Hello, everyone. And welcome to Hanken "Sustainability Unwrapped" podcast. In today's episode, we are delving into the fascinating world of fashion. We are exploring the fashion industry from the perspective of sustainability and intellectual property. My name is Heidi Harkonen, and I'm going to be your hostess for today.

First, a few words about my background and my background regarding sustainability, fashion, and IP. I am a lawyer and a doctoral researcher at the University of Lapland, and my research focus is on the optimal intellectual property environment for the fashion industry, especially from the sustainability perspective. In today's, we have a guest in the studio. We have Annariina Ruokamo.

And Annariina is a true fashion and sustainability expert. Annariina is a clothing designer with the expertise of sustainable designs tragedies and sustainable issues of the fashion industry. Welcome, Annariina.

Thank you, Heidi.

Now, first, Annariina, would you tell us a little bit about yourself-- your education and occupation, perhaps also a few words about your work history. You have done some very interesting and remarkable job when it comes to a certain fitness brand's sustainability issues.

Thank you, Heidi. Yeah, I've studied clothing design and graduated from University of Lapland. I'm a master of arts. And currently, I'm working as a research and development and innovation specialist in the LAB University of Applied Sciences in the Institute of Design and Fine Arts. I'm working with several projects dealing with circular economy, circular design.

I'm working in several projects dealing with circular economy and circular design. For example, in this project, we are researching recyclability. And also, I work in Telaketju project where we are aiming to build business through circular economy of textiles. And also, I do part time teaching in LAB University of Applied Sciences, and I have taught sustainable design and sustainable fashion for four years now.

Before going to the RBI world, I have a five-year experience working in fitness clothing brands, such as Ivana Helsinki, where I worked as a designer a few years back. And before starting in LAB University of Applied Sciences, I actually worked as a sustainability advisor in PAPU, which is a Finnish clothing company.

And I actually had a big role in there when we were starting the sustainability reporting of PAPU. And we succeeded quite well in this rank brand collaboration in the years 2019 and also in this year, 2020.

Yeah. In 2019, you were actually the best of fitness brands in this--

Yeah.

Brand competition.

We [INAUDIBLE] very well at the time.

Yeah, really good work. Wow, that was really nice to hear you have an exciting work and educational history. In today's podcast, our intention is to talk about sustainability in the fashion industry and involve some intellectual property law perspective there also. Well, you might wonder as a listener, what has sustainability got to do with intellectual property law, especially in the context of the fashion industry?

And I thought that I could, as a legal expert, briefly introduce this background first. Well, as you know, fashion is a very IPR intensive industry. Fashion deals with plenty of creativity, but also it is notorious for copying, imitation, and counterfeit problems.

Historically, the global fashion industry has had to operate in a low IP environment when it comes to protection of fashion designs, especially when we are talking about copyright terms. Also, fashion is one of the most polluting industries globally, mostly thanks to the fast fashion phenomenon. Fast fashion brands produce extremely high volumes of trendy garments, and then they sell them for consumers for incredibly low prices.

Of course, when the prices of fashion items are very low, someone has to pay a high price for this cheap fashion. And that someone is both garment workers in developing countries and also the environment. Fast fashion actually has benefited from the low IP environment of the fashion industry.

Rather than creating anything new or original designs themselves, fast fashion companies have a tendency to copy others, such as high fashion brands or indie designers. Legally, it has been a rather risk-free activity to knock off designs of others and make cheap, low quality copies of them. And this way, the low IP environment has played a role in the fashion industry's race to the bottom when it comes to sustainability.

Now, I have researched fashion from a legal perspective for almost eight years now, and I dare to say

that it is virtually impossible to explore the fashion industry in this day and age without considering its sustainable development, at least in some level. And especially now in the era of fast fashion, it is increasingly important that we have fashion brands and designers who are trying to change the way things are.

And that is why we need experts such as Annariina who know how to include sustainability in the creative process, in the designing process already from the beginning. Now, today's podcast episode is divided into three parts. First, we are going to talk about environmental sustainability. Then, we are going to switch to talking about human rights from the sustainability perspective.

And then finally, we are going to discuss about how all of this affects a fashion brand. What has sustainability got to do with the brand image of fashion? And as we know, brand of a fashion company is perhaps its most valuable intellectual property asset. So let's begin.

Our first theme-- environmental sustainability in fashion designing. As Annariina introduced herself, she has now been working within the fashion industry for more than 10 years already. And now, you are teaching sustainable designing yourself for future fashion designers. I want to ask you, Annariina-- have you noticed a change during these years when it comes to how the fashion world and designer education sees sustainability and its importance?

Yeah, definitely. I would even say that the change is remarkable. And I can only wish that I would have had such courses about sustainability when I started to study in 2009. For example, at LAB, sustainability is the starting point in every design test that I'm giving to my students.

And when I started out with my studies, I actually had only one course dealing with sustainable development, and that's it. So the change is real, thank god. And actually, most of the knowledge and expertise I have gained during my career is by educating myself.

So it was in the beginning of my studies when I started questioning this industry. And I was struggling with the fact that, actually, my future job will be designing new items to the world that already then was turning into textile waste. So that kind of started my journey towards sustainability, and I started to find out alternative ways to work in this complex industry.

And luckily, I have found those ways as well. And I would say that the atmosphere has changed totally within the whole fashion industry. I wouldn't consider sustainability as a trend, because it is more like a long term commitment. But still, every sector in this industry are nowadays aware of sustainability somehow.

And that is totally different today as it was 10 years ago. But unfortunately, this doesn't guarantee that the industry works in sustainable ways. So we have a lot of work still ahead.

Wow. That's really interesting. And actually, I have a similar experience. Before going to law school, I actually studied fashion designing in the same programme where Annariina graduated from-- so University of Lapland faculty of arts and design. Well, I only studied one year and I never got any kind of a degree from there. But, well, I can't remember that 2007-2008, there would have been really any talk about sustainability.

And, well, I didn't consider sustainability issues myself back then either. So it's really good to hear that this is changing in the education. How about after education when a fashion designer is already working in the industry-- in what kind of concrete ways can an individual designer take sustainability into account in their designing process? And what are the key challenges related to this?

I would say that the most important thing is for a designer is the designing for real need. And that is already a paradox, since this industry doesn't work like that at the moment. We are first designing, then producing, and selling these garments through careful marketing. And actually, we are rather talking about desire than real needs.

And we don't need that much stuff, but we desire a lot. And that is the key challenge that we should tackle as designers and also as consumers, I would say. But, of course, there are many practical ways for sustainable designing. And we can start, for example, from the materials selection.

We need to compare different options and find the material that is at the same time durable, long lasting, has as low environmental impacts as possible, doesn't harm the animals, the people during its processes. And then finally, it ideally it could be also reused, remanufactured, or recycled after its first use.

So there are a lot of aspects that the designer needs to take on. And that is only about the materials choice. Of course, when we are talking about the garments, we have a lot of other aspects as well. But I need to disappoint you with the fact that this doesn't happen in general in the industry at the moment. We really need to focus on sustainable and circular design. Both are important already now, but they should be more important in the future as well.

Real needs versus fake needs.

Yes.

The fashion industry really makes us believe that we have needs that we actually do not have. People don't need so many garments. I also remember when I studied fashion designing that one topic that we discussed in classes was how to get old people to buy new garments. The challenge was that these old people wear their old clothes from the 1980s, for instance, and they don't buy new things.

That was treated as a challenge. But now that I think of it, why would they need to buy new clothes? If they don't feel like they need them, why would the fashion industry need to make them believe that they need new garments?

Exactly. And I feel like definitely in this industry, we should focus on finding new business models, because buying isn't sustainable.

Yeah, that's true. It's not. Recycling, repairing, borrowing, things like that, they are way more sustainable. Let's move to the topic of intellectual property rights a bit. Now, we've been talking about fashion education. I want to ask you-- are intellectual property rights currently taught to fashion design students nowadays? And did you, for example, receive any IPR education when you were studying fashion designing? I remember that I didn't, but how about you?

I remember that I've had maybe a few hours session about IPR in product design during my studies maybe in the second grade or something. But that's it. We didn't have that. And we weren't discussing about it at all, I would say. And I assume that nowadays, it isn't different. I think it isn't taught to students nowadays either.

Do you remember if you talked about, for instance, copyright or design rights or trademark rights? For instance, did you discuss about this problematic situation that the fashion designs have in the copyright context-- that they are not necessarily always protected by copyright because of the high threshold of originality?

I don't remember much about it. I just remember that we had some kind of session, but I feel like it is just very hard to understand all these copyright issues and everything. And I think that these are something that we as designers, we don't even know-- what are our rights?

OK. Yeah, well, that actually leads me to my next question. I wanted to ask you, do you know if young fashion designers or fashion design students even know about their intellectual property rights when it comes to their creative work? And if they do, are they willing to enforce these rights against someone who copies them?

Yeah, I would say that they don't know their rights. And to be honest, I don't know them either. As I said, the whole world of IPR in fashion, it seems to be very complex. And I feel like designers are also a bit insecure in that area too.

And also that if they would face some kind of copying, for example, I would say that they don't maybe have courage or enough knowledge to know how to act in such a case. It's just very hard for us designers to understand, and we don't talk about it enough.

Yeah. Yeah, that sounds very, very likely. Even for lawyers and researchers, the IP environment in the fashion industry is extremely complex. It's very complex to me, even, and I've been researching that for five years now and I know way more.

Well, anyway, I've read research that states that there are some kind of social norms in the fashion industry that prevent, for instance, young startup designers from suing, for instance, big fashion companies, even if they notice that they have been copying them-- it's just not socially acceptable to take legal measures against big corporations if you are a small individual-- a fashion label who's just starting.

Yeah, I believe, and I actually have the same image about it.

Now, this whole question of copying and copyright infringement, IP infringement in fashion industry, it is a rather complex set of issues . When it comes to copying, what are your thoughts about the distinction or the line between imitation-- so real copying-- and inspiration? And by inspiration, I mean being just inspired by another designer's work instead of copying it?

As we know, trends work in a way that different designers might have similar looking items in their collections at the same time. So it might be difficult to distinguish whether it's imitation or just innovation. So how about you, Annariina-- do you think it's easy or difficult to draw a line between these two actions?

I find this question very tricky, because in the fashion industry, this inspiration happens a lot. And in the era of social media, and especially Pinterest, to be more exact, there is a very thin line between inspiration and imitation. And I would say that many designers don't even know if they are inspiring about something or just doing imitation.

And maybe they have a hard time recognising the difference in those two. But my experience is that in the fashion industry, imitation happens all the time. And it might be just copying the design straight from the picture, or it might happen also by just creating some kind of pattern and copying it straight

from the ready-made garment. And that is not only something that the fast fashion houses do, and I would say that also some smaller brands can do that as well.

Yeah, I've heard about similar issues. And I also heard about this phenomenon that if you are an independent fashion designer and you're applying for a job from a big fashion company or try to get a position as a freelance designer, and then you're showing your portfolio, and then it turns out that, actually, you don't get the job, but then your designs from your portfolio are being ripped off. So they are being copied by this company where you applied for.

Yeah, I've heard such cases as well. And it's very unfortunate for designers. I think we should definitely find ways how to get rid of that kind of system, because that leads to the point where designers won't show their work when applying for jobs, for example.

Yeah, exactly. Then you would need to keep your portfolio as your personal trade secret.

Yes, yes, exactly.

Because there's a danger that someone will steal its content. Of course, what makes all of this very difficult, especially in the global context, is that we have big market areas such as the United States where, in principle, fashion designs cannot be protected by copyright, because they're used for articles so their fashion designs can be more freely copied, whereas in the European Union context, we are moving towards a unity of art, which means that fashion designs can also be protected by copyright law.

That, of course, makes it legally rather risky to copy fashion designs. But as we just discussed, there might be some problems when it comes to enforcements, especially young starting fashion designers. They might not have the financial resources or the courage to enforce their rights. Now, let's move a bit to the theme of sustainability from a human rights perspective.

What makes fashion, and especially fast fashion, so dangerous from the human rights perspective is that global garment production is often outsourced to developing countries. And in these developing countries, labour laws are not that strong. The minimum wage doesn't cover basic costs of living. So it's not a living wage. Working conditions are poor. And workers are not allowed to unionise, to name a few problems.

We have heard about these grave labour catastrophes, such as the collapse of the Rana Plaza building. And, well, it seems that it is almost taken for granted that garments sort of have to be

manufactured overseas in countries where the cost of labour is low. Also, it appears to me that consumers nowadays, they are not so willing to pay the price of Western labour or labour that just actually gets a living wage.

There's a race to the bottom among certain fashion companies. Annariina, are there any alternative ways of garment manufacturing? And in your opinion, are Finnish brands willing to pay enough attention on the sustainability when it comes to manufacturing process?

Well, yes, there are alternative ways for garment manufacturing, but those alternatives aren't usually such resource-efficient as producing our garments overseas. Those alternatives could be, for example, local production. But that is the biggest thing leading the industry processes because of, for example, the fast fashion giants, they just aim for big volumes as cheap as possible.

But then when we are talking about Finnish, maybe smaller brands, they have more options. Because usually, they don't aim for big volumes. They rather prefer good quality, long term partnerships, and also the transparency of the supply chain. That is more important to the smaller brands than they are for big fashion giants.

And yeah-- so they have kind of options. But of course, like we are still talking about very complex and complicated supply chains-- very long supply chains in the fashion industry.

Also, one challenge that comes to my mind is, well, I talked to a CEO of a Finnish fashion brand that manufactures bags and other leather goods. And she told me that they actually wanted to manufacture their products in Finland, but they faced the problem that there just wasn't a factory in Finland that was able to do what they wanted to manufacture. So there just wasn't resources for it. I also found that quite interesting-- that just, it's not always possible to manufacture in Finland, even though a brand would want to.

Yeah, the situation is like that. And it doesn't consider only the accessories, it is for the garments as well. We don't have factories that have the capacity of producing such amounts of garments that we need. Even though the volumes are so much lower than with the big fashion giants, then, still, we don't have factories for, for example, middle-sized companies' needs.

Right. Well, is it possible for an individual designer or a small fashion label to make manufacturing of garments more fair so that there wouldn't be risks of exploitation, or at least not as high risks of exploitation? Is it even possible this day and age?

Well, the most effective ways for transparency and transparent supply chain is to keep it as short and

as simple as possible. But how to do that, I don't actually know. Because even if we would have a brand that is manufacturing their garments in Finland, for example cotton garments, then the fabrics are coming always elsewhere. And so the cotton fabric might be produced in Italy, for example.

But then we need to go back to the yarn and fibre production that might happen elsewhere. And then when we are talking about the origin of the cotton that is harvested and collected, most likely from the other side of the globe, then we have such a long supply chain, even though the brand is manufacturing in Finland. So that is the real problem in this industry. And I don't know how to tackle it.

But luckily, we have some bright future options here in Finland as well, because maybe in the near future, we can actually collect our old clothes, then recycle and re-manufacture them into new garments. And maybe this can be done locally-- totally locally. So of course, in this case, we wouldn't know the origin of the first garment, but then we would need to really know the whole process of the recycled garments. So maybe that is our future in Finland as well.

Yeah, that would be a true circular economy also. While you mentioned cotton, that, indeed, is a very tricky question. Cotton even has this brand of a eco-friendly fibre, because it's a natural fibre. And for instance, in the early '90s, the fashion industry exploited this image of cotton as an eco-friendly fibre in these eco-chic fashion trends that was popular in the '90s.

It involved natural fibres and this natural look. But that was a marketing trick only. The garments were still made water unethically. And the manufacturing of cotton, it requires massive amounts of water and also farmland that could be used for food production. But it's not so.

Cotton is a very tricky fibre. Also nowadays, the fashion media has talked a lot about cotton that originates from Shenzhen, China, where forced labour of Uyghur minority is used. And I mean, it has been estimated that virtually every fashion brand, almost, in the world is somehow connected to cotton that comes from Uyghur areas and forced labour of Uyghurs.

Now, let's move to our third topic, which is sustainability and its effect on the value of a fashion brand. Well, in today's world, where we talk a lot about fashion and sustainability, it is, of course, an asset for a company if it can declare that it is sustainable. However, the word, sustainable, itself, it doesn't really mean anything, and it is often used in a very misleading way.

A phenomenon called greenwashing refers to a brand that is pretending to be more sustainable than it is by, for example, using sustainability related terms in its marketing. One example of greenwashing is a fast fashion brand that sometimes introduces these so-called sustainable

collections that are made of so-called eco-friendly materials, such as recycled polyester or organic cotton.

However, as long as a fast fashion brand continues to produce as many collections per year as it does-- and now we are talking about dozens of collections per year, with weekly or even daily refreshments-- it cannot be sustainable. It's just impossible. Hence, for a brand like this to claim that they care about sustainability because they have one sustainable organic cotton collection every year is pure misleading of consumers.

For example, the Norwegian consumer authority declared that the fast fashion giant H&M is making false claims that play on environmental emotions of consumers. And this consumer authority in Norway concluded that H&M's Conscious Collection advertising is misleading, and that it actually violates Norway's marketing laws. Annariina, what are your thoughts about this greenwashing phenomenon, especially considering that you have worked for brands that actually take sustainability very seriously?

I would say that it is a very unfortunate phenomenon, especially because it happens so much. But also for my opinion, no one benefits from it-- not the consumers nor the brands. And also when talking about sustainability as a word, it is a very misleading word itself, since it may mean different things to different people.

So actually, we are using the natural resources in everything we do. How can we even claim that to be sustainable at all? So of course, when we are talking about greenwashing, there might have been also some kind of unintentional greenwashing as well, because maybe all the brands doesn't really know the real sustainable actions-- how to talk about it, for example.

Now, telling customers about sustainability policies is often called transparency. And transparency is increasingly important nowadays, since customers very often want to know about the ethics of brands. Annariina, since you have this work experience related to PAPU and Ivana Helsinki in this matter, I want to ask you-- how can a brand, especially a smaller brand, be transparent and signal sustainability to its consumers? And what are the important factors to consider?

When marketing with sustainability claims, the brands should always prove their claims right. If all the brands are telling they are sustainable, how can the consumers know which brand is sustainable and which one is not? And of course, I know that everybody wants to be sustainable. But even from a brand's point of view, it is too big a risk to take with the false sustainability claims, and then they

might be exposed in the future.

But what we need are the real indicators how to measure sustainability. Because as you said, sustainability can mean different things to different people. And as we don't have general indicators for sustainability at the moment, then brands should still have some evidence of the sustainability work that they are doing.

And they should definitely talk about sustainability in the most transparent way as possible. So basically, it means that you should tell everyone. And if you don't know something, then you should find out. If there are some points in your supply chain that you don't know, find out and tell it to your customers.

And yeah, also what we should think about that we are taking already more from the nature than we can ever give back. What brands should really talk about and think about-- how could they change this mindset? Good brands create whole new business models. Like, for example, so that everything doesn't need to be like, we are just selling as much stuff as possible. So that is the real sustainability, in my opinion, that you are actually recreating your brand to be more sustainable.

Yeah, I agree. And this is especially important in the fast fashion context and when it comes to these fast fashion companies that claim that they care about sustainability. If they honestly did-- if they honestly would care about sustainability, they wouldn't be fast fashion brands. They would reinvent their business strategy completely.

Sometimes, you read these news about brands who are failing to be open about their sustainability policy, and the measures that they take in order to protect the environment and not to violate human rights. This causes quite a lot of bad will. For example, this Rank a Brand survey in 2019 and 2020 has shown that not all Finnish fashion brands care about sustainability that much.

Now, I'm not going to name and shame here any of those brands who did not do well in these surveys, but I am saying that as a consumer, I will never forget which brands got the lowest scores in the service. Hence, ignoring sustainability and transparency might have damaging effects for the brand's reputations. And consumers, well, they don't forget if your brand's reputation is ruined, especially if you give false promises about sustainability.

Annariina, what are your thoughts about this? What kind of effects can sustainability or the lack of sustainability have on a brand's image?

Well, Rank a Brand really has shown the power of sustainability reporting as a marketing tool as well,

because we always need to remember that this survey was done by researching a company's sustainability claims and sustainability reporting. And in fact, when Eetti was ranking PAPU at the first time, PAPU got the lowest scores in the beginning. But then Eetti gave us time to update the information to our website, and then PAPU got the most highest scores compared to the other Finnish brands that were in the competition as well.

So it was more about that we didn't change anything in our actions in PAPU during that survey, but we just updated the information. And that was a good lesson for us as a company to realise that, yes, you definitely need to have those indicators and some kind of evidence how to prove your sustainability claims. And that was the difference that PAPU succeeded to do in that corporation.

But of course, this Rank a Brand method isn't a flawless tool. But I really think that it has given very good basic guidelines for companies to start their sustainability reporting. And as we can compare the results from 2019 and 2020, many brands really improved their scores in this survey.

They were significant--

Yes.

When it came to almost every brands. Well, then there was this one brand who didn't report anything in 2019 or 2020 and was the worst brand.

Yes.

In the survey.

And that is a shame, because I believe that there is still something good that they do. And if they don't, they should really start looking their business in a new way and check out their strategy. But in general, brands should definitely see sustainability as a competition or advantage rather than just a loss of time and money. Because you can really find new ways to recreate your business models.

For example, in the project [INAUDIBLE] we had been working with a few brands that had been creating totally new business models that really follow the principles, for example, of circular economy. And we need these kind of forerunners, the fashion industry and to the Finnish fashion industry as well. And actually, I really do think that we should really do good for the planet, people and animals. We are now focusing more doing less harm. But what we should do is like, how could we actually give more than we take?

I couldn't agree more with you. And we concluded that this Rank a brand survey 2019, most brands, they were not doing so well. But 2020, there was so much improvement. So, brands, they really can improve in this matter. And I would like to ask you if a brand that has not really cared about sustainability before would now like to change its habits, what would be the first steps to take? And how could this brand that wants to become more sustainable improve its brand image in this matter?

At first, you should really understand sustainability and believe in it. One designer or one employee in a company doesn't make a difference unless everybody is committed to this common agenda. And in companies, sustainability is starting from the company leaders. And it is not just something that you can glue on the already made products.

And that is the whole starting point to be sustainable. And in such companies where sustainability has never been the key point, the company really needs to reset and recreate a new strategy to follow. After that is done, then we can talk about the brand image and marketing, because sustainability is all about real values facing true actions. And it cannot be faked.

Very fascinating, interesting thoughts-- a lot of food for the brain. I think it's time to wrap up our very interesting discussion about fashion and sustainability and IP. Now, listening to you talk, Annariina, I started thinking that sustainability is truly an intangible asset for the brand. Genuine sustainability measures are sort of intellectual property of a fashion brand. It's something that can be utilised in marketing, for instance, and, well, to improve the brand value.

Thank you so much for coming, Annariina, and sharing your expertise and insight with me and with the podcast listeners. I am very happy that you're educating a future generation of fashion designers in Finland. And I am sure that they are in good hands and will make a difference and make the future of fashion more sustainable. Thank you, Annariina.

Thank you for having me, Heidi.