"Children’s shoes should be bought on a subscription plan”

The company behind the children’s shoe brand ANGULUS is testing a circular business model.

All parents have tried it: the shoes are still in good shape and could easily last another season, but the child’s feet have outgrown them. Instead, the shoes end up at the bottom of the closet, in storage boxes or - as is often the case - in the bin, from which it is almost impossible to recycle the bonded materials.

According to Sebastian Dawe, this is a waste of good shoes. He is the CEO of the family-owned company ATC Footwear, which produces the renowned shoe brand ANGULUS. Today, the company’s production is located in Portugal, where 130 dedicated shoemakers work hard to keep up with the demand. ANGULUS has received a wide range of prizes, including the Junior Magazine Design Award and a Children in the City Award for best Danish children’s brand.

“We know that our company is known for making children’s shoes of good materials and high quality,” says Sebastian Dawe. “The challenge is that the children’s feet simply grow faster than our shoes wear out. Thus, it is rare that the shoes really last their lifetime. That is what we intend to change.”

From the outside, it may seem straightforward to extend the life of a children’s shoe. Nearly all cities have well-stocked second-hand stores, and the Internet is flooded with portals for sharing and recycling. According to Sebastian Dawe, however, the reality is not so simple:

SDG Accelerator for SMEs is an innovation programme for small and medium-sized industrial enterprises created by the UNDP in 2018 with support from the Danish Industry Foundation. The programme focuses on developing and accelerating business solutions addressing the Sustainable Development Goals. The programme is implemented in collaboration with Deloitte and is tested in Denmark in 2018-2019 with 30 SMEs, after which the aim is to roll out in other countries.
“The problem with inherited footwear is that children actually put their personal touch on a shoe when they put it on. This process is extremely important for the child’s foot, which is undergoing major physiological development as it is constantly growing. With an inherited shoe, the foot is not properly supported – and then the whole idea of good children’s shoes is pointless.”

Maintaining the physiological properties while ensuring that more children can wear the same pair of ANGULUS shoes pushed the company’s designers to think completely differently, says Sebastian Dawe:

“There is no doubt that recycling is the way forward to create a more sustainable production, but at the same time, this requires a lot of product innovation. In fact, the shoe has to be partially separated and undergo thorough cleaning before it can be reassembled and passed on to a new child.”

At the same time, ANGULUS is also working on developing a new business model called ANGULUS CIRCLE, where parents do not buy the shoes – instead, they receive new shoes through a circular subscription plan. This model would also have a positive impact on the environment. However, the model still needs to be developed and matured.

In the SDG Accelerator for SMEs, ANGULUS has received a lot of feedback and help with the clarification of their many ideas, says Sebastian Dawe:

“Of course, as a manufacturing company, we have cared about sustainability for many years. However, it is new for us to assume such a concrete and active approach to the Sustainable Development Goals. In the accelerator process, we have taken many of our ideas to the next level with the help of some highly competent people. It has given us an extremely strong foundation for continuing our work.”

ANGULUS is already testing new business models and new production methods:

“On the business side, we have put a pair of children’s shoes in circulation for the purpose of obtaining as much feedback as possible from the parents. At the same time, our designers are working on the production side, but it is a challenge that is extremely difficult to solve.

Sebastian Dawe expects that it will take some time before the circular model becomes a reality:

“The important thing is not to do it quickly, but to do it right. Until now, our work has been based on assumptions, but these assumptions should, preferably, be replaced by knowledge. Fortunately, we are a well-consolidated company with resources to explore. Once we have found the right business model and the right production set-up, we are 100 per cent ready to commercialise.”

This is how ANGULUS contributes to the Sustainable Development Goals

• ANGULUS is working on developing a children’s shoe that can be reused by several children. To do this, the shoe must be ‘reset’ and washed industrially.
• At the same time, the company is testing a circular business model with a shoe subscription plan that eliminates waste.

Facts about ANGULUS

• Produced by ATC Footwear, founded in 1904.
• Approximately 30 employees in Denmark.
• Family-owned.
• Headquarters in Denmark, production in Portugal.

"As so many other sectors, our industry is transforming. We need to find more efficient ways of using common resources and looking at new business models that can help reduce industry output and consumption. My grandfather dreamed of making quality shoes for children, and through ANGULUS CIRCLE, we can help ensure that our quality shoes are worn by many children, while maximizing the resources that we have invested in producing them."

Sebastian Dawe
CEO, ATC Footwear