

MASTERCLASS: CERTIFICATIONS & STANDARDS: **CASE STUDIES**

BIBICO



Bibico was founded by Nieves Ruiz in 2007 after she spent time in India and learnt about fair trade and how it has a positive impact on communities. Bibico works with women in India and Nepal who manufacture their clothing. Nieves is currently in India where she is working on a new project named Shared Talent India, where 6 UK designers work with 6 Indian designers to create a shared sustainable collection. Bibico has a concession in Topshop's flagship store.

Are you engaging with any multistakeholder initiatives, standards and certification bodies or support organisations?

Bibico currently works with producers that are registered by World Fair Trade Organisation (WFTO) previously known as the International Fair Trade Association (IFAT).

What ethical certification and labels do you currently have on products, and which product ranges?

As a business we are currently unable to gain WFTO membership as the requirement for business membership is 2 years trading activity. We have only been trading for 1 year so we do not qualify for full membership. However we only work with WFTO certified producers and all our garments and accessories are made by these producers.

In May 2010 we will apply for membership as by then we will have been trading for 2 years.

What was your motive for choosing the types of certification & standards you use and bodies/ initiatives you engage with?

Our motivation when starting a clothing company was to ensure that the people producing our garments worked in clean safe conditions and were paid a fair price for their work. There have been too many examples of major retailers sub contracting work out to factories in India where the working conditions are below standard and the workers are paid sub standard wages. Our aim in creating bibico was to create a brand that offered the consumer a guarantee- a guarantee that they would receive a high quality product and a guarantee that that product was made by workers working in clean healthy working conditions and that those people have been paid a fair salary for the work that they have done.

While we aim in the future to make our clothes from Fairtrade Cotton our priority was to ensure that our production of the garment rather than the cotton was monitored by a fair trade organisation. The Fairtrade Foundation (FLO) guarantees that the commodity of cotton is monitored however it does not monitor the garment production process.

The WFTO not only ensures their members pay a fair wage and ensure healthy working conditions but they also actively create opportunities for economically disadvantaged producers. This is what appealed to us the possibility of creating a for profit business but at the same time contributing to the people that we work with in India and Nepal.

What were your biggest challenges?

As a new fair trade business it is difficult to demonstrate your fair trade credentials without having the WFTO mark. We have been able to do this by being transparent about our processes and promoting fair trade where we can. A major win for us was becoming one of the main fair trade stockists in Topshop.

In addition there is still a lack of clarity between the various different certification bodies. Most consumers recognise the FLO certification but they don't realise that it only covers mainly commodities eg. Bananas, cotton etc. This can be misleading to consumers because they believe the whole process is fair trade certified i.e from cotton farming to the production of the final product. Where in truth FLO only covers the production of cotton and not the production of the garment.

What timescales have you needed to get certification in place?

We need to demonstrate we have been trading for 2 years to qualify for WFTO membership

How has certification impacted on your costs/ overheads?

Currently there has been no direct cost however when we qualify we will pay a 250 euro annual fee as our turnover is below 100,000 euros.

Have you found that you can sell certified ranges at a higher price/ other opportunities associated with certification?

As we don't have any certification I can't comment on this but we plan to maintain our current prices. Our price range is between £25 to £60. We don't think fair trade needs to be overly expensive because if it is it will become too expensive for the mass market. Our aim is to make a fair trade fashion product that is competitive with the high street like this a big percentage of society will get into it and we will make fair trade fashion a high street trend.



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EDUN



Edun was launched in Spring 2005 by Ali Hewson and Bono. Edun's primary goal is to create beautiful clothes using ethical conditions and to help create long-term sustainable employment in the developing world, particularly sub-Saharan Africa. Edun helps build sustainable communities by helping to build the skill sets of the people involved in making their clothes.

Are you engaging with any multistakeholder initiatives, standards and certification bodies or support organisations (e.g. ETI, MFA, Made By, Sedex)

We work with Made-By primarily

What ethical certification/ labels do you currently have on products, and which product ranges?

We have Ecocert Organic and FairTrade certification. We also have Organic certification through IMO and we are looking into FLO certification now for Fair Trade.

What was your motive for choosing the types of certification/ standards you use?

An introduction was made, and we went from there.

What was your motive for choosing the certification bodies/ initiatives you engage with?

It was what our suppliers and factories could access most easily.

What were your biggest challenges?

Funding for it, the cost and time of resources and management in order to give time to these programs while simultaneously trying to run a sustainable business.

What sort of timescales have you needed to get certification in place?

This completely depends on the certifying body and the supplier so I really can't say exactly.

How has certification impacted on your costs/ overheads

I will have to check on this. I don't think it has too much because our suppliers/ factories undertook the process.

Have you found that you can sell certified ranges at a higher price/ other opportunities associated with certification?

Yes, but only marginally higher prices. The product itself really needs to warrant the premium. You can't rely on certification for that.



MASTERCLASS: CERTIFICATIONS & STANDARDS: **CASE STUDIES** **MONSOON**



Monsoon was founded in 1973 by Peter Simon. Monsoon are heavily influenced by the Far East. Many of their clothes are made in Indian villages using vegetable dyes, hand-loomed cotton and block printing. For fifteen years they have been improving the lives of disadvantaged women and children in Asia, focusing on education, health and income generation. Monsoon are also founder members of the Ethical Trading Initiative.

Are you engaging with any multistakeholder initiatives, standards and certification bodies or support organisations?

Yes ETI and considering Made BY

What ethical certification/ labels do you currently have on products, and which product ranges?

Fairtrade and Organic

What was your motive for choosing the types of certification/ standards you use?

Compatible with the ethos of the business

What was your motive for choosing the types of certification & standards you use and bodies/ initiatives you engage with?

Compatible with the ethos of the business and commercially viable

What were your biggest challenges?

Identifying suitable suppliers and raw material.

What sort of timescales have you needed to get certification in place?

Varies and depends upon the scope of the project

How has certification impacted on your costs/ overheads?

There are cost implications - cannot quantify but we have to be aware of the balance and market implications.

Have you found that you can sell certified ranges at a higher price/ other opportunities associated with certification .

Within certain limits and boundaries

What social and environmental benefits have you seen as a result of certification and standards?

Fair Trade is bottom up and therefore presents a more transparent supply chain which is better for monitoring purposes

Any top tips for other businesses seeking to integrate certifications and standards?

Do your homework to ensure that ethical and commerciality are compatible and fully integrated within the business



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New Look



New Look was set up in 1969 and has grown into a well-known High Street store with stores in the UK, Republic of Ireland, France, Belgium, Russia, and Dubai. It offers a range of collections including children's 9-15 range as well as size specific tall, maternity and petite ranges. They launched their first organic collection in 2007 and are making progress with integrating alternative natural fibres including bamboo, and recycled PET.

Are you engaging with any multistakeholder initiatives, standards and certification bodies or support organisations?

New Look has been a member of the Ethical Trading Initiative since 2003 and has adopted the ETI Base Code as its Ethical Aims. All of New Look's suppliers must sign up to achieving these standards if they wish to do business with New Look. Improving factory working conditions is enormously challenging and New Look has a committed and experienced team working on these issues on a day-to-day basis. The team also travels worldwide to learn about the issues confronting different countries and cultures.

New Look has been a member of Sedex since 2007. We use Sedex to keep track of how suppliers are doing, and to carry out risk assessments and pin-point emerging issues.

New Look has just joined the Local Resources Network, an online community linking corporate and NGO members with developing world partners who have expertise in conducting workplace remediation and training. New Look is not a member of the MFA forum.

What ethical certification and labels do you currently have on products, and which product ranges?

New Look has a range of ethically labeled products including:

- An organic cotton range, launched in 2006.

- A range of casual T-Shirts made from recycled Bamboo fibre.

- A range of organic knitwear certified by the Soil Association; (New Look are the only retailer on the high street who currently offer this.) In 2008 New Look had a turnover from sales of organic clothing of 2,320,754 sales units. This accounted for 4.2% of the New Look Womenswear company business. Aside from certified ethical product lines New Look believes in striving towards a high level of labour standards across the New Look product range and supply base. New Look adopts the ETI base code as its Ethical Aims and we work hard with all our suppliers on improving the social impacts of all our products, involving experts, NGOs and trade unions. For example we are rolling out a programme to improve job quality, reduce working hours and increase wages and benefits for workers in our key Indian and Bangladeshi factories. This programme will be extended to key Cambodian, Vietnamese and Chinese suppliers in the Autumn. Our buyers factor ethical issues into the way they buy, so as to reduce pressure on suppliers

What was your motive for choosing the types of certification & standards you use?

New Look wanted to reduce the environmental impact of its products. To this end we decided to start this process with cotton and cotton-mixed fabrics as these are our most popular products. We launched our Organic Cotton range in Summer 2007. Organic cotton is grown without the use of pesticides and is therefore better for the environment, and better for the cotton farmers themselves.

We chose to work with ETI, since it is the key UK MSI working on labour standards, and its Base Code was negotiated through a tri-partite process and sets out a standard based on ILO Conventions. We believe that there is no viable certification process for labour standards in our type of supply base, and therefore we work on developing innovative and sustainable ways to improve working conditions which provide genuine benefits to workers and are also positive for the businesses in our supply chain.

What was your motive for choosing the certification bodies/ initiatives you engage with?

We chose to work with the Soil Association as we wanted to reassure our customers that our range was of the highest organic standards. We aim to give shoppers not only access to responsibly sourced products but also assurance.

We do not work with any certification bodies on labour standards.

What were your biggest challenges?

New Look's biggest challenge initially was sourcing enough organic cotton for the company's needs. We also improved our purchasing practices and learned to plan in advance as our suppliers required longer leadtimes.

What timescales have you needed to get certification in place?

It took New Look 6 months to implement it.



How has certification impacted on your costs/ overheads?

The organic cotton range costs more to produce than non-organic cotton, but the difference is not as much as it was when New Look first launched its organic cotton range in 2006. Cotton fields take 3 years to become certified as organic. As demand has risen, so has supply. There are now many more certified fields which have caused the price to drop. In addition to the price of organic cotton falling, the price of non-organic cotton has risen. This means that the difference between the two has narrowed from about 20% a few years ago to about 5% now.

Regarding New Look's wider ethical trading programme, working towards better working conditions and fairer trade demands investment and monetary commitment; however because New Look is committed to a more ethical trade and because we do this as central to how we operate there is no extra ethical premium charged to the customer. Instead New Look is committed to providing great value for customers without relenting on our commitment towards a more ethical trade.

Have you found that you can sell certified ranges at a higher price/ other opportunities associated with certification?

Typically organic ranges sell at 20% above the standard ranges.

Feedback from customers is that they want to buy organic cotton but they want the retailer to make it as easy as possible for them, New Look is determined to do just this. Furthermore, as organic cotton becomes increasingly common-place, the need for responsible retailers to offer organic cotton certified by a reputable organisation will increase. Therefore New Look is committed to working with organisations such as the Soil Association to give shoppers not only access to responsibly sourced products but also assurance.

What social and environmental benefits have you seen as a result of certification and standards?

New Look prides itself on engaging with labour standards projects that deliver benefits to workers, this is substantiated by our most recent ETI feedback which commends our project work for successfully engaging with ETI standards and demonstrating tangible successes particularly on child labour remediation and increasing wages. Here is a sample of our project-work and project successes from the past year:

In Bangladesh we have completed a project that demonstrates it is possible to significantly and sustainably increase the wages of the lowest paid workers.

In China we are rolling out 3 toolkits which will help factories to: set up an elected workers committee, implement production incentive systems and improve technical productivity.

Long-term child labour remediation project in Turkey, 1 child has now reached working age and two more have been able to make the transition to a mainstream school.

Partnership work with NGOs and trade unions in Cambodia, Vietnam and Turkey.

A new project in India is exploring how to improve the terms and conditions of contract workers.

An ETI Purchasing Practices project analysing the effect of Purchasing Practices on suppliers and factories and identifying specific improvements to our processes.

Age verification training for suppliers in Vietnam and China.

Organic cotton brings benefits to both the environment and the workers engaged in the cotton supply chain without compromising on the quality of the product. Organic cotton involves manual farming and organic practices which have a lower carbon footprint as the entire process consumes less fuel and energy and emits fewer greenhouse gases. Organic farming uses natural rather than synthetic pesticides and fertilizers and furthermore helps reduce water use, electricity use and toxic runoff. Organic cotton also brings benefits for workers where organic farming is safer and healthier for farmers and there are serious health problems associated with pesticides. Furthermore organic cotton provides an economically viable and socially acceptable alternative to large-scale farming.

Any top tips for other businesses seeking to integrate certifications and standards?

New Look's top tip for other businesses seeking to integrate ethical trade is to make improvements at every opportunity and ensure that ethical values are central to how the business operates. New Look's ethical trading programme is central to how we operate and we believe there is a strong argument for ethical business. Increasingly we find that our customers appreciate our ethical stance, even in the current downturn.

Our organic range continues to be extremely popular and we are actively exploring new organic product lines. In particular, we are working with our suppliers to explore the possibility of expanding Soil Association certification beyond knitwear to include jersey.

New Look believes in being fair to both the people who buy our products and the people who make our products, this means that New Look's ethical approach is not restricted to its organic products but is central to how we operate.

Where our customers are becoming increasingly aware of the broad-reaching power of their purchasing decisions they are exercising this power by choosing what they buy and where they shop. Ultimately the reason it is important for shopper to have access to responsibility sourced products is because that is what the customer wants: value but also a commitment to ethical values. We want our customers and staff to feel good about New Look's products and also about how they were sourced.

