CCES 2025
Textiles & Apparel Track Session Summary

Scaling Regeneration and Circularity in Fashion

Join Canopy and Bast Fibre Tech in a solutions-driven fireside chat focusing on Bast's work collaborating with brands on the future of sustainable fashion, the Next Gen fibre innovation opportunity, and strategies for overcoming obstacles--all with the goal of inspiring and empowering other brands to do the same.

Speakers:

- **Sophia Yang**, Canopy
- **Fergus Hall**, Bast Fibre Technologies Inc.

April 16, 2025, Montreal, Canada

SUMMARY

Canopy, a 25-year-old non-profit, working to protect biodiverse forests through business engagement and market campaigning, collaborates with nearly 1,000 brands in textiles and paper packaging. Their CanopyStyle initiative engages almost 600 fashion brands, promoting policies against sourcing from ancient and endangered forests and scaling next-generation solutions. Canopy aims to achieve 60 million tons of next-gen fibre by 2030 by utilizing agricultural residues (flax, wheat straw, hemp) and recycled textiles.

Bast Fibre Technologies Inc. (BFT), founded in 2016 in Victoria, specializes in developing and commercializing intact bast fibres from traditionally low-value agricultural waste streams like hemp, flax, banana, jute, stinging nettle, and kenaf. Their mission is to create higher-value applications for these fibres, diversifying feedstock for industrial nonwovens and textiles. BFT acquired a plant in Germany in

2021 and a larger former cotton mill in North Carolina in 2022, reaching a current capacity of 10,000 metric tons with a target of 17,000 tons by end of next year.

Brand Collaboration: BFT takes a collaborative approach with brands like Patagonia, Kotex, Ikea, Stella McCartney, Lee Denim, and Inditex. Recognizing that brands are often high up in the supply chain and may not deeply understand fibre, BFT invests in the supply chain to provide plug-and-play solutions. An example is their collaboration with Patagonia, which sought a localized regenerative source of bast fibre, enabling the project to advance while opening new markets for BFT. BFT also produces products for industrial nonwovens, personal care, and home textiles, which have faster go-to-market timelines, helping to bridge the revenue gap while longer apparel development projects are ongoing. Canopy's LCA work with Stella McCartney has also highlighted bast fibres as a successful next-gen solution.

Financing and Collaboration: Both speakers emphasized that while brands have an appetite for innovation, lack of financing, "pilot paralysis," and insufficient regulation hinder progress. Pre-competitive collaboration in the next-gen space is critical. BFT collaborates with other innovators, like those working on lyocell from hemp (similar to latex), and blends natural fibres (regeneratively sourced wool and cotton) with hemp to offer diverse, commercialized options to designers.

Performance and Scale: Brands require specific performance specs for end products (e.g., thermal regulation, breathability for insulation) and, more critically, supply chain performance (efficiency in spinning and fabric production). BFT's investment in large-scale facilities and direct farmer relationships have been crucial in moving projects forward.

Localized Production and Sustainability: BFT built localized supply chains in Europe and the US for transparency, traceability, and reduced shipping, which also positioned them well for tariff challenges and aligned with brands' goals for supply chain transparency. Their long-term plan includes a strong presence in Canadian farms and manufacturing. This localized sourcing is integral to BFT's sustainability DNA and also provides economic benefits, including the "Made in Canada" label for their Canadian operations.

Research and Regenerative Agriculture: BFT has an ongoing LCA on their supply chain and is collaborating with North Carolina State University (NCSU) on regenerative agriculture practices for hemp cultivation. Hemp is an ideal crop for regenerative farming, which reduces inputs and avoids irrigation and tilling. This partnership has led to projects blending regeneratively grown cotton and hemp to produce denim locally in North Carolina for US brands.

Investment and Challenges: A major challenge is the lack of financing for next-gen fibre projects, often leaving them stuck in pilot phases. BFT was fortunate to secure $20 million from Ahlström Capital, a Finnish private equity company with a background in wood, which sought to diversify into alternative biomass. This strategic partnership provided not only capital but also expertise. The speakers noted that many private equity and VC funds struggle to understand the diverse options in next-gen fibres, highlighting the role of organizations like Canopy in educating investors and demonstrating collaboration over competition.

The discussion concluded with a brief Q&A, where Sophia addressed the common disconnect between brand sourcing teams and fibre knowledge, emphasizing that while some brands are highly knowledgeable, introducing new materials often requires deeper engagement. The challenge of feedstock availability also affects the next-gen market, underscoring the need for government support and development bank funding.