

**PRESS RELEASE**

**Friday 27th March 2020**

**BRITISH FASHION COUNCIL ANNOUNCES LAUNCH OF**

**BFC FOUNDATION COVID CRISIS FUND**

British Fashion Council (BFC) is announcing today the launch of the **BFC Foundation Covid Crisis Fund**, supporting creative fashion businesses and individuals to survive the Coronavirus crisis. The BFC, through its charity the BFC Foundation which brings all BFC charitable initiatives under one umbrella, is making £1,000,000 of emergency funds available with the majority supporting designer businesses and with a portion of funds also allocated to students, underpinning the future generation of creative talent.

This has been made possible through pooling the BFC talent support grants that would have traditionally been awarded for either early stage showcasing support or business growth and promotion. BFC would like to thank all of those that have made the funds possible and our partners in the BFC/Vogue Designer Fashion Fund, BFC/GQ Designer Menswear Fund supported by JD.COM,INC, BFC Fashion Trust and BFC NEWGEN.

While £1 million is a great start, the scale of the need is much greater and BFC has called on both Government to step in to work with them on significant industry stimulus, and on the industry and individuals to support the Covid Crisis Fund through donations, so that more businesses can be supported at this time.

As a not for profit, the BFC can act as a vital resource during these uncertain times. Since the beginning of the crisis, BFC has worked tirelessly to brief Government on the challenges facing the industry but also to keep all stakeholders up to date through letters, social media updates, digital Town Hall meetings and newsletters\*. With this new fundraising campaign, the organisation seeks contributions that will be crucial to the survival of designer businesses led by creative talent who inspire the global industry.

The crisis has seen creative businesses fighting on several fronts. BFC calls for support for liquidity in the form of grants or long-term low risk loans that address retail cancellations and sell through guarantees and in turn will help businesses address disruption to supply chain and a potential domino effect of failure. BFC also asks for rent holidays for office and retail stores to further protect employment. As a member of the Creative Industries Federation, BFC has also campaigned for additional financial measures to protect the income of creative freelancers who play such a significant role in the fashion industry.

**Caroline Rush**, Chief Executive BFC said: *“Now more than ever, we are committed to support the businesses and people that make up our industry. With the BFC Foundation Covid Crisis Fund and the donations raised, our hope is to support those British businesses that need additional subsidies, beyond Government stimulus available, to address their most urgent challenges.”*

Applications and mechanics for funding from the new BFC Foundation Covid Crisis Fund will open within the next 7 days, with applications closing on April 10th.

A guideline to criteria for businesses to apply are:

1. Applicants should have an established designer fashion business
2. The applicant’s collection should consist primarily of womenswear, menswear, accessories, millinery or fine jewellery – not bridalwear of childrenswear
3. The applicant’s company should be based in the UK and be registered with Companies House or a sole trader
4. The applicant’s company should be majority-owned by the Designer / Creative Director & not have had outside equity funding in any material amount
5. Grant money requested should relate to a clear purpose to support the business survive over the next year

The generosity and commitment of our partners is more vital than ever. Please help us by acknowledging their support for the BFC Foundation Covid Crisis Fund: ARCH & HOOK, British Vogue, Browns, Burberry, depop, GQ, JD.COM,INC, Label/Mix, Paul Smith, Rodial and Value Retail.

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**ABOUT BRITISH FASHION COUNCIL**

**Editors Notes:**

The British Fashion Council (BFC) was set up in 1983 to promote British fashion internationally and co-ordinate this promotion through fashion weeks, exhibitions and showcasing events. BFC now supports designers beginning at college level and extending to talent identification, business support and showcasing schemes. The BFC promotes British fashion and its influential role at home and abroad, helping British designer businesses develop their profiles and business globally. BFC Foundation (Registered Charity Number: 11852152) was created for charitable purposes and grant giving; attracting, developing and retaining talent through education and business mentoring. BFC Colleges Council offers support to students through BA and MA scholarships and links with industry through design competitions and Graduate Preview Day. Through grant-giving and business mentoring the BFC support designers through four talent identification and business support schemes: BFC/Vogue Designer Fashion Fund, BFC/GQ Designer Menswear Fund, NEWGEN which includes womenswear, menswear and accessories, and the BFC Fashion Trust, a charity supporting UK based designers. The BFC showcasing initiatives and events include London Fashion Week, London Fashion Week Men’s, LONDON show ROOMs and the annual celebration of creativity and innovation in the fashion industry: The Fashion Awards.

**\*BFC Action on Covid-19 To Date:**

BFC has been working tirelessly since the beginning of the crisis to update stakeholders on the current situation but also to brief Government on the challenges facing the industry. During the past two weeks, BFC actions include:

* Daily liaison with Government on Challenges Facing the Industry, including:

**Supply Chains**

*Issue*: With a high proportion of manufacturing of fashion being undertaken in China and Italy, the impact has already been felt in terms of access to production and materials, with nearly all product in works being delivered late. Many UK factories are now having to close due to self-isolation mandates.

**Cancellation of Orders**

*Issue*: Stores are cancelling deliveries scheduled to arrive in store now leaving designers with stock that they have paid for but are unable to sell. Many orders for next season’s A/W deliveries have also been cancelled.

*Request*: Government funds/loans to financially support orders that are cancelled

**Sell through guarantees**

Designers are often asked to guarantee sell through for stores and e-comms, again with negligible demand, this will impact significantly negatively businesses at a time with no consumer demand.

**Business Rates & Rent**

*Issue*: Relief on business rates is good for shops/retail but doesn’t go far enough to support businesses and stem redundancies.

*Issue*: Rent and rates combine as the second largest overhead after staff. Rental and rates on empty offices and stores are still crippling in times like these.

*Request*: Rent and Rate Relief needs to be given. Current measures don’t go far enough.

**Freelancers**

*Issue*: As with other creative industries the freelancers economy is the first to be hit, and has completely closed down with creatives/photographers/models not getting hired.

*Request*: While today’s measures are welcome, we call that this is accessible to all creative freelancers as the amount able to claim is capped at £2,500 pa.

**Fashion Showcasing**

*Issue*: The next fashion week in London is London Fashion Week Men’s currently planned for 13th – 15th June 2020. Normally an event with gatherings at catwalks, presentations and events, at present the BFC is seeking how they convene this through a digital co-ed platform to bring the industry together, however whilst this resolves the current issues of travel etc, there is concern that many businesses will not be placing orders, or significantly reduced, impacting many small creatives

*Request*: Current government funders to allow us flexibility to be able to deliver support to businesses in the manner needed as we endeavour to find ways for continuity through these challenging times.

**Re-Starting the Cycle**

*Issue*: As consumers start buying, we need to address what does the cycle look like, and how do designers finance collection production and manage risk of payment for orders.

*Request*: Support on orders booked so far before current cancellations. Designers need assurance that they can still employ people and have finance to have product to sell.

**Summary of Key Asks:**

* Urgent support for businesses that have orders cancelled by retailers in UK and Internationally.
* Urgent support for rental holidays on office and retail
* Amendment to the support announced today for creative freelancers.

Other Actions include:

* Four letters and Two Surveys, Newsletters to Fashion Community with Updates on developments since 13th March
* Weekly Updates on Members Portal and to Community: 2 designer members newsletters and dedicated webpage on Covid on BFC website
* Support for Fashion Industry to look at capacity for Medical Masks & Gowns - over 250 responses through social media call out / coordination with Cabinet Office to understand needs and sharing of survey to help filter through suitable offers
* Two Townhall Meetings with Designers to update on discussions with Government, BFC available support and upcoming Fashion Weeks