interviewee

1: The first question is, can you tell me a bit about the background of [redacted] and your role within the company?

2: [redacted] was formed in 1985 by my father, but having said that, it was built on the back of his own father's business, which was also on a textile recycling, coming from the '60s onwards. Then his main thing was very much mid-'80s the business changed quite a bit. The focus really for him was on the reuse of clothing, sale to Africa, which didn't really change until the late '90s. Then the focus still on reuse, but Eastern Europe opened up as a market and since then the industry's-- that's been the primary driver, just getting good quality wearable clothing.

Since when he started until now, there always used to be the recycling route and there was economics in recycling. Now you're getting to the point that a lot of stuff you're just giving it away for nothing whereas you used to sell it, not for lots of money, but it would probably cover your cost of collection. Just because I think there's less and less markets for recycled product and there's oversupply. Obviously geographically, most of the recycling is now India, Pakistan, places like that. There's not a lot in the UK and Europe.

1: That makes it less economical for people to-- Well they've got all the logistics in to include, haven't they?

2: Exactly, yes.

1: What's the business like now then? I know obviously, it's changed in the last couple of months. Maybe what was it like before COVID and what is it like now?

2: Sorry, my father retired at the end of last year, and following that we'd already split the business. We've got [redacted] Supplies which is purely the recycling side, which is wiper manufacturer which we partner with the Prison Service. Then [redacted] Textiles is the reuse side.

Five years ago we took the decision to stop sorting in the UK because we used to have 150 staff, it just got ridiculously expensive. We transitioned to just selling it as a wholesale product to people that are sorting. Then we got to the point, "Well, hang on this is you're sending it to Pakistan, India, Dubai, for people there to sort it when actually the end market's Africa." Our decision was, surely it makes sense to cut out

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the middleman. We started talking to our African customers again, they said, "The quality coming from our countries isn't the same as what was getting from you." We said, "Well, if we just do a very quick sort, pulling out the summer clothing but don't individually categorize it, it makes sense."

The last six months we started doing that, and it's worked really well. We're actually selling, over the COVID period, we've been selling to a lot more UK-based companies that are doing the final sort but their view is, "Well, we'd rather buy from you a pre-sorted product because otherwise, we're getting 50% recycling, which we don't actually have the markets for, whereas you're a lot more established in the business, you've got the contracts, you can handle the recycling so we'd rather pay a bit more but receive what we want and what we know how to handle."

1: Wow, that's really interesting. You're adding an extra process and extra value to that front end, aren't you? That's quite interesting.

2: It seems to make sense to me, it's following the principles of handling your waste locally. What we can actually handle, everything we ship to Africa's good quality, usable clothing, whereas-- I don't know if you saw the *ITN News* report, February time, just basically saying that Ghana's filling up with clothing. They don't have the resource to handle it. It's just ending up in open tips for want of a better word.

1: You collect as well, don't you?

2: Yes, we've got about 500 textile banks in and around London and the home counties.

1: Is that your primary way of collecting through the banks?

2: Our only way.

1: The only way, okay.

2: We stopped doing charities probably 15, 20 years nearly.

1: You don't have to maybe answer this, but I'm just curious, how does that work economically? Do you pay to have your banks on a particular piece of land?

2: Yes, 80% of our banks in terms of tonnage are with local authorities. Or if they're not, we've got local authorities there with the designated waste so that might be like the Viola, Viridor, Biffa. Most of ours do actually tend to be local authorities. There's a thing called the London Consortium which was supposed to be all 30 boroughs but only 11 of them signed up. That's our main collection. The way the business operates is we'll put a textile bank out free of charge. When it's collected, we'll weigh it, let the council know what the weight is, and then they'll invoice us as per the contract or most of the time it's based on what Let's Recycle say.

1: I guess you're quite reactive in a way to what is needed, what the market needs in a sense, but also quite creative. You're seeing the opportunities there to do things a bit differently, going directly to Africa, and doing this pre-sorting. I'm just wondering what can you foresee-- Can you see anything happening over the next 5 to 10 years

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which might mean you adapt your practices again? What I'm thinking about is for example some of the chemical recycling processes, they have very specific specifications that they need from their sorted material. I'm just wondering if there's anything-- Have you thought about that? Has that come into your--?

2: Yes. When we started [redacted], the sister company end of last year, that came off of the back that-- When was the whole plastics thing? 18 months ago? Two years ago? You suddenly got this very much reaction against plastics and I started noticing people going, "Well, what's the next big story? Hang on, it seems to be textiles." We was getting inquiries from brands as well as the public and local authorities. It became quite clear from talking to the brands that they'd realized that producer responsibility might not come in through the government or the EU but their customer base will start asking questions, and looking at that.

When I started talking to some of the brands, it was a case of, "Well, our current customer base that's about, say, 15 to 25 isn't so worried. They've grown up on fast fashion, but the next ones along really are." When you start saying to them, "What happens to the clothing?" They'll say, "Producer responsibility." You can imagine the looks on their face when you say it ends up on a market store in Africa. They're like, "Oh, my God, I just spent 10 years auditing Bangladesh, I'm now going to have to audit Africa if we take it back." As soon as you mentioned, or they heard of chemical recycling, they were like, "Can we do this?" It's like, "Yes, I'm afraid it's still a few years off."

1:

2: Then it's a bit ironic, it's like, "What can we do to help it?" It's like, "Well, you could have helped it a few years." I know I've been dealing with [redacted] 10 years or so, and up until fairly recently, and actually I spoke to Renewcell last week. The whole thing on any of these is it needs funding. They have to go to the banks and funders and say, "I can guarantee you enough feedstock." The good thing about tying brands into it is you're guaranteed the feedstock and hopefully, they should know what goes into their materials.

I've just started actually looking at a project with QSA. How we look at the current system for sorting for reuse and recycling, and what it might look like in the next couple of years. We've looked at the fiber to fiber system Valvan have done. Some guys from Imperial College contacted us and they've got an optics sorter which would actually be per-user rather than on a conveyor belt. Actually put me in with a New Zealand company that again, very similar to the Imperial College that could do it optically. That's an area we're really looking into just because when you change the emphasis away from reuse to recycling, it can become a lot more automated. Obviously, I think there's still a strong element of reuse. Why shred up a perfectly good t-shirt if it can be reused rather than making a new one? It does change the emphasis. It's the brands that actually-- Because we're talking about doing take-backs schemes. If you start looking at models like hiring it's a case of ownership. If the brand owned the clothing that they send to you, and they specify that it has to be recycled rather than reused, because obviously their main interest is selling more clothing, it changes the dynamics of the industry quite a lot.

1: I guess as well because you're already starting to separate out the recycled material that you have, it makes sense for you to think about what to do with that.

2: Yes, whatever you get in especially from a textile bank, it tends to be 50% is recycling.

1: That's quite high, isn't it?

2: The reason it's that high is partly because-- Well, it's got higher because Africa's obviously got more money. They've got more access to new clothing so their quality levels have gone up. Also, there's a lot of cheap rubbish fashion that really certainly you're good for 50 or 60 washes then it needs to be recycled. Or you've also got an element that there's just not a geographical market for it. If you look through all of the jumpers that we've receive, nearly 100% of them go for recycling, but if you actually said, "Are they still fit for purpose?" It's probably well over half that are an absolutely fine jumper for reusing, but there's not a market in the world that wants that many wool synthetic jumpers.

1: Yes, that's interesting, isn't it?

2: There's a supply and demand element to it.

1: Yes, exactly. What was I going to-- Sorry, I lost my thread then. Oh yes, that's what I was going to say, of the recycled fraction, can you say anything about what percentage of that or anything you've noticed specifically around synthetics and polyester, does it tend to be a higher proportion or is it not--?

2: The problem is, so we'll sort it cotton-based material, and then it'd be wool synthetic. Where our collections, only from what we collect, trying to get any averages on that doesn't really work because a collection goes up and down. We win contracts, we lose contracts, it's really hard to get a baseline. We don't sort it that meticulously or even need to record it. If something's 50/50 polyester or 60, 70. It makes no difference to us [crosstalk].

1: It's an unknown then?

2: Yes, so when I've spoken to [redacted] in the past, it's very much, "Well, you might be better off using trade data on what's imported in, and the material spec on that."

1: Yes, I was thinking more anecdotally. Is there anything that you've noticed specifically about polyester coming through your processes?

2: Yes, obviously, if you look at this real fast fashion, Primark, Boohoo, and all of that, nearly all of their clothes are 100% polyester or 90% polyester with a bit of lycra thrown in it to give it some weight. You'll see it through the t-shirts, I was looking at t-shirts the other day and it's weird. They seem to be 100% cotton or 60% cotton whereas before you used to get a lot of 80%-ish sort of. Obviously, fashion has changed, now you're getting all of this Dri-Fit sportswear and that's obviously mainly polyester.

1: Do you notice that coming through quite a lot?

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2: Yes, totally.

1: Does it tend to be re-wearable or--?

2: Yes. it's re-wearable as a normal t-shirt. The only problem is, if it's not re-wearable when it's recycled, there's not really any recycling routes for polyester at the moment, so where it would have been a t-shirt that goes into wiper cloths, it's now a t-shirt that just goes into rubbish.

1: Anything else that you could say about your experiences with synthetics in your business? Any comments that you would make about it. When you mentioned about it not being any good for wipers, but is it any good for anything else, not really?

2: You do tend to find where it does last longer-- More on the outdoor clothing, it is coming through and it's like, "Well, it doesn't look washed out. It's not as warm. It's not as bad as it might have been." Or it's been worn for a weekend and that's it. Fast fashion stuff, most of the time does come through and you can tell it's not been worn a great deal.

1: The sportswear that you get as polyester, and if it's really wearable, is there a market for that? Do you find or--?

2: Yes. Sportswear is always in demand. Africa is very much on the internet, connected, most of our customers tend to have family members here and then somebody over there. They're very in tune with what fashion is in the West and have their own take on it. Sportswear's as fashionable there as it is here.

1: Okay, that's interesting. What do you think are the main barriers to processing synthetics from your perspective?

2: There just isn't the recycling market for it. It's that's simple.

1: From a point of view of looking forwards, do you have a sense of through your conversations with [redacted] and thinking about sorting, what do you see is the potential barriers going forwards when you start to think about these new technologies?

2: Well, since talking to the guys with the optical fiber sorting, and they seem pretty convinced that they'll get it down to-- so it's quick enough. Sorry, somebody keeps WhatsApp'ing me and it's driving me mad.

1: It's okay.

2: It's like, "If I've declined you five times, there's a reason."

1:

2: Yes, if they get that done quick enough and you can use AI or whatever to sort it, then it's actually getting easier from my point of view. At the moment, obviously if you're sorting and grading, it relies on a human being standing and looking at it.

1:: Do you see things like zips and things, would you ever get involved with the de-metalizing of--?

2: On the wiper cutting everything has to have the metal taken off anyway, but that's done by hand. We've just been looking at shredding machines and pulling machines and from talking to the chemical guys, they all want it in small pieces anyway, so removing metal really isn't a problem. You just shred it and then have a magnet that pulls it off and then you put it through various-- the technology's there within the [redacted], they sort, they do all sorts of things.

1:: If you were going to, hypothetically, in the next 5 to 10 years, invest in some processes which would prepare material for a process like [redacted]'s process, would you be seeking to have that machinery in your site or would you be outsourcing that sending it on to someone else who already has the machinery and the infrastructure.

2: There isn't anyone with the machinery and the infrastructure, so it's more of a case of talking to the guys that are building these sites and saying, "Are you just going to buy it in? How do you want to get it and what process do you want to do?" [redacted] seem very much from the view that they will take it as the raw material and what have you. They're talking to Renewcell as well. It seemed to be they don't want to be too involved in the processing of it and if it links in-- Most of the chemical guys want it into small clipping size pieces, so 2 or 3 inches square which is fairly straightforward to do.

1: Would your role still be, do you think, in a pre-sort and then someone else would do the chopping?

2: If you've still got reuse as the primary driver, or one of the main drivers still, then you've got to combine the reuse and the recycling sorting together. If you're doing that the actual equipment required to prepare it for them isn't huge amounts of investment. It's a little bit of a case of what scale they're doing it on. Say Renewcell are going to do 1,000 tons a week, they're going to need a pretty large plant to process it to put it into it. Whereas they might say, "We're better off buying off 15 people that have got the smaller plants to do it." It's still really early days.

1: Do you think this area is going to grow as the demand increases and it will adapt?

2: Yes definitely. Well at the moment it's still a case of-- You're talking to the chemical guys and they've spent so long developing that system, they have no real idea what it is that we get up to and most of our industry doesn't like telling anyone what they get up to. It's all a bit dark arts--

1: It's a bit chicken and egg, isn't it?

2: Yes, some of it like [redacted] have come down - when did they come down? - probably four, five years ago and they kept asking us what's the polyester content of what you receive so poor Mel came and spent two days just hand sorting and looking at the labels. You can't afford to label sort it and even when they did do the labels, I'm sure they said about 40% didn't have labels in because just cut them off

or they wear out. Which, then, led to the whole fiber sort system, and when I've looked at the fiber sort system it fixes a problem but I don't think it's the end answer because I don't think anyone knows what will be needed. It's what you were saying about the mixed materials, the fiber sort system would do it absolutely brilliantly, but as soon as you put a coat in it, well the outside's different to the lining and the inner's different, so you've got three materials there already which that system's never going to cope with.

1: I guess the fiber sort needs a pre-sort doesn't it anyway?

2: Yes, which takes the point away of having it so heavily automated.

1: Yes. There's still a few challenges to meet there aren't there? It's impossible really, I guess, to predict and the waste stream changes all the time.

2: Exactly, yes.

1: Okay that's interesting. Let me just move through these questions because you've answered some of them. What do you think the main opportunity is for you in this more circular synthetic system for synthetic textiles going forwards?

2: I think from an [redacted] processing side, I think it's a case of just completely having to re-look at what we do and will probably have to build new infrastructure, capital investment in plant machinery, and perhaps R&D as well on to what is needed to be done. I think there's definitely a case of forming partnerships with the chemical recyclers. As it is, there isn't actually that many of them at the minute, but I'm sure as soon as there's a little bit of success there'll be a lot more people jumping into it. Although interesting from that point of view, I think is where they are going to put these plants because it makes-- on the one hand, you've got the argument, put it next to the waste stream, but on the other hand, if you're creating polyester, well polyester spinning and clothing manufactures are in the Far East. It's a case of what happens there.

1: One of the things that came out with some previous interviews because I was interested in how the ban on exports of waste had affected this industry. From what I can understand as soon as it's had a pre-sort, the material then stops being waste and you can export it. Is that kind of how it works?

2: This is one of those things that's been going on for ages. It's the Transfrontier Shipment of Waste Directive which the UK didn't internalize completely which mainly came off of the back of the charities not wanting textile bank material to be waste. You've got this really odd situation that anything collected from a charity shop's classed as waste because it's trade waste. Anything collected from a textile bank isn't waste, and then the Environment Agency basically kicked into touch by saying, "We can all operate under-" What's it called? What's it where you don't need a transfer license? "-an exemption."

They set the levels so high that-- it's something like you have to be processing, I don't know, 5,000 tons a week to require a waste transfer license for textiles. There's no one that big in the country so everyone runs an exemption. The only time it

becomes an issue is when it's getting exported to Germany as original clothing-- or not to Germany, to Poland. The Germans could say, "This is waste, you need to have such and such licenses," but on the whole-- I've heard stories that some companies have had stuff turned back but on the whole, the German authority's are like, "Well, we're not going to bother enforcing this, it's not stopping in Germany, it's going through to Poland," so it's all just carried on as normal but with Brexit, it's a case of, Will Germany stop that? and will it become issue? which is some ways, why the Salvation Army seem to be investing in a massive new plant but at what level of sorting you need to do, no one's really clear.

1: Okay, I can't remember who said that when I asked about that, that because they sorted it it's no longer waste.

2: Once you've sorted it under the EU terms, if you sort it, then it's not waste, but it's not-- I don't know enough. I think it's only a case of you have to show that there's some level of categorization so a border official's not going to be able to tell you whether a jumper's for recycling or reuse.

1: Okay and the next question is just something we threw in here because of the time that we're doing this interview. It relates to COVID. We just thought it was a good opportunity to find out what people are thinking about this. How do you think that COVID has changed the situation both from your specific company, but also for the circularity picture more generally?

2: I don't know if I'm being overly optimistic or it's just that you talk to certain people. I just think people's general view on lifestyle's changed a lot. They've realized they don't need a new t-shirt every week, they don't need to be going out every Saturday night, they perhaps don't have as much money as they did have and they don't need to spend as much as they could so I think the people that would-- You're going to people that are just going to revert to form really quickly, but I think the people who were perhaps middle of the road green are now looking more green. If you look over the last year how relatively quickly veganism's become such a massive thing. We've got - admittedly I live in Hackney so it is a bit [crosstalk].

1:

There's no joke. It's billing itself as London's first independent Vegan Cycle Shop. It's like what the hell is a Vegan Cycle Shop? What do you mean the only independent one? Does that mean there's a chain of them?

[laughter]

1: That's an interesting piece of marketing, isn't it?

2: Yes.

1: I think that that has been what we're finding from most of our 2s actually is quite optimistic. so that's good. It was interesting when you sent me that email to say that you'd been-- Was it you who said that you'd been filling punch bags?

2: Yes, that's who was just on the phone, they drive me mad.

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1: Is that direct response to COVID, everyone needs punch bags?

2: Yes. This guy when he first contacted us, his existing supplier was supplying him, but they're mostly shut down and not got back to work. It was a case of like, Oh we sell - I don't know - like 1,000 bags a week, last week, I think they sold 4,000.

1: Gosh.

2: I think there's an element of COVID, people are locked in and looking for new-

1: Yes, outlets.

2: -things to do at home, yes. Equally, one of the guys, [inaudible 00:40:42], he said, "If you look at boxing, years ago, no one did boxing. Now you've got MMA, karate, a lot of personal trainers are bringing boxing into it." I think the market's opened but it's still-- yes, I don't suppose it's going to be the savior of our business.

1: No, but it's interesting how you can respond to those kind of fluctuations and changes in behavior. It seems like a very adaptable business model. that you can--

2: I think that's just because we're quite small and a bit naturally entrepreneurial. Another thing we started doing, I convinced Matt that we should start making masks out of old t-shirts. We've got 100,000 t-shirts from a big music company.

1: This is like dead stock or--?

2: Yes, I assumed it was for concerts that obviously got canceled, but most of it is actually just stuff that's been sitting on the shelf for years because what they do is obviously print t-shirts for the gig, then, if they don't sell them all, they leave them on the shelf and put them online. A certain number of fans will buy them online. Then I suppose every few years they have a clear-out going, "Oh, okay, we've got to get rid of them."

1: Do you get a lot of people contacting you and saying, "We've got this load of X"?

2: Yes, I'd say two years ago, it's really funny, I was getting loads of Gmail, Hotmail type emails going, "Say we're a brand and we might have a problem with this issue." It's like, "Do you want me to just to sign a nondisclosure and you can actually tell me what your issue is?" Yes, and some of it's weird. You was talking about sports, obviously, the big sportswear companies, most of their sponsorships were providing clothing, because obviously it's tax-deductible. There's a lot of sports clubs that have just got too much of the stuff. We sort of say to them, "Well, just tell them that you don't need anymore." They're like, "But then they won't sponsor us as much next year."

There are some, I can't remember what they're called on Instagram, this woman set up. She collects, you know when you do like these 10K runs?

2: Yes.

1: Her husband was a semi-professional athlete, she said, "They didn't really give us enough, but we got tons and tons of t-shirts." She started a collection system, I think that she gets loads and then she makes new tops out of it. It's a huge, great industry there. Yes, we do get lots of brands saying, "We've got an issue." Some of the brands, I've never even heard of them. I google them and they've got a few stores and you're just like, "Jesus, how have you got that much stock?"

1: Gosh, do you get a lot? Obviously not as much as a post-consumer, but, you do get a lot?

2: It's not an area that we've traditionally done loads. You tend to find there's what gets called the jobber market, they buy in this end of line stock and they sell it through various channels. It's very similar to our business, but they're more expert in that. Where our customers, they can just about afford to buy it if that makes sense?

1: Yes.

2: I got a sportswear brand a couple of weeks ago saying that they had, it was about half a million pounds worth of stock. They didn't want to discount it to their current distributor, they perfectly reasonably said would we sell it, the territory's that we don't have distributors, then we'll discount it down. The problem was, I think they knocked about 20% off their normal distributor, but their territory was, I think it was Syria, Iran, Iraq, all of that area. I was like, "Well, these people haven't got a lot of money and our contacts are buying trainers at £2 a pair, you're still wanting £15 a pair, and expecting them to sell them at £50. It's just not going to happen in those areas, that's sometimes the problem, the brands don't want to be seen to be dumping stuff, but incineration is the worst thing they can do.

What a lot of them do is they just shred it, then the companies that are shredding it don't know our industry, they just shred it all together and end up landfilling it. Whereas I say, "Well, if you really do have to shred it, at least let us sort it into material types that can be recycled after that."

1: It's interesting isn't it, because our case study actually said to us that they used to send their dead stock for export to Africa, but they felt that because they didn't know what happened to it, they didn't want to shift a problem. They'd rather keep the problem in the UK, than shift the problem to Africa. How important do you think is that information about where waste goes to the brands and to the customers, the consumers even?

2: When we've spoken to brands, and we've done it, we've worked with Fat Face for about 20 odd years. When you say to them, "Well, if you've got new clothing and we dilute it down with a second hand, you're not going to end up--" because what has happened to a few brands, I think Adidas had it a few times, they sent loads of goods out to Africa to give to a charity, help sporting charities. Then obviously people have gone, "Hang on, this is worth an absolute fortune." Shipped it straight back and it's ended up on the market over here.

1: Oh really? Oh, God.

2: Our thing's been like if we dilute it down, one, it gets mixed in but equally our customers, of course, they want new clothing. Would you rather go to a market and buy a secondhand t-shirt or a brand new t-shirt? The reason that they buy the secondhand is because that's all they can afford. If you did make it so that they could buy it cheaper, new clothing at a super price, that's a better thing from my point of view, but from a brand's point of view, firstly, they're going to get accused of dumping. Secondly, there's the issue that it comes back again. You're still dealing with a linear system. If you're sending loads of clothes to Africa, they can end up even on the fire or in landfill at some point but that's not a reason why not to do it because people in Africa need clothes.

1: Do you think that improved information about where clothes go, has a role to play in the future?

2: I think educating people as to where they go is a really key thing. The problem is, the African market for clothing is very much in the gray economy. It's all family-run market stalls. I've had people say to me, "Oh we expect there's a Mr. Big in Ghana that buys in hundreds of thousand containers?" There's not. There's a few that do buy in a lot, but most of it tends to be smaller traders. It's not a formal system, if you go over there and say "We're going to show Nike how it runs," it's back to where you was with Bangladesh, "Oh, my God, what's this?"

Actually, the African countries, have you seen-- I don't know if you've-- the East African Congress have been trying to ban secondhand for quite a long time. The reason I think on that is mainly because the Chinese are putting an awful lot of political pressure on them to move secondhand out to get rid of the competition because they want to import cheap Chinese clothing. There is stories of Chinese clothing going into places and getting made to look secondhand so then people will buy it because they know the cheap Chinese falls apart really quickly.

There's this argument that Africa is making clothing and secondhand's competing against it. Africa's not really ever had a mass clothing manufacturer. It doesn't grow cotton particularly. Why would it invest in growing cotton? It's a pretty crap crop from anyone's standards, intensive and expensive. If you was going to industrialize, yes, clothing is the way that most people do it, but, it's low paid, low skilled, all you're doing is moving crap jobs from China to Africa. Which I do think there's an element that China might want to do that as well. It gets really political on that side of things.

1: Yes, it's difficult, isn't it? Because it's very, as you say, you can't always tell what's going on from what you're told through the media. I'm going to move on now to the slides that I've got on Google. I'm just going to post a link into this chat on here. If you have a look, can you see that? Are you on your phone? I don't know if this will work.

2: I am. If I press the button, I think-- Yes, got it.

1: Will it work? Will it take you through to--

2: Yes. It's all clever, isn't it?

1: Well, it was a nice idea. The idea with this, I guess, is that I wanted to be able to show people the garments, but then also be able to build this life cycle together. We don't have much time though, we'll just have a little go. What we've got here is a pair of leggings which are 100% polyester, but probably have some elastane in, and a polyester fleece, jumper with some zips and both have got this ID on them. This question really is about what do these products look like from the point of view of your business in terms of their life cycle at the moment? When do they come to you? In what condition? What do you do with them? What happens next? All that kind of stuff.

2: Sportswear tends to be like children's clothing. It's either absolutely worn out or it's sat in the cupboard and it's not been worn. Kids clothes, because they grow out of it before they've had a chance to use. Sportswear because everyone has a great intention of going to the gym and not going to the gym. If it's obviously in quite good condition then it just goes for reuse.

1: Okay and that is for the Eastern European markets?

2: It'll be, yes, Eastern Europe, African market, Middle East there's a big market for sportswear. South America is a very big market. Not for the UK.

1: It's interesting isn't it? There's no UK market for it. Then the poor condition?

2: The poor condition stuff would probably get put into the recycling.

1: At the moment, what would happen to it? It would--?

2: In this country, I don't think there's really any polyester recycling. I don't really know because that sort of thing would probably get thrown into what we call Pakistan mix and then it goes out to Pakistan and they will re-sort it. Probably pull out a fair amount of it for reuse and then the rest will go to recycling.

1: When you say it goes to recycling but it can't really be used for anything, what would they do with it? Would they just--

2: If they re-sort polyester, they will-- I've spoken to few people where they will bin it as such and put it back to [unintelligible 00:52:08] but it's not an area I know a great deal about.

1: Okay but otherwise it might go to landfill?

2: Yes I expect so.

1: Is there anything else you'd like to say about that or we should move on?

2: No, move on.

1: Okay. The next one is, this looks the same but this is more asking you about what the future might look for these garments from your perspective.

2: I keep hoping that [redacted] are actually going to build their plant and then we can just throw it all into them.

1: .

2: Until they do that-- It really just needs that technology being built and used.

1: Can I just put down you would receive it-- if was reusable again it would go to reuse markets, wouldn't it?

2: Yes that goes to reuse markets or it'd go to the chemical recycling markets.

1: Do you think you'd be involved in-- What kind of sorting would you be involved in with this, do you think?

2: I'd like to think that within five years we have a plant that's set up purely to do the fiber to fiber style sorting.

1: Including the prep, like the cutting and chopping and all that sort of stuff, or does that go somewhere else?

2: No, I'd like them to do that as well.

1: Okay. That would be great, wouldn't it? In terms of investment and funding do you think that that's an issue or will that just--

2: I think so. We've been looking at, it is Innovate UK?

1: Yes.

2: They've indicated that there might be some funding around that. Equally, I would imagine that the people that are funding the chemical recyclers they're going to have funding to make sure that the food stock's in place anyway.

1: You think it's just going to come with the territory?

2: Probably 10 years ago I don't suppose the city even knew what our business did or cared. Now there is a lot of people obviously looking at green investments, Circularity, et cetera, et cetera. The city does know that we exist now and are just looking at how they can do it. I don't know if you know there's been a bit of consolidation with our industry anyway so a Dutch VC bought up six independent merchants and put them together.

1: To make a bit more clout in there?

2: Basically, yes. You've got one company-- Wilcox was the largest in the country and they were doing about 1,200 tons a week. They were the first purchase and now the other four probably means that they're doing over 2,000 tons a week which is the way it's been in Europe. You tend to find in most of Europe there's two or three big guys in each country, or one, whereas the UK has been a lot more fragmented.

1: In terms of the collection in the future, at the moment you've got some post-industrial waste, deadstock, but mostly local authority bins. Is that going to change, do you think with this, like more take back or--?

2: Yes, definitely. I think the local authorities have got textile banks because it's in some ways an overflow from when all curbs, all recycling was done at the green sites. Now the vast majority's all via curbside and it's only been textiles and waste electricals that are done through banks. They would like to get rid of them anyway because they do seem to add as a magnet for fly-tipping.

It'll either go through the curbside waste stream which if the primary was recycling, it wouldn't actually matter that it got cross-contaminated as much as it is for reuse. Or the other option, I think, that's going to happen a lot more now, is for reuse it's going to be propelled through to customer take backs, oh brand take-back schemes. I think that's going to be a really big thing because the brands are learning if they offer a take-back scheme it gives them really good communication with their customers. They've got a good news story and what we're looking at with [redacted] is, actually if you then offer it into the secondary market for resale they've got two bites at the cherry. They can actually earn an income off it then and then sell it on again.

1: Yes, that's good. Actually, some of the people we talked to, actually two different interviewees, mentioned marathons as a good place to collect sports high polyester content because apparently athletes just discard their warm layers which I was amazed at.

2: Someone said to me would we take all the stuff at the marathon because people get to the start point don't they and then they've got a tracksuit bottom and what have you, and a tracksuit top. As soon as they start running it just comes off.

1: Yes, that's odd, isn't it? That and festivals, I don't know polyester tents.

2: Oh, my God, I think it was the Reading Festival contacted us about the amount of tents. I just couldn't believe the volume of them.

1: I know it's crazy, isn't it? It's just beyond-- anyway. They'll have to be doing composting tents or something. We'll move on to the next slide. This is just a really rough road map for the next 10 years. What would be your big hits that you need to get in there in terms of partnerships in terms of what needs to happen?

2: I think the big one would be I think partnering with the brands and the producers so then that could give you the feedstock and then also obviously essentially is having the partnerships with the recyclers. The reuse type we've already got that pretty much nailed. I think we're developing, with [redacted], we're developing internally our own marketplace. I wouldn't want to spend my life having to get stuff sold on eBay.

1: Sorry, what did you call it [redacted]?

2: Yes.

1: Oh sorry. I missed that. What is that?

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2: I think [redacted]'s actually signed up separately anyway. You might be interviewing Matt on that side.

1: [redacted]?

2: Yes.

1: Sorry what is [redacted]?

2: It's also consumer-facing arm of the company if that makes sense?

1: Oh sorry. You did mention it at the beginning.

2: It'll be [redacted] that'll be powering the take-back skin, talking to the brands. Anything correctable and recycling will swap over to [redacted]. Then, anything for resale within the UK, Europe would be via [redacted] website. Also that'd be selling overstock and deadstock and customer returns. We're talking to a couple of brands at the moment, actually, about up-cycling a lot of the customer returns or at least offering a repair service when stuff's returned just because a zip's broken or a button's fallen off.

1: Sorry, when you were talking about it earlier I didn't actually hear the brand name. Okay, repair as well. It's great to have those two different arms so clearly defined within your business, isn't it?

2: Yes I think it used to be the case, it just worked out. When we looked at it this time it was, just keep the two separate because it avoids so much confusion.

1: How about investment partners, and in terms of policy, do you think that needs to happen or is it going to happen anyway without the policy changes?

2: I think some policy would probably help drive it a lot quicker and it would probably put a bit more structure towards it. I'm always worried with brands. There's always going to be a lot of brainwash. We was talking to one brand and they were saying about up-cycling stuff or re-listing it. It's like, well actually when you look at the cost of doing that, it's only going to be a couple of pounds a garment or what have you. Then they come back and say, "Well, our cost price is about that, so we'd be better off just buying new." It's like, "Yes, you're not getting the point here, are you?"

1: They're in their own little brand world. Would you see yourself approaching investors? I know Wrap actually said they've got some grants for--

2: Wrap they've got a textile grant fund which they've released again for this year because no one applied to it last year and then they've just pulled because they're now saying they might use that money as like a relief fund, but if you read the document, basically they're saying they want to invest in capital equipment that's going to wave a magic wand at this industry, but there isn't a magic wand to be waved so the grant money they have got isn't really for anything as far as we can see. I've looked at it and tried shoehorning a million different things into it. It's just so unclear what they want.

1: Okay. Not really understanding the supply chain.

2: [inaudible 01:02:15].

1: Okay, great. Thank you for that. I'll just move finally really quickly. I've got this, on the fourth slide, this definition. I don't know if you read it when I first sent it. It's probably a bit small on your phone screen.

2: What the surplus synthetic fibers?

1: Yes. Just if you have any.

2: I can read it, yes. Yes, that seems a good definition.

1: Is there anything you would add or take away or that's--

2: There's something that came up the other day. Hang on I'm trying to find it. The last, the feedstock, further, equal are higher value processing because I think this derives from people who are always like, "We shouldn't be downcycling." It came up in conversation because somebody wanted to ensure that all cotton collected actually went into insulation rather than being re-spun for new fibers because obviously they wanted to protect cotton, but it was a case of if you look at what that cotton insulation would be an alternative to it's still a million times better because expanded foam is the general thing. It's like, "Hang on. Let's not overly worry that it's been downcycled because it's still as a replacement alternative product. It's a million times environmentally better than what's currently being used."

I see logic of upcycling and ensure it's a higher value proposition is better but sometimes it doesn't matter because a lower value probably didn't. Also, you've then got potential market size. If you're turning something into insulation for the building industry, that's an absolutely huge market as opposed to average pound pair of denim jeans that a few people might buy.

1: Yes that's true. I guess because we're defining it as circular the problem with, I completely agree with you on the principle, but it means that it can't be circular because it wouldn't be recoverable but it's a really good point. Maybe it's a distinction that we need to make as well.

2: It's a case of lifecycle, isn't it? and time and what have you?

1: Yes. Closed loops are a really lovely idea but actually in practice they're not--

2: Yes especially when you start looking at the energy and chemicals used to pair with that. You might find that you're just doing lots and lots of small circles but it's having a greater effect than if it's just going to be a wide one.

1: Okay. Anything else that you'd add or are you--?

2: No, it all seems pretty good. I'll read the other bit quickly. [pause 01:05:24] No, it all looks good.

1: Okay thank you. Right, well, that's the end of my questions so thank you so much for persevering with this.

2: That's all right.

1: If it's okay with you I'll get back in contact with you when we've got something to share and we'd like to get some feedback from our 2s about what we come up with.

2: Not a worry.

1: Perfect. Thank you very much. Enjoy the rest of your day and speak to you soon.

2: See you later. Cheers for everything.

1: Thanks. Bye-bye, bye.

2: Bye.

[END OF AUDIO]