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Robb Report

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## How the Luxury Market Will Tackle Sustainability in the Next Decade

*Only the bravest and most innovative companies will survive.*

By Christina Binkley

Impressions: 1,200,000



Josh McHugh

Say you've arrived home after a leisurely weekend upstate. You plug in your Tesla—every spot in your condominium's garage has an outlet compatible with any electric vehicle—or perhaps you drop your Envoy electric car share with the resident-dedicated fleet. You slip past the conservatory's 20-foot-tall trees and the seven-story meadow wall that serve as part of the building's air-filtration system. As you consider a dip in the saltwater swimming pool, you arrive at your apartment and the full glory of the sunset across Manhattan, thanks to walls of high-insulating glass, whose clarity, due to low levels of iron in the silica, also eliminates the need for artificial light by day. Your building's zero-waste pledge means trash receptacles are outnumbered by compost containers and recycling bins for everything from old clothes to electronics, and small, wheeled totes have replaced black plastic bags at the curb on

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garbage day. When you moved in, your green movers shuttled your belongings in reusable bins.

This feel-good building is not some grad student's blue-sky thesis project. Designed by Renzo Piano and developed by Bizzi & Partners, it opened recently on Broome Street in New York's SoHo. It's at the forefront of urban residential design that caters to a luxury lifestyle seeking to tread more lightly on the earth.

Sustainability is driving the future of luxury not only in residential and commercial design but also in travel, food production and fashion, as younger consumers reject fuel-gobbling private jets and other high-octane goodies. No one is suggesting the industry is where it needs to be, given the science, but increasingly, consumers who want to make better choices have options: Ships that don't drop anchor to avoid damaging sea beds, off-grid resorts run on solar energy, cities in China that use pneumatic tubes rather than trucks to move waste, and designer fashions made with recycled and renewable materials are becoming more available as luxury consumers seek out and demand these innovations.



*The Broome Street property in New York. Josh McHugh*

"It's a baseline conversation we're having with all clients because they know their clients are demanding this," says John Bricker, creative director of Gensler, one of the world's largest architectural firms. He notes the growing importance of "soft" factors such as emotional connections and the sense of doing good, as opposed to hard factors such as price. "Millennials make decisions based on soft things. It's a topic that's one of their passion plays."

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These trends suggest that a luxury lifestyle in the future could look and feel different at every level, from the back-of-house operations that keep life on track to the very substances that we touch and breathe.

Cities will be quieter as gas-powered engines are replaced with electric and as trucks are taken off streets by more efficient technologies. Sarah Currie-Halpern, a cofounder of New York–based waste consulting group ThinkZero, sees a future nearly free of garbage trucks; instead, she predicts, organic wastes will be liquefied on-site and used to produce energy for buildings.



*The Broome Street property in New York. Josh McHugh*

Renewable energy will become a routine part of every home. Alessandro Pallaoro, managing director at Bizzi & Partners, foresees wind systems on roofs and batteries placed in walls to store energy produced with photovoltaic panels.

Green lawns will be scarce, especially in the arid western US, as daily decisions commonly factor in sustainability and social impacts. As transparency increases about where materials come from and how much energy they use, impacts will be quantified and measured. Certifications such as those offered by the Seattle-based International Living Future Institute will require many buildings to be regenerative—meaning that their positive effects outweigh the negative.

“If you’re spending a lot of money on a luxury house, you’ll know where the building impacts are,” says David Briefel, a sustainability director at Gensler in New York.

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Homes and offices, he predicts, will also be stronger and more resilient to withstand the unavoidable effects of global climate change—more floods, fires and storms.

Gensler, with a goal to one day reach net-zero water and energy consumption for its projects, has installed sustainability directors around the world. Briefel, a specialist in adaptive reuse and a designer accredited by Leadership in Energy and Environmental Design (LEED), considers traditional construction techniques such as rammed earth and breezy courtyards as he advises clients about architecture. “It’s very hard for me to separate good design from sustainable design, because good design considers all constraints,” he says.



*Stella McCartney's All Together Now Sweater. Hannah Khymych*

The fashion industry as a whole may be running behind, but it is now looking to Stella McCartney, who has made sustainability a tenet of her eponymous brand, for broader leadership. A longtime vegetarian, she was one of the first designers who banned the use of fur, leather and feathers at their collections. Today she is pressing ahead with new materials such as “Mylo” (a faux leather made from mushrooms), products that contain plastic scooped from ocean waste and even mannequins made from sugarcane derivatives. “What is exciting to me is constantly working on changing things that are conventional in this industry,” McCartney says via an e-mail in which she describes her searches for vegan silk and KOBA, a plant-based fur-free “fur” that also incorporates recycled polyester. “I’ve referred to myself as a farmer and not just a fashion designer. Not literally, but in the fashion industry we are taking a unit of a crop and transporting it. We just do something different with it than the food industry.”

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LVMH chairman and CEO Bernard Arnault cited her eco-friendly approach as a reason for his company's investment in her label last summer, after McCartney split from rival Kering. "We are convinced of the great long-term potential of her house," Arnault said in July, noting that he expects McCartney's focus on sustainability and ethical issues to help guide LVMH. Her responsibilities advising Arnault and LVMH's executive committee will go beyond implementing more sustainable materials, the company says, to advising broadly on potential initiatives.

McCartney says she is proudest of the effort that led to sustainable viscose, a common textile culpable for the harvesting of about 150 million trees a year. She and her team looked for three years before finding a forest in Sweden that is sustainably managed and offers a fully traceable supply chain.

Such examples of progress are all a long time coming. It's been 13 years since former vice president Al Gore produced the seminal documentary film *An Inconvenient Truth*, which made the case that the globe was in danger of overheating. Nearly every president since John F. Kennedy has warned about the need for sustainability. The one who may have best captured today's mind-set for purposeful consumption put it this way:

"Human identity is no longer defined by what one does but by what one owns. But we've discovered that owning things and consuming things does not satisfy our longing for meaning. We've learned that piling up material goods cannot fill the emptiness of lives which have no confidence or purpose."

That was President Jimmy Carter speaking presciently in July 1979, having just emerged from a 12-day retreat at Camp David, where he read two groundbreaking books that still resonate today:

*The Culture of Narcissism*, by historian Christopher Lasch, and *Small Is Beautiful*, by the economist E. F. Schumacher. Those ideas have become normalized for many millennials and Gen Z consumers, much as local farm-to-table cuisine is no longer a hippie ideal.

The very definition of luxury is shifting to include products once deemed decidedly not luxury, such as faux fur. Even Queen Elizabeth recently pledged not to commission any new outfits with the real kind, which is just as well, because Gucci, Prada, Michael Kors and Chanel are among the many fashion labels that no longer use animal fur in their designs.

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*Askov Finlayson parka. Justin Chung*

Outside the fashion capitals, businesses such as Minneapolis-based Askov Finlayson are trying to redefine luxury for the 21st century. Founded in 2011 as a menswear outfitter by brothers Eric and Andrew Dayton, whose family once owned the famous Dayton's department stores (now part of Macy's), Askov Finlayson was named to several lists of the best men's stores in the nation. But the Daytons shuttered the retail operation for a makeover, relaunching it this past fall as the "first climate-positive outerwear brand" and possibly the most minimalist. There are three product categories: apparel (T-shirts and a sweatshirt), the label's popular knit caps, which are part of a climate-change campaign dubbed "Keep the North Cold," and winter parkas, one cut for men and another for women.

The parkas' materials are nearly 100 percent recycled, from their 3M insulation to the water-resistant polyester outer shells, the care labels and even the zipper teeth. The legendary arctic explorer Will Steger, who led the first dog-sled expedition to the North Pole, helped with technical details, and there is a data-world consideration: an interior pocket with "Present Mode" technology that blocks cellular and Wi-Fi signals if a cell phone is placed in it, "to help Askov customers go offline and be present with friends and family," says Eric Dayton, whose third son was due to arrive any day.

"Every step, we look at how we can reduce the impact, if not eliminate it," says Dayton, who sought out a factory that promised 97 percent of the fabric supplied would be used for the products, reducing waste. The company invests in climate solutions to cover the "social cost" of its carbon footprint, using the more expensive

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Obama-administration calculus of about \$43 per metric ton (more than four times the UN estimate for carbon offsets), then multiplies by 110 percent to arrive at “climate positive.”

The luxury conglomerate Kering has pledged to eliminate the negative effects of its entire production by buying carbon offsets, which help make up for operations that aren't sustainable, including building with concrete and steel. Fortunately, given the disparities and questions about calculating those offsets, more direct alternatives are emerging, such as cross-laminated wood—essentially boards glued together to create panels sturdy enough for high-rise construction—once fire codes adjust to the new technology. “Wood traps carbon as it grows, which is great, and it's a renewable resource,” says Chris McVoy, senior partner with Steven Holl Architects, a New York firm focused on sustainability. Holl often uses geothermal wells to sustainably heat and cool buildings, such as the Reach, the extension of the Kennedy Center in Washington, D.C., completed in 2019.



*Achille Salvagni sustainable furniture. Courtesy of Achille Salvagni Atelier*

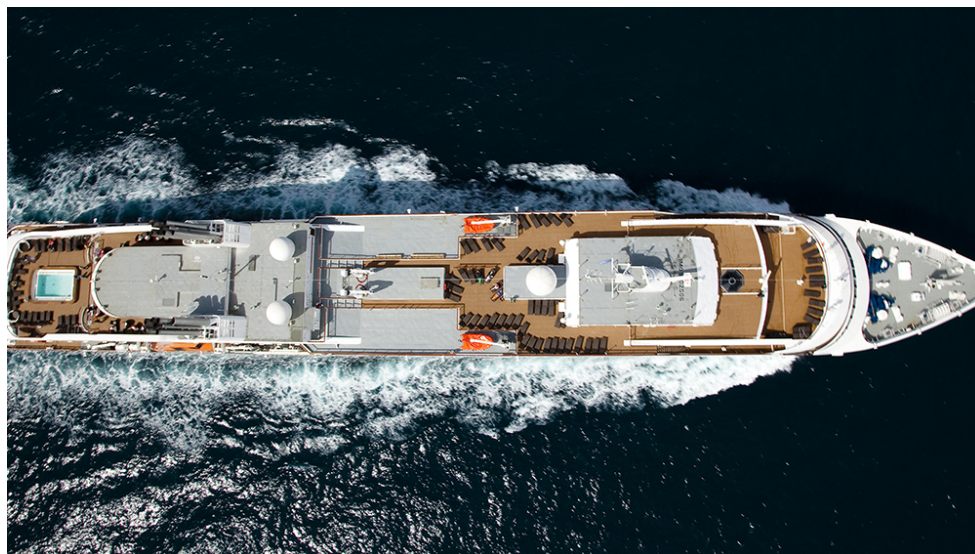
Holl is also designing the upcoming Kinder Building at the Museum of Fine Arts, Houston, with sustainability in mind, artfully turning to old-fangled techniques for ingenious features. There, a facade of 30-inch-wide glass tubes set three feet from the building's concrete wall will create a cooling cavity and funnel away Houston's notorious heat, bouncing an estimated 65 percent of the sun's rays away from the interior. On the top floor, an opaque balloon-like surface will filter the sun while showering the uppermost galleries in enough light that artificial lighting won't be necessary by day (though curators requested spotlights to highlight exhibit items).

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Inset windows, breezeways, natural lighting and cross-ventilation aren't new. "A lot of these things are ancient," says McVoy. "In the '40s and '50s, we designed this thing called air-conditioning. We got onto this terrible track, and now we're trying to get off of it."

Concern about sustainability is burrowing its way into high-end furnishings, too. Achille Salvagni's designs avoid synthetic glue, lacquer and welding. Most of his pieces are made in Rome, but he sometimes uses factories near his clients, echoing farm-to-table cuisine. If it means softening his impact on the earth, Salvagni says, "I'm happy to do research on the local materials."



*One of Ponant's "clean ships". Philip plisson*

Far-flung travel is one particularly unsustainable footprint of the luxury lifestyle, with tourism accounting for an estimated 8 percent of global greenhouse-gas emissions. Aviation compounds the problem. Last summer, the uproar over the private-jet traveling of Prince Harry and Meghan, the Duke and Duchess of Sussex, was enough to cause the royal couple to fly commercial in September. It's likely that more travelers, at least high-profile ones, could face that sort of protest in the future—much as fur wearers were once doused with red paint by animal-rights activists.

"I'm conflicted about travel," says Gensler's Briefel, who is hoping to see a celebration of more local travel—trips to nearby retreats rather than to other continents—just like there is for local food. "Maybe that's wishful thinking."

Maybe. Even the eco-conscious French cruise company Ponant, founded in 1988 by a group of sailors, has aggressively pursued cruising around the world in sensitive places,



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from the Arctic to the Solomon Islands, albeit in a more sustainable way. Ponant's luxury expedition vessels are classified as "clean ships." Its most innovative model, launching in 2021, will use electric propulsion systems near land and liquefied natural gas for longer sailing, dispose of waste in paper trash bags and, when needed, employ dynamic positioning systems instead of anchors to hold its place on the sea.

"To be sustainable is not a corporate credo," says Navin Sawhney, Ponant's chief executive of the Americas. "It is literally a way of life. We have a symbiotic relationship to the ocean."



*Mombo lodge. Photo: Courtesy Crookes and Jackson*

Ponant works with the communities where its ships dock so it can tread lightly on land as well. "When you go and visit any place and enjoy what that environment has to offer," Sawhney says, "you want to be absolutely sure that the environment transforms you and you don't transform the environment." In Africa, Wilderness Safaris has operated camps for 36 years in Botswana, Namibia, Zambia and Zimbabwe. It introduced light-impact camps in 1985 and launched a full-on sustainability effort a decade ago, working to reduce waste and its carbon outputs, says Neil Midlane, the company's South Africa-based group sustainability manager. Solar cells have replaced most diesel engines for energy in its camps; 18 camps are 100 percent solar. Sewage is treated above ground in plants that use a bacteria-based system to produce clean water and little sludge. Glamour isn't the selling point, though the safaris rate at the top of luxury service. "This is stuff that every company in our business should be doing," Midlane says.

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Wilderness Safaris stopped using plastic wrap in favor of Buzz Wraps (made of beeswax), offers guests coffee cups made of corn starch, plant sugars and fibers for takeaway, supplies glass water bottles and has created camps that can be built and dismantled with minimal disruption to the environment, leaving the sites able to revert to their natural state within three months.



*Wilderness Safaris Serra Cafema Camp, Namibi. Photo: Tegan Cunniffe*

Lance Hosey, a LEED fellow and one of Gensler's sustainability gurus, has studied how sensory experiences promote physical and emotional wellness. He is the author of *The Shape of Green*, a 2012 book that explores the relationship between architecture, ecology and beauty. Perhaps counterintuitively, Hosey suggests that sustainability, instead of provoking feelings of deprivation, is the ultimate luxury, calling it "guilt-free pampering."

"There's a misperception that sustainability is about sacrifice," he tells Robb Report, noting that green living can be desirable simply for the sense of virtue it provides. "We don't love something because it's energy-efficient or biodegradable. We love it because it moves our heads and hearts."

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