

# DISRUPTING THE FASHION & TEXTILE INDUSTRY FOR A BETTER TOMORROW

Join us on our journey towards sustainability!



# **DISRUPTING THE FASHION & TEXTILE INDUSTRY FOR A BETTER TOMORROW**

**Join us on our journey towards sustainability!**

*“To steer the fashion and textile industry faster into a sustainable future, we must speed up significantly the development of solutions and products that benefit ALL stakeholders at the same time: consumers, brands, industrial producers, founders, workers, investors and nature.”*

Bombyx Capital Partners AG

# DISRUPTING THE FASHION & TEXTILE INDUSTRY FOR A BETTER TOMORROW

## Join us on our journey towards sustainability!

© Bombyx Capital Partners, 2024  
All Rights Reserved

This book was edited by Nancy Laforest, nancyлаforestpro@gmail.com  
Page layout design by Rafastesia, rafastesia@gmail.com

Cover image © Colorifix

Note: The fabrics featured on the cover of this book were dyed with the Colorifix solution—  
one that replaces harsh chemistry with nature’s intended biology.

The particular pigment depicted here carries a legacy steeped in cultural and artistic tradition. From the fermented leaves of a plant, it has coloured the textiles, pottery and frescoes of Asia for centuries, with its roots reaching back to the ancient Mayan civilizations. In 1897, the pigment was synthesised for industrial production, and it still enhances our world today, particularly in adding texture and depth to denim. Although often linked to the colour blue, this remarkable plant also yields a closely related pink pigment. By experimenting with the dyeing process, we unlock a spectrum of shades that beautifully combine both colours.

We, at Bombyx, are honoured to support endeavours like these, that aim to leave the planet better than we found it.

**Disclaimer:** This publication’s content was compiled by Bombyx Capital Partners AG to the best of its knowledge for informational and marketing purposes only. This booklet is not a solicitation, offer or recommendation to buy or sell any investment instruments or to engage in any transactions. It does not offer advice on legal, tax or other matters. Duplication or reproduction, in whole or in part, is not permitted without the prior written consent of Bombyx Capital Partners AG. Bombyx Capital Partners AG accepts no liability for claims or actions by third parties arising from the use or distribution of this publication.



Photo showing the fragility of nature.  
Courtesy of David Yarrow ©



Today, textile and fashion are part of a constantly growing \$2.5 trillion industry, with over 60 million people employed worldwide.

Like much of the world, this industry is undergoing significant change while being underserved with capital. Nevertheless, its focus on sustainability and circularity is driving disruptive innovation, and a growing number of companies are developing technologies, processes and materials that are reducing the industry's impact footprint.

To give you a better idea of our industry's current state of affairs and perhaps entice you to join us on our mission, we've designed this small book, which will walk you through an exclusive roundtable event we organised in May 2024.



*From left to right: Francesco Gherzi, Giancarlo Camerana, Curt Diehm, André Flicker, Astrid von Stockar, Natascha Lander, Rogier van Mazijk, Peter Flückiger; Patrice Lagnaux, Gilberto Loureiro, Vincent Martinez. Missing from the photo: Axel Bolte, Nik Gugger, Samuel Liechti.*

At the iconic Chesa Grischuna boutique hotel in Klosters, Switzerland, we hosted a handful of expert speakers and a dozen determined guests to discuss the urgency of sustainability in the textile and fashion industry—and the inevitable politics behind all that.

Our conclusion? There's a greater need than ever to attract investments into our industry, which is at a turning point in history.

I hope you will find this book valuable and that you will join us in the next phase of our project to create a more sustainable world.

Warmly,

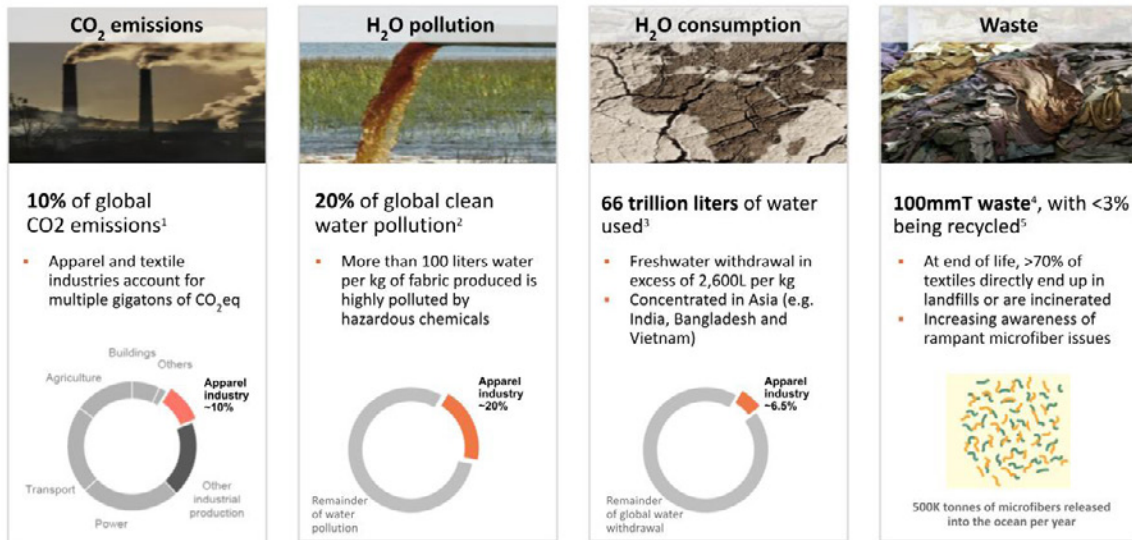
***Francesco Gherzi***  
*Founder & Managing Partner*  
*Bombyx Capital Partners AG*



# Reflecting on Today's Textile Industry

We are at a crucial turning point. The world has reached a crossroad and industrial leaders, brands and consumers are jointly responsible for ensuring we're all headed in the right direction: towards greater awareness, sustainability and circularity.

The textile and fashion industry is facing increasing pressure from regulators and lawmakers. And it's no wonder—the industry is responsible for 10% of global CO2 emissions and 20% of global clean water pollution. It uses 66 trillion litres of water, and causes 100mmT of waste, with only less than 3% being recycled.



Some businesses have started relying on innovation to disrupt the status quo, developing and implementing solutions to design products that are part of a circular economy and make a positive impact.

To comply and work towards maintaining our planet for future generations, today's founders and companies must focus more and more on developing new materials, carbon awareness, water usage, waste reduction and recycling practices.

To address these fundamental changes successfully, brave innovators need more growth capital—and that's where we come in. Our Bombyx Growth Fund I impacts all of the circularity criteria, as described by the Ellen McArthur Foundation (EMF).



*“The circular economy is a system where materials never become waste and nature is regenerated. In a circular economy, products and materials are kept in circulation through processes like maintenance, reuse, refurbishment, remanufacture, recycling, and composting.”* Source: EMF

The Ellen MacArthur Foundation is a leading organisation advocating for a circular economy, including in the textile and fashion industries. They emphasise several strategies that fashion brands can adopt to contribute to a circular and sustainable textile industry.

**1. Design for Longevity & Reusability:** Fashion brands can design products that are durable, repairable, and easy to disassemble, extending the lifespan of garments and facilitating reuse or recycling at the end of their life.

**2. Use of Sustainable Materials:** Brands should prioritise the use of renewable and recyclable materials in their products. This includes materials like organic cotton, recycled polyester, regenerated fibres and bio-based materials.

**3. Implementing Circular Business Models:** Brands can explore circular business models such as leasing, subscription services or resale platforms. These models promote product reuse and extend the product life cycle.

**4. Promote Textile-to-Textile Recycling:** Invest in technologies and infrastructure that enable textile-to-textile recycling. This involves turning old garments into new fibres or fabrics, reducing the need for virgin materials.

**5. Collaboration Across the Value Chain:** Engage in collaborations with suppliers, manufacturers, recyclers and other stakeholders to innovate and scale circular solutions.

**6. Consumer Engagement & Education:** Educate consumers about the benefits of circular fashion, sustainable choices and responsible consumption behaviours.

**7. Transparency & Traceability:** Ensure transparency in the supply chain, from sourcing raw materials to manufacturing and distribution. Traceability helps verify sustainable practices and ethical standards.

**8. Policy & Advocacy:** Advocate for policies and regulations that support the transition to a circular economy in the fashion industry. This includes incentives for sustainable practices and regulations against wasteful practices.

**9. Measure & Report Progress:** Set measurable targets for circularity and sustainability, and regularly report on progress. This accountability drives continuous improvement and transparency.

**10. Innovation in Materials & Technologies:** Invest in R&D of new materials and technologies that enhance circularity, such as biodegradable materials, digital solutions for supply chain management, and advanced recycling technologies.

*“Fashion can contribute to the current renewal underway by realigning itself to meet people’s actual needs, while protecting and in full respect of the common good—namely, the social fabric and the environment.”* Giorgio Armani

Notable global brands like Armani have a huge responsibility to promote, support and back new sustainable technologies in multiple ways, such as securing take-back agreements for these innovative companies and/or products.

As an example, brands like Patagonia have been leading the movement towards sustainability, and prominent designers like Giorgio Armani have been on the forefront, openly advocating for change.

By aligning with the principles advocated by the Ellen MacArthur Foundation, fashion brands can contribute significantly to building a circular and sustainable textile industry. These actions not only reduce environmental impact but also promote economic resilience and social equity within the fashion ecosystem.

Bombyx Capital Partners invests growth capital and builds partnerships with founders, entrepreneurs and management teams that share our passion for growth and textile technology. We know that having a positive impact can only be done as a team, and together, we execute fast transformations of businesses into sustainable leaders and winners in their industries.

To better understand the need for encouraging this next generation of trailblazing entrepreneurs, we came together last May in Klosters to evaluate the current situation, including the textile industry's supply chain, and discuss global solutions.

Thank you to all of you for your help in disrupting the textile industry!



*“Textile technology is facing a perfect storm of stagnant innovation and escalating demands for change.”*

Rogier van Mazijk

Photo © Colorfix



**Rogier van Mazijk** is Partner of Bombyx, and former Chief Investment Officer of Fashion for Good in Amsterdam. He holds a Master's in Finance from the University of Birmingham and Erasmus University Rotterdam, and has 15 years of experience in VC and M&A. He is also a musician, husband and father of two young children.

During our event, Rogier described the textile industry's complex supply chain and broke down the production stages from raw materials to the final products reaching consumers. He covered the layered supplier hierarchy often hidden from the public eye, where Tier 1 suppliers are those who directly interact with major brands and handle the assembly of garments. However, much of the raw material sourcing, including the production of fibres, yarns and the initial fabric-making, occurs at Tier 2 and Tier 3 levels—levels that lack direct oversight by the brands. Rogier explained that this disconnection leads to significant transparency issues, where even large-scale retailers may not know the origin of the textiles they use, in turn contributing to broader concerns related to sustainability and ethical labour practices.

Next, Rogier explained the current state of the textile industry, which is characterised by a surprising lack of innovation despite the vast size and economic impact of the sector. He pointed out that while the textile industry has remained technologically stagnant, external pressures for change are mounting. Consumers are expressing a growing demand for sustainable and ethically made products, spurred by increased awareness of environmental issues and social justice. Additionally, regulatory pressures are intensifying, with governments imposing stricter environmental standards and chemical use restrictions, such as those on PFAS—a group of chemicals with harmful health and environmental impacts.

Rogier elaborated on various emerging technologies, from advanced dyeing processes to new fabric materials designed to reduce environmental footprints. However, scaling these innovations poses significant challenges due to the capital-intensive nature of the industry and the traditionalist approach of many established players. During his presentation, Rogier also touched on the critical role of investment, both from venture capitalists and established companies, in fostering and commercialising these innovations.

*“In the textile industry, visibility often ends at Tier 1, leaving the origins of fabrics in the shadows.”*

Rogier van Mazijk



**SWISS  
TEXTILES**

**Peter Flückiger** is the CEO of the Swiss Textiles industry association, to which some 200 companies belong. He studied political science and economics in Lausanne and Zurich, worked in the foreign trade department at Economiesuisse, is on the board of the Swiss-Asian Chamber of Commerce and has been at Swiss Textiles for over a decade. He is married and has a daughter.

During our event, Peter led a discussion on the complexities of investing in the textile industry. Despite the vast potential for growth and innovation, the sector remains notoriously difficult for investors to penetrate effectively. This is largely due to its fragmentation and the opaque nature of supply chains. Peter called for more strategic, informed investment approaches that can support sustainable practices and help scale promising innovations, thus ensuring a more robust future for the textile industry.

Peter then went on to explain the industry's international regulatory landscape and its impact on the textile sector. He highlighted a trend towards nationalism and

protectionism in global trade, such as the United States imposing new tariffs and regulations to protect domestic industries, which affect the movement of textile goods and raw materials. In contrast, Switzerland's strategy involves reducing trade barriers and promoting free trade agreements. This proactive approach aims to keep the Swiss textile industry competitive in a globalised market facing increasing regulatory challenges.

*“Navigating investment in the textile industry requires a map through its fragmented landscape...And as global tides turn towards protectionism, Switzerland (still) charts a course for free trade.”* Peter Flückiger



**SMARTEX**

**Gilberto Loureiro** is the Co-founder and CEO of Smartex. He holds a Master's degree in physics and has deep familial ties to the textile industry. In 2020, he was nominated by *Forbes* as one of the 30 social entrepreneurs under 30.

During our event, Gilberto, our partner from Smartex, one of our Growth Fund I portfolio companies, talked about the challenges the industry faces in its quest for capital investment. When technology, sustainability and productivity are mixed, they should be generating returns more effectively. Gilberto emphasised that it's about integrating new technologies, new products and new materials into your production chain so you can generate the same returns in a better way and have things pay for themselves.

Gilberto firmly believes that now is the best time ever to develop and invest in technology for the textile industry, given the massive mix of recently democratised technologies and big pressure from legislators and consumers on sustainability and traceability.

*“Being one of the largest industries in the world with still such a lack of digitisation is an amazing opportunity for companies and investors.”* Gilberto Loureiro

*“To truly integrate sustainability, we must engage with manufacturing business owners, making the benefits palpable and the practices desirable.”* Gilberto Loureiro

Photo © Smartex





**bordier** | 1844

**Patrice Lagnaux** is an Executive Board Member and Partner at Swiss private bank Bordier & Cie. He is also an industrialist and entrepreneur with Isomatex SA.

During our event, Patrice discussed the evolving demands in textile production, particularly the increased focus on the carbon footprint of fibre production. As regulations and consumer expectations shift towards sustainability, businesses are compelled to calculate and reduce CO2 emissions per kilogram of fibre.

Patrice's passion project is Isomatex (soon to be renamed TENRON), the producer of the world's highest performing mineral fibre of wide usage, and so he is acutely aware of the technological and logistical challenges involved in gathering data from the entire supply chain. He also noted the shift driven by both market forces and stringent European regulations, which push companies towards more sustainable practices and greater transparency.





**Samuel Liechi** studied economics and business administration at the University of St. Gallen, Paris and Toronto. He then became a marketing and communications consultant for various agencies in Switzerland and abroad, working with numerous prominent brands. In 1999, Samy founded BLACKSOCKS and was the company's managing director until he sold it in 2023. He lives in Zurich and is the father of two children.

During our event, Samy shared the journey of creating a subscription service for black socks, illustrating a unique entrepreneurial venture in the textile industry. Starting with a personal anecdote about the embarrassment of mismatched socks during a formal ceremony, he explained how this experience sparked the idea for a service that delivers fresh pairs of socks on a regular basis. Since then, BLACKSOCKS has expanded to include other undergarments, demonstrating how focusing on a niche market can lead to substantial business growth.

Samy emphasised the importance of understanding customer behaviour and preferences in building a successful direct-to-consumer model, which has been pivotal in navigating the challenges of online retailing and establishing a strong brand presence in the market. Since its inception in 1999, BLACKSOCKS has played a pioneering role in direct-to-consumer, online textiles and subscription commerce, and achieved growth on its own to a number of 250,000 customers spread across 120 countries.

*“From a simple need to matching elegance, the black socks subscription service turns mundane apparel into a delivered convenience, redefining textile commerce.”* Samuel Liechti



**Vincent Martinez** is the Founder and CEO of Zurich-based engineering startup Nanoleq (a spinoff of ETH Zurich), which brings the next generation of elastic conductors to the textile industry. Vincent holds an engineering degree in material science from UTT, France, and a PhD in Microsystems from ETH Zurich. He attended various business courses and received the ETH Pioneer Fellowship (2016) and the De Vigier prize (2018).

During our event, Vincent proved that textiles go beyond fashion and introduced a wearable health monitoring device integrated into textiles. This device, Oxa, is capable of tracking vital signs like heart rate, breathing patterns and ECG in real-time. Designed for both daily use and sleep monitoring, the device aims to enhance users' health through biofeedback and tailored breathing exercises that help manage stress and improve cardiovascular functions. The wearable technology combines advanced sensors with a user-friendly application to encourage regular health monitoring and proactive wellness management.

*“Transforming wellness with every breath, our wearable tech brings medical-grade monitoring into daily life, encouraging healthier habits through immediate feedback.”*

Vincent Martinez

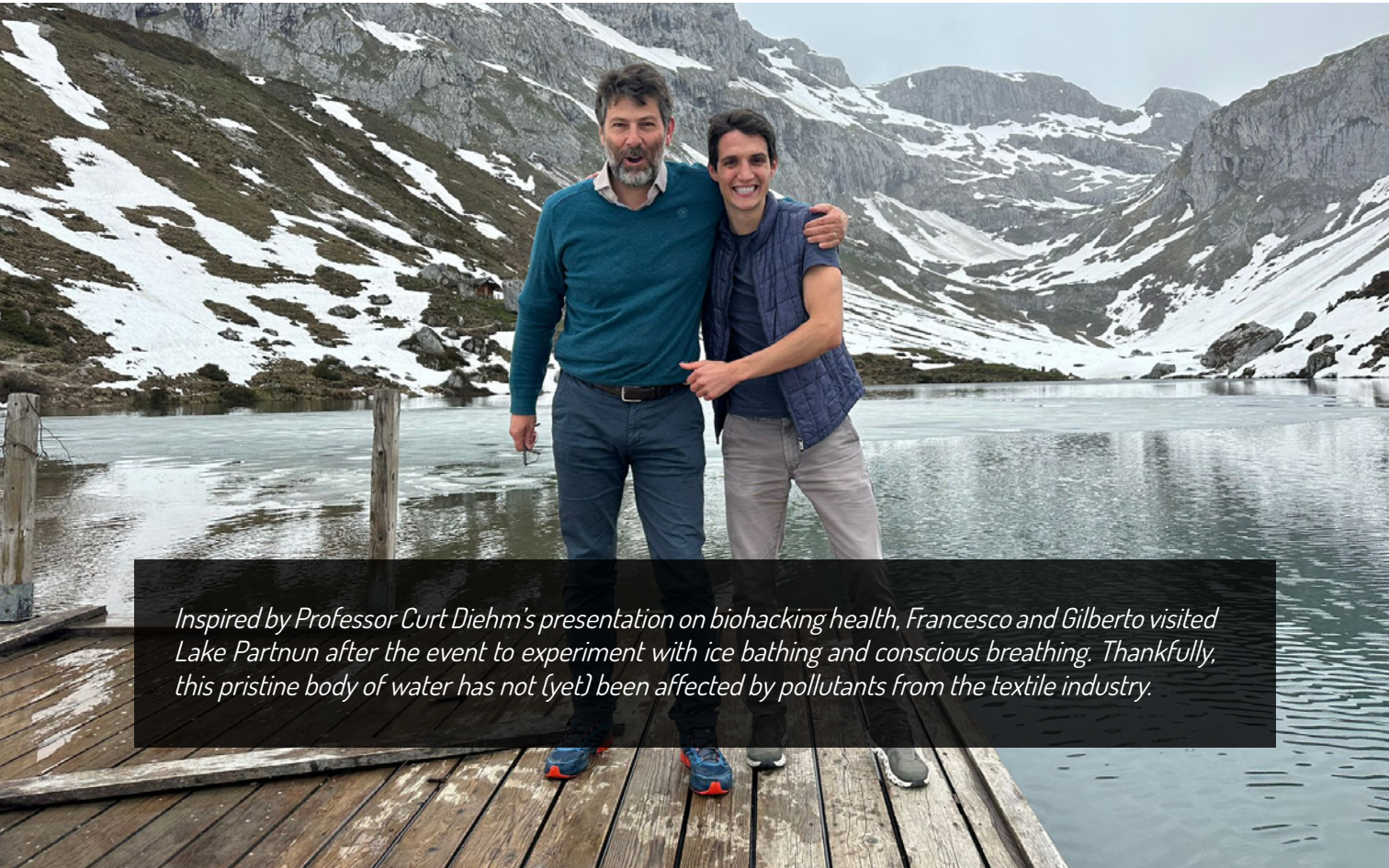


**Professor Curt Diehm** specialises in internal medicine, cardiology, angiology, phlebology and vascular medicine. In 1991, he became chief physician in the department of internal medicine at the Karlsbad-Langensteinbach Clinic, and in 2014 he transferred to the Max Grundig Clinic in Bühl as medical director and head of angiology. He is an adjunct professor at the Medical Faculty of Heidelberg University as well as the chairman of the German League to Combat Vascular Diseases. Professor Diehm has published several articles for a broader public.

In preparation for our event, we realised that in order to increase global sustainability, we must not only make changes to how we handle the textile industry, but also to how we take care of our own health. If we want a healthy planet, we must first be healthy ourselves.

That's why we invited longevity guru, Professor Diehm, to attend our event. He strongly supports Nanoleq's biofeedback endeavours because he is convinced that biohacking tools like Oxa, which help regulate our nervous system through breathing

exercises, can enhance our wellbeing. During his presentation, the professor focused on the broader aspects of lifestyle and its impact on health, particularly through diet and nutrition, and discussed how modern diets rich in processed foods and low in essential nutrients contribute to chronic health issues like obesity, diabetes and hypertension. Emphasising the importance of whole foods, balanced diets and mindful eating, Professor Diehm also advocated for physical activity and conscious breathing to improve health outcomes.



*Inspired by Professor Curt Diehm's presentation on biohacking health, Francesco and Gilberto visited Lake Partnun after the event to experiment with ice bathing and conscious breathing. Thankfully, this pristine body of water has not (yet) been affected by pollutants from the textile industry.*

## Other Notable Participants

We were fortunate to welcome some other noteworthy participants in this year's event, who enhanced the roundtable discussions with their own experience and insight. Thank you to our advisor Axel Bolte, who has always supported us with his wealth of knowledge. We are also grateful to Natascha Lander and Giancarlo Camerana for their presence—and to Swiss politician Nik Gugger who, although he could not attend the event, provided us with clear information on the new 2024 EU regulations for the textile industry. In 2021, Nik was described by Swiss Media as the “greatest bridge builder” in the Swiss National Council, and we feel he has embodied this title through his continuous support.

**Natascha Lander** is the Founder and CEO of BELIEVE, an agency that empowers action towards a sustainable present and future by helping family offices and other major investors find their ideal investments and partnerships. Natascha has 20+ years of experience in financial services, sustainable- and impact-driven investing, sales, marketing and communications.



*“Educating future leaders on sustainable capital allocation is crucial for fostering an economy where environmental considerations are seamlessly integrated with business success.”* Natascha Lander

*“A global regulatory framework could level the playing field, making sustainable practices a universal baseline rather than a competitive advantage.”* Giancarlo Camerana

**Giancarlo Camerana** has a deep knowledge and understanding of the financial services industry, having worked in capital markets and asset management since the early 80s. In the past 15 years, he has turned his entrepreneurial skills to investment advisory and the precious metals industry. He is currently a strategic advisor at QORE, a precious metals group that combines the tradition of gold with product innovation. Headquartered in Switzerland, it offers personalised sales and trading services for physical precious metals, combined with investment advice.

QORE conceives, designs, produces, sells and distributes the finest quality gold, silver and platinum coins, medals and ingots. It develops innovative physical gold investment products such as Impact Gold, investment gold recovered from electronic and industrial waste.



## Textiles are everywhere, shaping industries far beyond fashion.

The textile industry encompasses more than conventional clothing and fashion, and textiles are integral to numerous industries, including automotive, aerospace and even medical devices. During our event, guests agreed on the need to re-think textiles as a versatile, foundational material capable of driving innovation across sectors. At Bombyx, we encourage a broader recognition of textiles' potential and advocate for innovative thinking and entrepreneurial ventures to explore and exploit these opportunities fully.

During a vibrant roundtable discussion to close off the May 2024 event in Klosters, participants explored the intersection of finance, sustainability and business operations. One speaker emphasised the critical role of education in guiding the next generation of business leaders to prioritise sustainability alongside profitability. Another participant discussed the impact of regulatory environments across regions, suggesting the need for a unified global regulatory framework to standardise sustainability practices.

The conversation also touched on the importance of creating platforms for raising awareness and the role of emotional engagement in motivating sustainable investment. The discussion reflected a consensus that integrating sustainability can enhance business performance without necessarily sacrificing returns.

# Becoming Part of the Innovation and Disruption

The Bombyx Growth Fund I was launched in 2019 and has shown promising results, validating the Bombyx Capital Partners' investment thesis.

By investing in growth and early growth stage companies that support circularity or a reduction of negative environmental and social impacts in the textile industry, the Growth Fund generates attractive returns for its investors, while mitigating downside risks.

The investment strategy focuses on companies that have a proven track record; the potential to generate strong financial returns while reducing social and/or environmental impacts; are founder-led, generating revenues and have a clear path to profitability in the foreseeable future; and are scalable around the globe.

In this next section, you will learn more about our Growth Fund I's successful investments and the potential for future disruption with Growth Fund II.

	Mobility	Health	Fashion	Security	Urban/Rural	Cleantech
<b>Advanced materials &amp; biotech</b> 	 Composites	 PPE	 Pigment Dyeing	 Safety Equipment	 Smart Construction	 Clean Energy
<b>Advanced manufacturing</b> 	 Aerospace	 Medical Applications	 Smart Manufacturing SMARTEX	 Defense Applications	 Precision Agriculture	 Molecular Recycling
<b>Digitization, Blockchain, AI, IoT</b> 	 3D Body Scanning	 Smart Textiles	 Supply Chain Digitization	 Vital Signs Measurement	 Blockchain & Traceability	 Energy Efficient Manufacturing SMARTEX



## Innovation leader in textile speciality chemicals

HeiQ was the first Bombyx Growth Fund I investment, and one year later, the company was already listed on the London Stock Exchange. Founded in 2005 as a spinoff of ETH Zurich, the Swiss Federal Institute of Technology, HeiQ celebrated its first major milestone with the launch of HeiQ Fresh Tech, a sustainable anti-odour fabric technology. It has followed this success with other major inventions: Barrier, a water repellent for Odlo, which produces the world's best sailing gear for the Alinghi team for the America's Cup; HeiQ AeonIQ, an endlessly recyclable fibre, a cellulosic that produces biodegradable yarn; HeiQ Graphenex, used to produce battery electrodes for lithium batteries; and HeiQ Xpectra, a cost, energy and time efficient building insulation.

HeiQ's purpose is to enable its textile brand partners to differentiate by developing highly innovative solutions for them. They also supply specialty chemical products to processing factories that deliver the brands with HeiQ treated products.

With HeiQ in the Bombyx portfolio, we were and remain confident that we can bring innovative technologies to the textile industry and create greater circularity.

**HeiQ is a leader in textile innovation, creating some of the most effective, durable and high-performance textile effects on the market.**

Photo © HeiQ





## Innovation leader in creating digital dimensions and global interaction in the textile industry

ColorDigital GmbH, the visionary force behind DMiX Cloud, is a complete ecosystem crafted to revolutionise the way colour and material data is managed, shared and utilised in our industry. This groundbreaking technology functions as a linguistic bridge, providing a common language for colour and material representation across the entire supply chain, enabling precise, efficient and sustainable product development and production processes.

At its core, the DMiX platform integrates colour and material data into a digitised, standardised and machine-readable format that can be easily shared and interpreted across different stages of production, offering an end-to-end workflow with exceptional collaboration and connectivity. Its unique “phygital” approach seamlessly bridges the gap between digital product creation and physical production, serving both realms with unrivalled accuracy.

When Bombyx invested in ColorDigital/DMiX, we knew that the platform was a pivotal component of a larger movement towards a more digital, sustainable and efficient fashion and textile industry.

Photo © DMIx



# SMARTEX

## Innovation leader for inspection and digitalization in the textile industry

Smartex.ai is an AI and computer vision company that uses automated inspection to detect textile defects.

Bombyx invested in Smartex because they are revolutionising the inspection process in the knitting industry. The Smartex solution is the first and, to date, only one to address 100% inspection inside circular knitting machines. This is achieved through a combination of cameras and sensors on production machines and a state-of-the-art software machine learning service that detects and prevents defective production, thus reducing costs, time and resources.

With Smartex in the Bombyx portfolio, we have a direct impact on reducing CO2 emissions and saving raw materials, production time, water and machinery energy, therefore achieving our goal of creating a more sustainable textile industry.



Photo © Smartex



## Innovation leader in bio-pigments based dyeing

Colorifix is the first company to use a biological process to produce, deposit and fix pigments onto textiles. It was a 2023 Earthshot Prize finalist in the “build a waste-free world” category.

The dyeing of textiles is one of the most polluting industrial processes and therefore a main red flag when it comes to building sustainability. The dyeing process uses more than 70 highly toxic chemicals, 6 trillion litres of water per year, and is responsible for 20% of the global water pollution. When building our investment portfolio, it was key for us to seek solutions within that market, and so we started to follow Colorifix in 2019.

With Colorifix, we found an innovative company, a Cambridge University spinoff, that avoids the use of hazardous chemicals while significantly reducing water, energy and waste. Production life-cycle using its solution can help reduce carbon emission by 31%, water consumption by 77% and chemical usage by 80%.

This is done by developing colours found in nature, such as those produced by plants, animals or insects, and growing these colours in a lab using pinpointed DNA and inserting it into microbes, which then grow in a fermentor. These ingredients are then placed in a standard dye machine to colour yarn, fabrics and garments.



Photo © Colorifix



## A leader in B2B fashion's circular economy

Reflaunt connects brands, retailers and customers to the second-hand market and gives the brands' clients the option to re-sell or donate their wardrobes on individual e-commerce platforms.

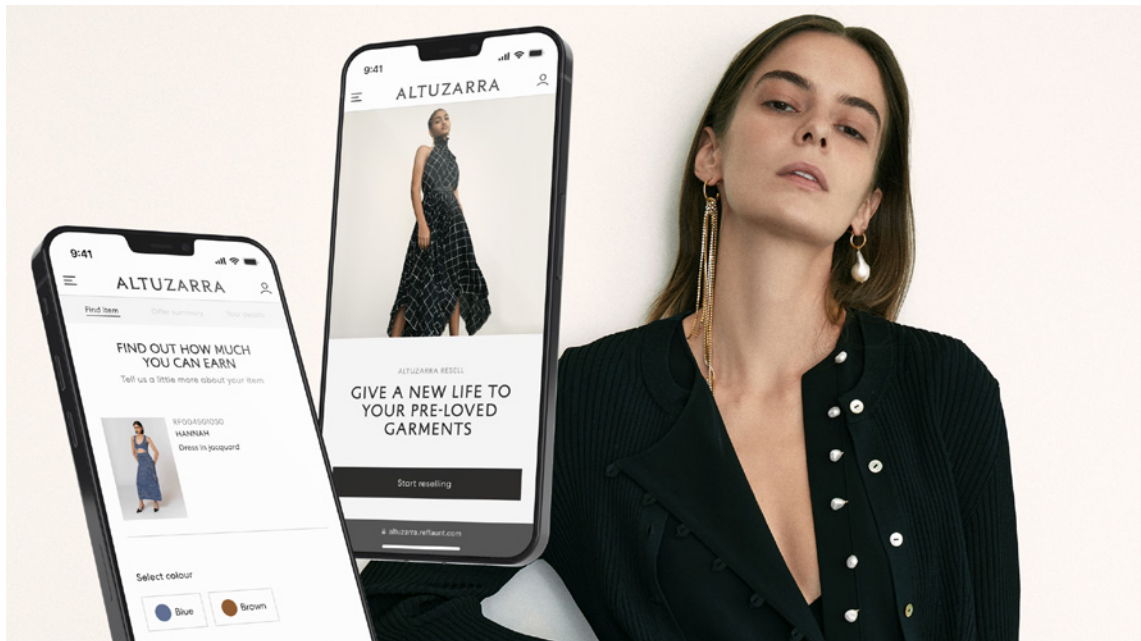
The company focuses on blue chip customers such as Balenciaga and Net-A-Porter, and connects them with a global network of 30+ leading resale marketplaces on which consumers can sell their used products, opening up access to over 300 million consumers.

This investment was of great importance for Bombyx, as it allowed us to make a major contribution to the circular economy. The market size of the second-hand market is more than \$200 billion (FY2023), and the number of second-hand shoppers is increasing each year, as is the demand for product longevity.

Fashion resale is growing faster than first-hand, will represent 10% of total fashion by 2025, and is planned to reach \$350B by 2028, with tailwinds from regulations and consumer behaviour shifts.

Interestingly, 26% of people's clothes have not been worn for more than one year, representing almost 40 fashion items per adult, and the consumer shift toward second-hand clothing is growing 7x faster than retail. When it comes to regulatory changes, extended producer responsibility, carbon tax, digital product passports and unsold goods regulations will hit the EU as of 2026.

Bringing Reflaunt into the Bombyx portfolio was a cornerstone investment into the circular economy—one that benefits clients, brands and the environment.





## Leader in technology-based performance sportswear

X-Bionic specialises in the fields of sportswear, research and development, marketing and product development.

Bombyx followed X-Bionic for more than five years before making them the latest and final investment in Growth Fund I. An outstanding sportswear company with more than 800 patents, X-Bionic enables athletes and amateurs worldwide to enhance their performance in sports like skiing, cycling, trail running and hiking. Furthermore, we knew that we could enable X-Bionic to step up to the next level and reach their impact and sustainability goals through collaborations with two of our portfolio companies, HeiQ and ColorDigital.

X-Bionic enhances performance while  
saving the environment.

Photo © X-Bionic



# 2024 EU Regulations

In 2024, the European Union introduced several regulations to enhance sustainability in the fashion and textile industry. These regulations are part of a broader strategy aimed at promoting circularity and reducing the environmental impact of textiles.

**1. Design for Longevity & Reusability:** Fashion brands can design products that are durable, repairable and easy to disassemble, extending the lifespan of garments and facilitating reuse or recycling at the end of their life.

**1. Eco-Design Requirements:** Mandatory eco-design requirements ensure products are durable, repairable and recyclable. This includes introducing a Digital Product Passport, which provides detailed information about the environmental sustainability of textile products.

**2. Extended Producer Responsibility (EPR):** A mandatory and harmonised EPR scheme requires producers in EU Member States to take responsibility for the entire lifecycle of their products, including post-consumer waste. This incentivizes the design of sustainable products and ensures proper waste management.

**3. Ban on Destruction of Unsold Textiles:** This new ban helps prevent waste and promote recycling and reuse. Large companies are also required to disclose the number of discarded products and their treatment.

**4. Green Claims & Transparency:** To combat greenwashing, companies must provide accurate and verifiable information about the environmental impact of their products, ensuring consumers can make informed choices.

**5. Microplastics Reduction:** As part of a broader effort to reduce the environmental footprint of textile production and usage, new measures are addressing the unintentional release of microplastics from synthetic textiles.

These regulations are designed to shift the textile industry towards a more sustainable model, aligning with the EU's Circular Economy Action Plan and the European Green Deal. By focusing on eco-design, waste management and transparency, the EU aims to significantly reduce the environmental impact of the textile sector by 2030.

## Bombyx Growth Fund II & Our Future Outlook

At Bombyx, we strongly support the EU's plan to reduce the environmental impact of the textile industry and are motivated by the success of our six Growth Fund I companies to continue. Witnessing the evolution of HeiQ, ColorDigital/DMLx, Smartex, Colorifix, Reflaunt and X-Bionic over the past years has confirmed a need for greater development in the field of textile innovation.

Supported by our team's connections and our extensive track record in the industry, we are currently launching the second phase of our project, Bombyx Growth Fund II. With Growth Fund II, we will invest in growth and early growth stage companies that support circularity or a reduction of negative environmental and social impacts in the textile industry.

Specialised in a single industry, Growth Fund II capitalises on decades of experience and global relationships in the textile domain. The fund leverages the deep industry connections of the Bombyx team, the experience and strong network of the Gherzi Organization ([www.gherzi.com](http://www.gherzi.com)), and its team's extensive track record in the industry.

**The Bombyx objective is to invest growth capital and to build partnerships with founders, entrepreneurs and management teams that share a passion for growth and for textile technology.**

Our investment strategy focuses on companies that have the potential to generate strong financial returns while reducing social and/or environmental impacts. The

investors behind Bombyx are well-known institutional groups, family offices and high net-worth individuals. Our international investor base is fully committed to our asset class with a corresponding long-term approach.

Together we execute fast transformations of businesses into sustainable leaders and winners in their industries. The companies we partner with address clear business needs in large horizontal or vertical markets, have a scalable business, are managed by strong teams and are about to reach an inflection point in their value creation.

With our deep domain expertise and worldwide network, we actively support the growth, transformation and acquisition plans of our partners and management teams to help them to achieve their operative, financial and strategic objectives.

We focus on founder-led companies with solid financials and revenues typically from €0.5m to €50m, that have a clear path to profitability in the foreseeable future, and are scalable around the globe.

Open to supporting endeavours from around the world, the geographical goal of Growth Fund II is to capture not only European Union-based companies; we plan to invest up to 40% in the United States and the rest of the world.

## The Venue

Ideas and plans for disrupting and innovating in the textile industry flow more freely in an inspiring venue, which is why we chose Hotel Chesa Grischuna for this year's event.

The Chesa Grischuna is a masterpiece of local craftsmanship and 1930s design in the heart of Klosters, Switzerland. It became internationally famous in the 1940s and 1950s when Hollywood stars such as Greta Garbo, Audrey Hepburn, Bing Crosby and Gene Kelly stayed there. This earned the hotel the nickname of "Hollywood on the Rocks".

When Hans Guler opened his "Privathotel Chesa Grischuna" 80 years ago, the guests' requirements were still very modest. Much has been changed, modernised and rebuilt since then, but a little bit of the "good old days" has deliberately been preserved.

The Chesa Grischuna is also known for its gourmet restaurant under the Austrian-born chef Ronald Fressner, who was awarded 14 Gault Millau points for his cuisine, making it one of the highest-rated restaurants in the Prättigau region. Fressner and his kitchen team produce everything from scratch, from the sauces and soups to the pasta.

We'd like to extend a heartfelt thank you to Astrid von Stockar and her team for welcoming us so warmly during our event.



**Astrid von Stockar** is the co-owner of the Chesa Grischuna hotel in Klosters and CEO of Swissdent, a leading oral care products brand based on high-tech and patented innovations made in Switzerland. She holds a Master's in Business Administration from the University of Zürich, and is a former TV producer and presenter.

# Join us on our journey towards sustainability!



**Francesco Gherzi**  
*Founder &  
 Managing Partner*

- 25 years co-leadership of Gherzi Textile Organization
- Turnaround, relaunch and investment track record



**Loek de Vries**  
*Managing Partner*

- 26 years in technical textiles, former CEO of Tencate Group
- Expert in turnaround, growth & business development



**Rogier van Mazijk**  
*Partner*

- 5 years of investing in sustainable textile innovation
- 15 years of VC & M&A experience



**André Flicker**  
*Head of Operations*

- Head of operations & compliance at Bombyx
- 25 years in the financial industry



**Lindsay Tulloch**  
*Legal Counsel*

- 30+ years as a PE lawyer
- Specialized in multiple jurisdictions



**Urs Ehrismann**  
*Venture Partner*

- 25+ years in PE/VC
- Proven track record in software investments



**Lulu Leanza**  
*Finance & HR*

- 15+ years as a chartered accountant
- Responsible for middle & back office



**Analysts &  
 Associates**

- in Zürich, Chemnitz and Mumbai



## GHERZI Partners



**Giuseppe Gherzi**

- Swiss, specializes in strategic planning & restructuring for textile producers, machinery builders and retailers



**Hendrik von Delden**

- German, leads Technical Textiles at Gherzi, with 35+ years in strategic textile consulting



**Anton Schumann**

- German, leads Gherzi's Sustainability Practice, focusing on marketing & product development in textiles



**Laurent Aucouturier**

- French, key in building Gherzi's management consulting, 120+ textile industry assignments since 1998



**Navdeep Sodhi**

- Indian, heads Gherzi's operations in Mumbai, experienced in international textile industry & consulting



**Karim Shafei**

- Egyptian, leads Middle East activities, entrepreneur with ventures in real estate & urban regeneration

## BOMBYX Advisors



**Axel Bolte**

- 20+ years in PE, life sciences focus, founder & CEO of Inozyme Pharma, Venture Partner at HBM Partners



**Jennifer Maag**

- 25 years in corporate finance/M&A, Economics BA from University of Berkeley, CPA, Founder of CCI



**Marco Bizzozero**

- 23 years in PE & Banking, former CEO of DB Switzerland, Wealth MGT EMEA head, Head International iCapital



**Mathias Imbach**

- 7 years in MGT consulting & PE, RNT Associates in India, Founder & CEO of Sygnum bank



**Samuel Liechti**

- Digital & marketing pioneer & leader; founded, grew & successfully exited blacksocks.com



**Urs Tödtli**

- 30+ years in textiles, former CEO of Sigvaris & senior member at SEFAR Group



- 1 Targeting the **\$3trl textile industry**, ready for disruption
- 2 The **only textile-focused fund with a proven track record**
- 3 **Proprietary** pipeline through **BOMBYX & GHERZI**
- 4 **3,000+ innovators** in Bombyx database
- 5 **Anti-cyclical** investing

If you would like to be a part of this disruption,  
please contact Francesco Gherzi at:

**BOMBYX Capital Partners AG**

Gessnerallee 28

CH-8021 Zürich

Switzerland

[f.gherzi@bombyxcap.com](mailto:f.gherzi@bombyxcap.com)

Tel: +41 44 220 15 50

Mobile: +41 79 438 45 40

Thank you for your collaboration!





Chesa Grischuna

 ColorDigital  
Real digital networking.

 BELIEVE.

HEIQ 

 DMix  
Digital. Meta. Interaction.

SMARTEX

 ColoriFix

 REFLAUNT

»» BIONIC

*“At Bombyx we aim to find the leading founders:  
together we contribute to co-creating the change of our  
industry for good.”*

Bombyx Capital Partners AG



h 1938 9



Carigiet-  
BAR



Chesa Grischuna  
BAR