AlgiKnit raises $13 million in funding round

By Benjamin Fitzgerald - June 30, 2022

U.S. eco-textile firm AlgiKnit announced on Wednesday it has raised $13 million in a Series A funding, which will see the kelp yarn maker embark on a new phase of growth moving forward.

The Morrisville, North Carolina-based company said the funding round was lead by Collaborative Fund, with additional backing from H&M Co:Lab, the investment arm of H&M Group, as well as Starlight Ventures, and Third Nature Ventures. Previous investors Horizons Ventures and SOSV also contributed to the round.

Developing materials from a seaweed called kelp, one of the most renewable and regenerative organisms on the plane, AlgiKnit uses the ocean raw material to create yarns and fibers for use in a diverse set of industries including fashion, interiors and furnishings, and automotive.

The latest funding round takes AlgiKnit's total investment sum to to $17.9 million.

"The textile industry is responsible for as much as 8% of the world's CO2 emissions – in addition to being massively polluting and water-intensive. We're thrilled to be leading AlgiKnit's Series A round, and to be investing in a technology that is pushing the world towards a more sustainable future," said Sophie Bakalar, partner at Collaborative Fund.

The fundraising announcement coincides with the opening of AlgiKnit's new manufacturing facility in the Research Triangle area in North Carolina. Opening in June, AlgiKnit said the new facility highlights the company's commitment to sustainability beyond its products, with the 15,000 square-foot space fitted out with upcycled materials and second-hand furniture.

"With the opening of our new facility in the Research Triangle area of North Carolina, we are focused on expanding our production capabilities, partnerships, and team to address global demand more quickly," said AlgiKnit co-founder and CEO, Tessa Callaghan.

"This is a huge next step in bringing this technology to scale, and creating positive, tangible change for the planet."
This is a huge next step in bringing this technology to scale, and creating positive, tangible change for the planet. We are so excited to partner with new and existing investors who share our vision for transforming the fashion ecosystem.”

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