Chanel-backed 'activated silk' firm adds new investors

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Evolved By Nature, a biotech firm backed by French fashion company Chanel, said on Thursday it has raised $120 million in a financing round, adding new investors including one of Canada's biggest pension funds.

The Massachusetts-based firm, founded in 2013, plans to use the late-stage funding to step up production of a silk
The Massachusetts-based firm, founded in 2013, plans to use the late-stage funding to step up production of a silk protein alternative to petrochemicals in skincare and fabrics.

Evolved By Nature bills its "activated silk" product as natural protein from silkworm cocoons, in liquid form.

Fashion companies are scrambling to improve their environmental track records in order to meet U.N. sustainable development goals, according to a recent report by Business of Fashion. read more

Evolved By Nature makes biodegradable coatings used in luxury handbags and fast-fashion apparel including sports bras and underwear, selling to leather tanneries, fabric mills and fashion labels like Anya Hindmarch.

The coatings are expected to generate 30% of its sales by the end of 2024. Coatings on leather serve as waterproofing, while treatments for polyester and nylon serve to wick moisture.

"The consumer is catching on to petrochemical-free skincare," Greg Altman, co-founder and chief executive officer of Evolved By Nature, told Reuters.

"We went after the largest-volume fabric produced – and how do we get chemical coatings off of the fabric," he said, explaining the focus on polyester and nylon.

While tanners and brands in the leather industry are jointly seeking to develop natural products, they can be a harder sell to the textiles industry, said Altman.

"In textiles, the conversation is about performance and price and not about sustainability," he said. "We have to price competitively to petrochemicals."

On skincare, which will make up the bulk of revenues, the company plans to develop products to sell directly to consumers later this year, in addition to sales to large consumer products groups, Altman said.

The funding round was led by the Ontario Teachers' Pension Plan Board and Senator Investment Group. Other backers include Chanel and the private Chanel-linked investment firm Mousse Partners as well as U.S. investor Jeffrey Vinik, who previously managed the Fidelity Magellan Fund.