



EcoEquitable Business Plan 2017-2020, Summary

March 13th, 2017

EcoEquitable (EE) is a small and vibrant organization working primarily with immigrant and marginalized women. EE supports women in gaining skills and experience to join the Canadian workforce. EE has charitable status that has enabled fundraising and greater grant eligibility.

EE is a social enterprise with several for-profit lines of service including 1. [contract sewing for delegate bags and corporate gifts](#), 2. Development and sales of our home brand, [Flagbarer](#), 3. [sewing workshops for the public](#), and 4. [thriving sales of recycled fabric](#). EE's business lines serve a growing niche clientele that wants local, eco-friendly, and ethical manufacturing in Ottawa. As Ottawa's only textile recycler, we are also providing a unique service to those who want to donate fabrics as well as those who want affordable fabric options.

EcoEquitable has a full time staff of eight and approximately 10 seamstresses that work as casual contractors when needed for large production orders or to teach public sewing classes. The organization has been growing over the last several years both in programming and revenue. Our growth continues, but is now about maturing through the development of processes and investing in current staff through training and tools. We plan to expand our operations from 4 days per week to 5 days per week (for interested employees) and hire more seamstresses to work on our production line. Over the next three years, we aim to reduce our reliance on grants by increasing the size and profitability of our self-generated revenue.



Background

EcoEquitable was founded in 2002. In 2014, we moved to a new location. During that time, we have recruited competent and passionate staff that are ensuring that EcoEquitable becomes a progressive, sustainable social enterprise in the textile field.

Over time, we have matured and developed our offerings. We have also discontinued several unprofitable and time-consuming projects.

We hired a Director of Business Operations in order to focus on our business lines and develop their potential. This has helped with the growth of our self-generated revenues and brought a pragmatic, business-lens to our decisions. The hiring of a Production Manager has organized our production and ensured the delivery of high quality, on-time products.

We continue to grow our charitable programs with the development and launch of Sewing for Jobs III, a French Sewing for Jobs Program, and several other projects in the hopper for 2017.

2017-2020:

a. Programming

EcoEquitable has developed several charitable and business lines in order to meet the needs of our clients. Our clients for our charitable programs are primarily women, immigrant, and marginalized. Our business clients are primarily conference organizers and small designers.

Table 1: EE Programs for 2017 (all)

Program Title	Evaluation Metric	Funding Source	Brief Description
Sewing for Jobs I	SROI, MSC	Grants	Basic sewing course (4-months) for immigrant women. 2 cohorts/year
Sewing for Jobs II	SROI, MSC	Grants	Adv sewing course (4-months) for immigrant women. 2 cohorts/year
Sewing for Jobs III	Employment rates, 6 month job retention rates	Grants, partners	Job readiness training (1 month, annually)
Entrepreneurship Training (Delivered as part of SFJ III)	# of participants, # businesses launched	Grants, partners	Entrepreneurship training, including Biztoc workshops, craft marketplace and online/digital literacy coaching
Contract Sewing	Financial, % repeat clients	Business line	Delegate bags, speaker gifts, VIP gifts, small designer lines
Public Sewing Courses	Student survey, % repeat students	Business line	Public classes and sewing workshops taught primarily by EE alumni
Fabric Boutique (including	Textile Diversion weights	Business line	Donated fabric is sold three times per year in large fabric sales



quarterly fabric sales)			
Flagbarer	Financial	Business line	Products are designed, cut and sewn onsite.

This is a detailed description of the business lines:

Contract Sewing

EcoEquitable’s speciality is sewing bags. Our main product is delegate bags for conferences. We work with a lot of upcycled denim and also with other environmentally-friendly options. We have a good relationship with our screenprinter who moves quickly to have our products printed on time. We have also developed a relationship with a local embroiderer (EE alumni!)

We have added new items to our standard offerings which include our ‘About Town’ Tote and our ‘All Purpose’ Denim Bag.

In 2017, we refined the Flagbarer line to more efficiently use our flag material, decrease our material cost and decrease the labour required for product production. In 2016, we worked with the Ministry of Heritage to ensure that we would have access to future flags, ensuring us a supply chain.

We have seen revenue increases of 30% annually from 2014 to 2016. We expect to see similar increases and we hope to add a full-time permanent seamstress to our staff each year.

In 2016, we launched our first EcoEquitable Catalogue which has dramatically improved the sales process. We have also worked on our website and plan to create a ‘quick purchase’ for the catalogue on our Shopify site so that orders can be automatically processed.

Table 2: Production Contracts (All sewing done in the Production Room including Home Décor and EE-branded Products)

	2013	2014	2015	2016	2017	2018	2019	2020
Revenue generated (in thousands)	\$23	\$34	\$45	\$52	\$79	\$103	\$133	\$174
# staff seamstresses	0*	0*	0*	2	3	4	5	6

Note that green cells are projected numbers.

*Between 2013-2015, sewing work was performed by casual workers paid by piece-rate. In 2016, we transitioned to permanent seamstresses, paid hourly with benefits (sick



leave, vacation, WSIB coverage, additional death and disability coverage), as well as contract seamstresses (SFJ graduates) paid \$12 p/hour.

Public courses

We launched public courses in 2014 with 8 courses and modest revenue. We now run upwards of 30 courses per year which are frequently run at capacity (between 8-10 people depending on the type of class). Our public sewing courses are by far the most profitable component of EcoEquitable’s operations.

Our instructors are mostly immigrant women, including program graduates, and bring significant knowledge and depth to their courses. Our current course offerings can be seen online: <https://ecoequitable.myshopify.com/collections/frontpage> In 2016, we hired a Program Coordinator Assistant who has shown an aptitude and interest in streamlining our online course offerings and ensuring that the customer service process for public students is high quality.

We offer basic courses such as *Sewing Basics*, *Serger Basics*, *Upholstery Basics*, as well as more advanced courses such as *Pattern Making I*, *Pattern Making II*, and *Advanced Women’s Tailored Jacket*.

We are now experimenting with a few project based workshops such as *Make Your Own Yoga Pants*.

Our courses are promoted online through our Shopify site, through Kijiji, and through our social media channels (Facebook, EE newsletter, Twitter). We promote the courses in traditional media such as a rented street sign and newspaper ads.

Table 3: Public Sewing Courses Summary

	2014	2015	2016	2017	2018	2019	2020
Revenue	\$2,708	\$11,844	\$22,647	\$30,000	\$33,000	\$36,300	\$39,930
Costs		\$5,576	\$11,866	\$12,800	\$14,080	\$15,488	\$17,037
Profit		\$6,268	\$10,781	\$17,200	\$18,920	\$20,812	\$22,893

Note that green cells are projected numbers.

Fabric Sales

EcoEquitable is the only textile recycler in the Ottawa area. We have run a successful fabric boutique since 2007. We receive donations from across the city from both domestic and industrial sources. Our fabric donations continue to increase as does our associated revenue. In March 2017, we made the decision to close our onsite fabric



store which is open daily, but continue to recycle fabric through our larger fabric sales which are held three times per year. This will significantly decrease the effort involved in operating our fabric store, and will only marginally impact donations and revenues.

In 2017, we hope to purchase a metal donation bin which would allow us to collect fabric more efficiently and allow donors greater flexibility in donation drop-off times.

Table 4: Fabric Sales Summary

	2013	2014	2015	2016	2017	2018	2019	2020
# fabric sales	2	4		3+1*	3	3	3	3
Gross revenue (in thousands)	\$9.1	\$12	\$13	\$22.6	\$17	\$19	\$22	\$26
# lbs fabric recycled	5,000	7,000	5,000	7,100	7,000	8,050	9,258	10,646

Note that green cells are projected numbers.

*+1 is a mini-fabric sale held in our classroom in addition to the three larger fabric sales held that year.

Flagbarer by EcoEquitable

Flagbarer is EcoEquitable’s home brand. The label was started in 2015 as a partnership between EcoEquitable and The Federal Design House. The brand uses beautiful Ottawa area flags donated by the Federal government to create signature bags. We are currently on the second version of our products which include our Robson Duffel Bag and our Cascades Yoga Carrier.



Interest has been considerable and we will soon have Flagbarer bags stocked at Ottawa’s Parliamentary Boutique.

b. Financial Projections

EcoEquitable’s self-generated revenue has incrementally increased every year from 2008. We will continue this trend through our Production Sewing Contracts, Public Sewing Courses, and our Fabric Sales.

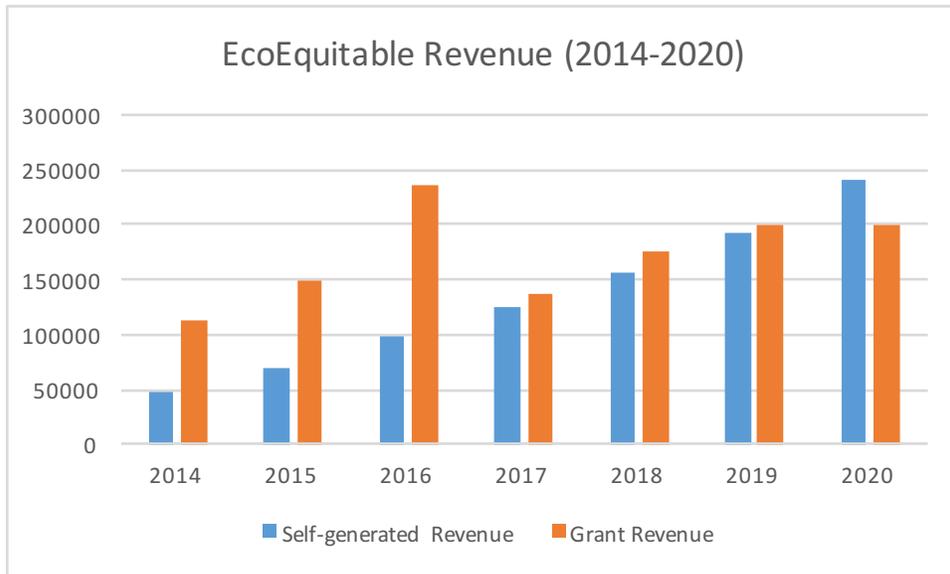
We expect to see a 30% annual increase in our sewing Production Revenue between 2016 – 2020. We expect to see our revenues from our Public Sewing Courses and Fabric Sales stabilize



given space limitations in our current building. We currently have one classroom and limited storage space which impedes the growth of these two ventures.

Between 2017 and 2020, we expect self-generated revenue to make up between 47 – 54% of our overall revenues (see table 1 below).

Chart 1: EcoEquitable Financial Data (2014-2020)



c. Operations

Our operations have improved significantly over the last two years. This is due to the hiring of an excellent Production Manager and our movement towards standardized items. Over the last two years, we have hired staff seamstresses in permanent roles which has exponentially increased the quality of our production. We have improved our tools through the donation of a high end industrial sewing machine and pressing tools as well the purchase of a new sewing machine through a targeted grant. The improvement of our tools, alignment of our human resources, and development of key processes have allowed us to confidently grow our production.

Access to local suppliers continues to be an issue, but we have formed more integrated relationships and networks with existing suppliers and will continue to search for quality and environmentally-friendly fabrics, notions and equipment.

d. Marketing and Business Development

In late 2016, EcoEquitable developed a Product Catalogue that clearly describes our standard products and displays our bulk pricing grid. This catalogue has been instrumental in attracting new business and clarifying our offering. We have also worked on our website to improve our



aesthetic look and ease of online purchasing. This work has also focused on improving our website SEO (search engine optimization) which has dramatically improved our web presence.

In 2016, we also piloted the use of a large street sign (6' x 4') which was critical in improving our local visibility and course registration. We have also been attending several conferences, tradeshow, job fairs, community celebrations and networking events with the goal of making new contacts and connecting with local community groups.

We will continue to experiment with new and traditional media to attract new business and stay top of mind for existing clients.

Conclusion

Over the last few years, EcoEquitable has been testing our approach and developing our products. We have moved beyond the testing phase to scaling up our successful projects. Over the last four years, we have discarded several unprofitable and time-consuming business lines including our on-site alterations, consignment of finished goods, and onsite fabric boutique. This focus and alignment around what is working has allowed us to focus on improving our products and marketing. EcoEquitable is excellently positioned over the next three years to become a leading social enterprise; providing excellent services, products, and a meaningful support to the community.