



Patagonia's Success As a Green Product

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Patagonia's History

Instead of a product I picked a green company.

The Founder and CEO



Yvon Chouinard is the founder and creator of Patagonia.

Before he found Patagonia, he was an avid rock climber and lover of nature. Through his hobby, he created reusable pitons to help people climb rocks, so that people would not have to buy one-time use pitons.

After a few years of running the largest supplier of climbing equipment, he realized that his pitons were damaging the rocks and mountains they were being used on. He then pivoted the company to selling his clothing that he had found during his travels. Thus, the birth of Patagonia.

The Creation of Patagonia

In 1964, Patagonia started off as a small company of a few dedicated workers. From its inception, the company wanted to maintain its founder's belief of helping the world be more sustainable and curb consumerism, while also building a profitable business. In its first years, it had two fundamental beliefs: 1. Grassroot efforts make a difference. 2. Give money to those need it.



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The Product and Profitability

Patagonia



Patagonia is a sports and outerwear clothing company that aims to help the environment through business. The product lines range from jackets to sweaters to vests. Every sweater that is made from cotton is actually organic cotton.

Achievements

By believing in helping the environment, Patagonia increases its innovation. They have videos that help customers patch up their clothing, and finding new ways to create clothing. Their organic cotton has help save the environment, as well as inspire other companies to move toward more sustainable futures.

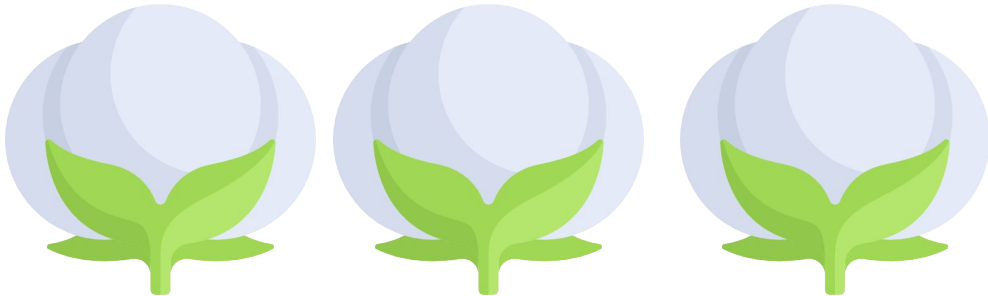


Organic Cotton Sweater

Why?

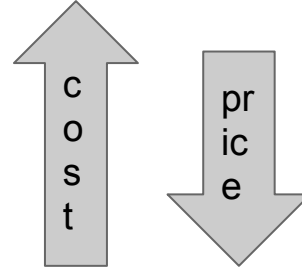
25%

Of all toxic pesticides came from cotton. Patagonia was using thousands of pounds of cotton to makes its products. So it switched to organic cotton.



Profitability

Once Patagonia switched from cotton to organic cotton, they saw an increase in cost. They had to increase cost by 300%, but only increased the price of the sweaters by 2%.



However, according to the Harvard Business Review, Patagonia has seen an increase in sales by 15% every time they do an environmental campaign. Their profits are in the billions, hitting \$10B in 2015.

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How They Convince

Campaigns

10% profits or 1% of sales

Patagonia will donate whichever percentage has more money to an environmental cause. It will be for either a political, educational, or social cause for the environment.

Don't Buy This Jacket

On Black Friday in 2014, Patagonia had a label on all its new jackets to not buy it. The label talked about how much had to go into creating the jacket, and how it affected the environment.



Campaigns Continued...

Donate Black Friday Sales 2016

Patagonia donated all of its Black Friday sales to grassroots nonprofit organizations dedicated to environmental causes. That resulted in a record breaking \$10M in sales.

Worn Wear

Patagonia offers to buy back old clothing to resell it. They also invite customers to share what they remade their clothings into. It inspires others to create what they want.

Campaigns Continued

Fair Trade Fleece

All of our Better Sweater® and Men's and Women's Synchronia® Snap-T® styles are Fair Trade Certified™ sewn. Every purchase sends more money to factory workers. Fair Trade Certified means that money will definitely be sent straight to workers so that money stays within the community. When there is money within the community, that stimulates economy because people have more disposable income to spend.



Next Steps

Patagonia's Innovation

Patagonia Provisions

Patagonia has started to move toward selling food: Patagonia Provisions. They want to reduce the supply chain of farming food, and work with local farmers to continue to do it.

Patagonia Material

Patagonia is now using hemp and recycled polyester in its clothing. The recycled polyester from soda bottles, so that it can reduce the green footprint.

The End