

US Fashion Recycling Startup to Build \$500 Million Plant in France

Virginia-based Circ cites incentives and the regulatory environment as draws amid a US retreat from clean tech support.

[Olivia Raimonde](#) May 21, 2025 at 6:00 PM GMT+2

A pile of jeans sits in a clothing factory in Karachi, Pakistan.

Photographer: Asim Hafeez/Bloomberg

US clean-tech startup Circ plans to build what it says is the world's first large-scale plant that can break down the textiles heavily used in fast fashion. Fabrics made of a blend of polyester and cotton are difficult to recycle and worsening a [global waste crisis](#).

The 450 million euro (\$510 million) plant will be in Saint-Avold, France, and construction is set to begin in 2026. The facility will have the capacity to process 70,000 metric tons of polycotton material per year, according to the company. It is expected to be fully operational by 2028 and create 200 direct and indirect jobs.

Danville, Virginia-based Circ surveyed dozens of sites, including in North America and Asia, before deciding on France, amid a US pullback from clean-tech funding under the Trump administration.

Read more: [Trump's Spending Cuts Force Clean Techs to Explore US Exit](#)

“We see within the EU an incredible appetite for green-industry solutions and an ecosystem in the finance world that's very supportive of industrial solutions like this that can scale,” said Conor Hartman, Circ's chief operating officer.

Circ applied for both national and regional grants and financing assistance through the French government, including its Strategic Project

Guarantee program through Bpifrance Assurance Export. The company has also sought grants from the EU Innovation Fund and Just Transition Fund.

“The blend of incentives, regulatory environment, affordable clean energy, manufacturing experience and talent within the workforce were all important in Circ’s decision to locate this facility in France over sites in other regions,” said Hartman.

France has ambitious environmental and textile waste laws, including an anti-waste and circular economy law that focuses on reducing waste, managing it more responsibly and building domestic recycling infrastructure. Circ’s plant would also support textile producers in meeting their [Extended Producer Responsibility](#) obligations to manage the entire life cycle of their goods.

Read more: [Fashion Is the Next Frontier for Clean Tech as Textile Waste Mounts](#)

Circ’s chemical process separates the polyester and cotton fibers in blended clothing material into two recycling streams, which is very difficult to do mechanically. The fibers are then purified so they can be reused.

Financing is expected to come from new and existing investors and a blend of equity and debt, and conversations are “ongoing,” Hartman said. The company is in discussion with the private capital market, as well as banks.

Circ has previously received investment from Patagonia, Inditex (Zara’s parent company) and the European fashion platform Zalando SE.

The project was announced by President Emmanuel Macron’s administration at the 2025 Choose France summit, the country’s annual economic development showcase.

“France is the leader in fashion, so what better place to debut the future

of the fashion industry,” Hartman said.