

SUSTAINABILITY

Brands need more ambitious sustainability goals: Tesla cofounder

May 28, 2021



Sustainability has been a core value of electric automaker Tesla. Image credit: Tesla

By KATIE TAMOLA

Sustainability is a mammoth topic for brands to consider, but setting bigger goals could lead to more success.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

During a fireside chat with *Vogue Business* senior sustainability editor Rachel Cernansky at the [Vogue Business and Shopify Sustainability Forum](#) on May 26, a Tesla cofounder discussed the ways the fashion industry can grow from expanding its sustainability goals. Consumers and employees alike are increasingly desiring brands and companies to aim higher and be more transparent with their sustainability efforts.

"If you don't take some risks, even with customers in the public market, you aren't aiming as high as you could be," said J.B. Straubel, founder/CEO at Redwood Materials and cofounder at Tesla. "I've seen customers really reward brands and companies that do this, and they are so hungry for leadership and a sort of purity in thoughts around sustainability, which was a major part of what built the Tesla brand."

Striving for the almost-impossible

Mr. Straubel joined Tesla in 2004, where he invented or co-created many of the automaker's technologies and served as the chief technology officer.

In 2019, he departed from Tesla and founded [Redwood Materials](#), a recycling startup. During the fireside chat, he spoke at length about the lessons he learned through his work at Tesla and which techniques regarding sustainability can be implemented in the fashion industry.



J.B. Straubel is a cofounder of Tesla. Image credit: Stanford University

According to the former chief technology officer, leaders need to take a look at the very long term. Brands need to consider what the world is going to look like when they inhabit it and beyond.

"I just believe it's very, very important and sometimes surprisingly hard to make sure you devote some time and keep focus on a really big picture and a long-term vision," Mr. Straubel said. "With humans, it's kind of easy to kind of drift into the here and now and be very consumed with the moment.

"It takes effort to think about what your kids will be experiencing or their grandkids and what the world is like after you know, we're gone."

Mr. Straubel advises fashion brands to stay focused, aim exceptionally high with sustainability goals and be cognizant of partnerships they form, as it is a prominent reflection of ethos. He also spoke of the flexibility needed with setting large goals and accepting failure.

"It's a tricky balance so of setting goals that are, you know, I would say on the edge of impossible," he said. "It is tricky because sometimes those schedules might not be met and it can create a culture inside of teams and companies that is a bit less predictable, which I know is uncomfortable.

"I think the tactical way that to help implement that is to allow some level of flexibility and unpredictability. Be okay with failure."



Consumers are ready to reward sustainable brands. Image courtesy of Gucci

It is imperative for brands to keep a balance of striving for difficult, ambitious sustainability goals while also being optimistic. Mr. Straubel advised against brands taking shortcuts and to keep trying because consumers will notice the effort.

"I think customers build that loyal following and will build the brand organically if they see and really trust that the company is totally aligned, that it's doing the right thing even when it's hard, or even when no one's watching," he said.

Consumers craving sustainability

Many consumers now expect brands to show their commitment by investing in circular design, anticipating second lives for their products and improving supply chains to match their new standards.

According to Altiant's annual Sustainable Luxury Brand Index, fashion labels Stella McCartney, Louis Vuitton and

Chanel lead the industry as champions of sustainability. Tesla was another strong performer, securing more than half of its overall consumer mentions from North America ([see story](#)).

As Ms. Cernansky and Mr. Straubel discussed, when it comes to sustainability efforts, consumers are craving transparency and authenticity.

LVMH has consolidated its existing reports about its social and environmental commitments for a more holistic view of the group's efforts. The report also reinforces the notion that sustainability and corporate responsibility covers aspects outside the environment, which is of particular importance as consumers expect brands to align with their own values ([see story](#)).

"This is kind of a once in a generation sort of chance for us to reinvent a lot of these things," Mr. Straubel said. "It's about imagining a really optimistic future that you want to get to, but then coming back and having a Zen focus on solving problems one at a time in an organized way."

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.