



NEST 2019 IMPACT REPORT



2019

Nest is building a new handworker economy to generate **global workforce inclusivity**, improve **women's well-being** beyond factories, and preserve **cultural traditions**. We are committed to the social and economic advancement of global artisans and homeworkers through **supply chain transparency** and **sustainable business development** and are demonstrating that industry-driven reform is a critical mechanism for connecting handworkers, brands, and consumers in a **circular and human-centric value chain**.



Dear Friends,

Thirteen years ago, I saw an opportunity for women to provide for themselves and their families—to enrich their communities and celebrate cultural traditions—using one unique mechanism: craft. As I reflect on the changes our world has experienced since 2006, I am struck by the rising preoccupation with my own early obsession. From craft beer to peanut butter to baskets, it would appear that the age of artisan *everything* is upon us. Research & Markets indicates that the global handicrafts market reached US \$526.5 Billion in 2017 and is expected to reach \$984.8 Billion by 2023, confirming that consumer interest in handcraft can translate to real economic growth.

The rising interest in craftsmanship has important social implications when we consider the world's **300 million home-based workers, most of whom are women**, and many of whom are practicing artisanal or hand techniques. 40% of artisan women surveyed by Nest and CCR-CSR reported that they left factory work to engage in home-based craftwork so that they could care for their families. **80% reported that the prefer working from home to any other place of work.**

But in step with this surge in excitement about all things artisan, comes an ever greater imperative that **we demand not just handcrafted items, but *ethically handcrafted* ones**. When we fall into the trap of equating artisan with ethical, we fail to acknowledge the fact that craftwork is, in most cases, part of a complex informal economy. Craftspeople typically labor from home at the bottom of a dispersed web of middlemen. It follows that transparency to ensure **fairness for the handworker workforce is actually more complicated**, not less so, than it is for factory workers who are all under one roof, their safety more visible. Factory workers are most commonly paid a salary wage that can be more clearly mapped to the local minimum wage.

Artisan enterprises require a more robust suite of educational resources to help them establish verifiable systems. For Nest,

this means creating easily replicable tool kits, video tutorials and translated guides for support in implementing standardized business operations—from conducting time and motion studies for calculating and benchmarking fair wages, to documenting and overseeing an age verification process that reduces risk of child labor. *The good news?* While challenging, our work is proving effective. **We have seen a range of positive impacts outlined on the pages of this report that tell us we are on the right track.**

As automation and technology change at lightning speed, we need to know that it is also okay to slow down—to support hand produced goods that carry soul and human spirit. Most importantly, the talented women who make our artisanal items deserve not only to make something beautiful, but also to have their wellbeing assured. **The Nest Seal of Ethical Handcraft is now available on select products at West Elm, Pottery Barn, Pottery Barn Kids, and Target**, helping every person play a role in making this possible.

We are excited to share that our partners at Bloomberg Philanthropies have recently renewed and expanded their support based on our shared belief that craft is a fundamental economic force—predominantly for women, but also for racial minorities, immigrants, refugees, rural communities, disabled persons, and other groups—often cut off from the mainstream economy and challenged to connect with work opportunities that we believe are a universal human right.

We hope you will continue to join us on this journey.

Warmly,

Rebecca van Bergen
Founder & Executive Director

A VIBRANT & CONNECTED

Handworker Economy



Artisan Guild members are seeking growth and scale. **90%** are already exporting!

Artisan Guild members are predominantly producing for the fashion and home industries: **64%** make fashion accessories, **55%** produce home decor, and **50%** create textiles

NORTH AMERICA

18,407
ARTISANS

SOUTH AMERICA

13,329
ARTISANS

The Artisan Guild grew
by over **30%**
in the past year alone

109 COUNTRIES

626 ARTISAN BUSINESSES

197,576 HANDWORKERS

901,820 INDIVIDUALS
(Indirect Impact)

as of 9.9.2019

EUROPE

764
ARTISANS

ASIA

143,555
ARTISANS

AFRICA

21,375
ARTISANS

OCEANIA

146
ARTISANS

Afghanistan	Cameroon	Ethiopia	Jamaica	Mauritania	Papua New Guinea	Sierra Leone	Turkey
Argentina	Chile	France	Japan	Mauritius	Paraguay	Solomon Islands	Tuvalu
Armenia	China	Germany	Jordan	Mexico	Peru	South Africa	Uganda
Australia	Colombia	Ghana	Kenya	Mongolia	Philippines	South Korea	United Kingdom
Bahamas	Côte d'Ivoire	Greece	Kiribati	Morocco	Poland	Spain	United States
Bangladesh	Cuba	Grenada	Kyrgyzstan	Myanmar	Portugal	Sri Lanka	Uruguay
Barbados	Djibouti	Guatemala	Laos	Namibia	Romania	Sudan	Uzbekistan
Belize	Dominica	Guyana	Lebanon	Nepal	Russia	Sweden	Venezuela
Bolivia	Dominican Republic	Haiti	Lesotho	New Zealand	Rwanda	Syria	Vietnam
Botswana	DRC	Honduras	Libya	Nicaragua	Saint Lucia	Taiwan	Zambia
Brazil	Ecuador	India	Madagascar	Niger	Samoa	Tanzania	Zimbabwe
Burkina Faso	Egypt	Indonesia	Malawi	Nigeria	Saudi Arabia	Thailand	
Burundi	El Salvador	Israel	Malaysia	Pakistan	Senegal	Trinidad	
Cambodia	Eswatini	Italy	Mali	Palestine	Seychelles	Tunisia	

PROGRAMS AND IMPACT



Via live audience webinar, CFDA President and CEO, Steven Kolb, and three CFDA member designers present to the Guild on successful artisan-designer collaborations.



ARTISAN GUILD

Through the Artisan Guild, more than 600 social entrepreneurs are receiving sophisticated pro bono business support (via webinars, raw material giveaways and consulting projects with Nest Fellows) designed to help them grow their craft-based businesses and drive community impact.

PRO BONO CONSULTING FROM PROFESSIONAL FELLOWS

	# Total Number of Fellowships	⌚ Fellowship Hours	\$ Equivalent Fellowship Dollars
2018 Totals	242	2,736	\$185k
Program Totals to Date	943	18,209	\$1.25M

RAW MATERIAL DONATIONS TO GUILD MEMBERS



1,300 meters
of premium fabric



750
Swarovski crystals

EDUCATIONAL WEBINARS

191 artisan business leaders participated

in **13** hour-long exclusive live webinars

led by **20** industry leaders



ARTISAN ACCELERATOR

The Artisan Accelerator is an application-based program to provide support to craft-based businesses at a critical inflection point. The program brings together an annual cohort of ten highly promising businesses to participate in an intensive year-long business development curriculum designed to help scale their work and impact.



Justine Potashnik, Interior Design and Fashion Business Development Consultant, visits 2019 Artisan Accelerator participant, Studio Coppre, for an onsite fellowship in India

2018 ACCELERATOR PARTICIPANTS

10 Artisan Businesses	7 Countries	90% Female Business Leaders
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THE FOLLOWING IMPACTS WERE SEEN 1 YEAR AFTER PROGRAM COMPLETION

80%
of businesses

Maintained or Increased their **STAFFING**

90%
of businesses

Increased or Maintained **REVENUE**



8.6%

Average Revenue Growth



\$602k

Net New Revenue Generated

+76

Net **NEW JOBS** created
across all participants

1,181

Total cumulative **HOURS OF
PRO BONO CONSULTING** delivered

\$85k

Total **DOLLARS OF PRO BONO
CONSULTING** delivered



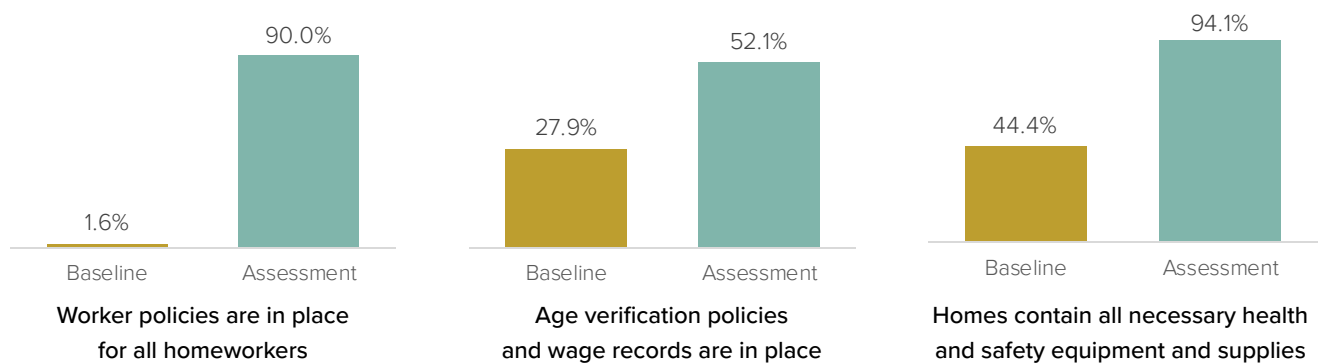
ETHICAL HANDCRAFT PROGRAM

By making home and small workshop-based production a safe and viable option, Nest's Ethical Handcraft Program is opening up new doors for brands to source responsibly produced handmade items. With the Nest Seal, consumers are empowered to make responsible purchasing decisions based on point-of-sale education.

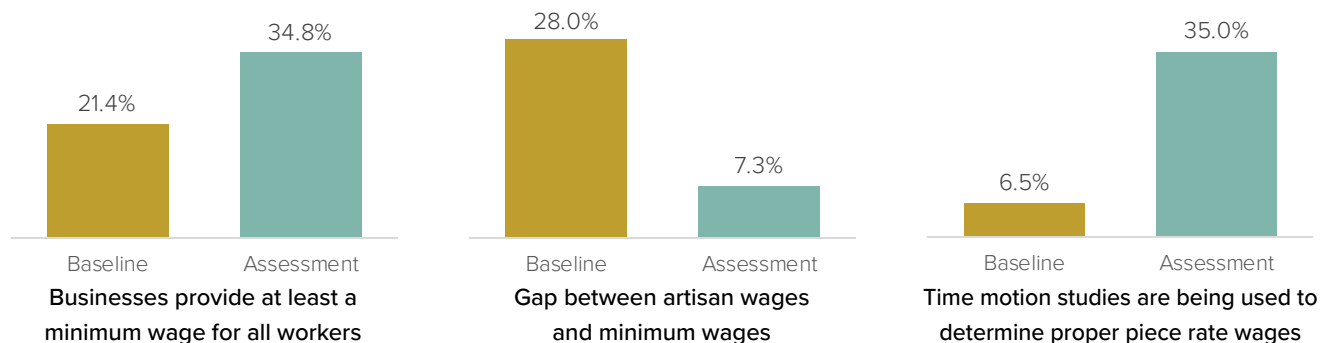
The Seal now appears on more than 70 handcrafted items across Target, West Elm, Pottery Barn, and Pottery Barn Kids

PROGRAM OVERVIEW TO DATE				
18 Countries	89 Artisan Businesses	113 Supply Chains	40,929 Artisans	20 Brands

NEST IMPROVES WORKING CONDITIONS AND DECREASES RISK OF CHILD LABOR



NEST PROMOTES FAIR WAGES WITH TIME MOTION STUDIES





MAKERS UNITED

Makers United is creating a more inclusive maker movement across the United States by supporting diverse artisan entrepreneurs with city landscape mapping, business-building workshops, and exciting market access opportunities.



More than 100 Birmingham Makers participated in the Makers United pilot and 89% of educational workshop participants reported increase in knowledge.

BIRMINGHAM RESULTS		
103 Makers	35% Minority Owned & Led	85% Female Owned & Led

89%
improvement in knowledge
following Nest Clinics

\$16k
in revenue generated
from Birmingham Market

Highest
grossing
market for many
participating
artisans



DATA AND EDUCATION

Nest's annual New Handworker Economy Convening brings together cross-sector field experts to build holistic solutions to the challenges impacting today's supply chains. With the support of Bloomberg Philanthropies, Nest launched its first *State of the Handworker Economy Report*, revealing 40 pages of descriptive data on artisan SMEs, homeworkers, and complex supply chains.

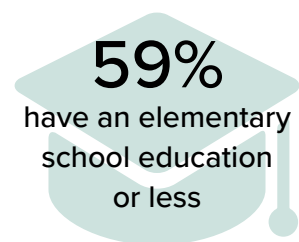
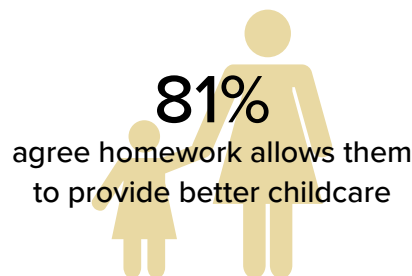
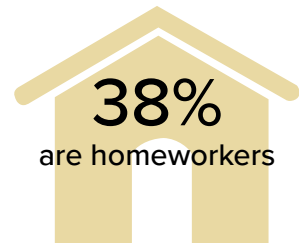
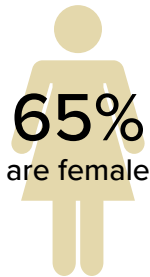


Left to right: Jill Fillipovic (The New York Times), Karen Duffin (NPR), Helen Avery (Euromoney), and Marc Bain (Quartz) discuss what it takes to build the case for bottom of the pyramid investment at Nest's second annual New Handworker Economy Convening hosted by BNP Paribas

Nest's Measurement of WORKER WELLBEING

Nest programs are creating a ripple effect of impact across individuals, families, and communities. Our proprietary worker wellbeing tool measures how worker transparency and fair employment translates to a handworker's quality of living.

HANDWORKERS AT A GLANCE



NEST IMPACTS ON WELLBEING (BETWEEN BASELINE AND FOLLOW-UP)

+17%
increase in
perception of
FAIR PAY

+11%
increase in
ability to **HANDLE**
UNEXPECTED EVENTS

+18%
increase in
expenditures on
CHILD EDUCATION

+6%
increase in
PRIDE OF WORK

+10%
increase in
craft income
used toward
CHILD SCHOOLING

+10%
increase in
EMPOWERMENT
SCORE

+30%
increase in
ENCOURAGEMENT OF
NEXT GENERATION
to learn craft

-9%
decrease in
those who would
SWITCH JOBS
for more pay

MEET ALL ACROSS AFRICA

All Across Africa's participation in the 2018 Accelerator program has helped set the business up for success and significant growth in 2019. Since graduating from the program, the 90% female powered artisan business has realized **\$489,000** USD in sales from two large orders (totaling over 24,000 units) for handwoven baskets placed by major national and international brands. The brand connections were fostered by Nest, with All Across Africa proving design sophistication and high product quality, while meeting both quantities and timelines demanded by its partners. Overall, All Across Africa has grown its **revenue between 60-70% YoY** (as of September 2019). The economic wins are helping to spur broader social impact in the communities in Rwanda and Uganda, which takes on even greater significance when considering that unemployment in Sub-Saharan Africa falls somewhere between 80–96%.



“Weaving enables me to pay for all of my children's school fees. Through my savings, I've been able to purchase two pigs, land, and I recently started my own chapati business.

—Margret Nampina

Of all
All Across Africa artisans:

80%
are actively
using a savings account

94%
have purchased
health insurance
coverage



Of the 497 women engaged
in fulfilling the international
orders through Nest
connections:

100%
said their income enabled
their children to
complete high school
or will in the future

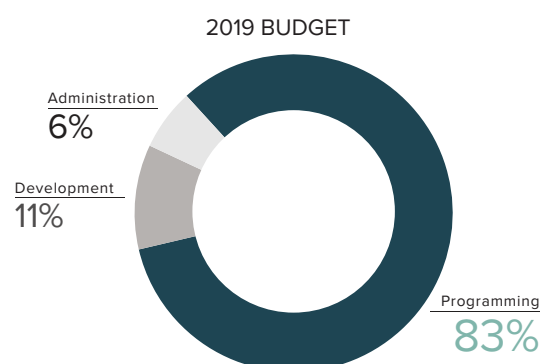
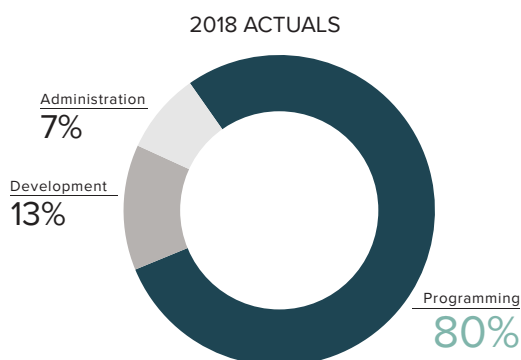
100%
said they are
proud of their craftwork

FINANCIALS

	ACTUALS	BUDGET
	2018	2019
REVENUES		
Foundations	\$1,535,089	\$1,725,000
Fee for service Partnerships	867,546	1,125,600
Corporate Philanthropy	793,513	115,000
Individuals	386,576	453,000
Trips & Events	236,307	207,500
Other	36,940	60,000
SUBTOTAL REVENUES RAISED	\$3,855,971	\$3,686,100
Fee-for-service Carry Over	(204,896)	215,000
Investment Return	3,901	20,000
TOTAL REVENUES RAISED	\$3,654,976	\$3,921,100

EXPENSES	2018	2019
PROGRAMMING		
Nest Guild	\$616,444	\$1,425,063
Compliance & Contracted Services	827,053	1,047,681
Research & Advocacy	472,763	628,709
DEVELOPMENT	318,892	398,240
ADMINISTRATION	205,674	233,126
SUBTOTAL EXPENSES	\$2,440,826	\$3,732,819
2018 Programming Asset investments	(58,380)	—
2018 Administrative Asset investments	(15,482)	—
Write-off Assets (Land)	129,611	—
Amortization & Depreciation	2,256	—
TOTAL EXPENSES	\$2,498,831	\$3,732,819

\$1.2M in revenues raised in 2018 has been allocated as restricted funds for specific projects taking place in 2019 and 2020.





Eco Tasar (India)



33.3 (Philippines)



All Across Africa (Rwanda)



Awamaki (Peru)



NEST SUPPORTERS

NEST FAMILY

BOARD OF TRUSTEES

Jim Bringham, <i>Chairman</i>	Julie Meyer
Heather Winn Bowman	Louise Parzick
Carmen Busquets	Nicole Pechanec Luck
Marty Cordes	Hall Rockefeller
Brendan Cullen	Ilaine Ogilvie Thompson
Ivanka Mamic	

FOUNDING BOARD

Susanna Johnson Bird	Alison Sheehan
Molly Carter	Ann VonAllmen
Kari Erickson Woolf	David VonAllmen
Lauren Hurst	

ADVISORY BOARD

Ashley Shaw-Scott Adjaye	Phoebe Campbell	Deborah Palmer Keiser	Marissa Sackler
David Adjaye	Natalie Chanin	Niclas Kjellström-Matseke	Ellice Sperber
Sean Ansett	Amy Christiansen	Steven Kolb	Krista Stack
Pam Baer	Livia Firth	Lauren Bush Lauren	Nadja Swarovski
Alex Bellos	Amanda Hearst	Melissa Joy Manning	Bandana Tewari
Jim Brett	Mara Hoffman	Susan McPherson	Amber Valletta
Jeffrey D. Brown	Jill Iscol	Andrew Morgan	Wen Zhou
Burak Cakmak	Donna Karan	Allison Whipple Rockefeller	

2018 CORPORATE & OTHER KEY SERVICE PARTNERSHIPS



Atharna	Jaipur Living	Opportunity Collaboration LLC	St.Roche
Catriona MacKechnie Inc.	JS Group International	Oscar de la Renta	Staprans Design
Cienne	Natalie Kaelin Home Goods	Pedestals NY	The Valerie Parr Company Inc.
Daughters of Gaea	NYU Stern School of Business	Rede Asta	Zoobeetle Paris

Nest is profoundly grateful for the pro bono legal support from Foley & Lardner



2018 PHILANTHROPIC SUPPORTERS

**Bloomberg
Philanthropies**



\$250,000+

Bloomberg Philanthropies
Oak Foundation
QVC
Winn Family Foundation

\$100,000 – \$499,999

Imago dei Fund

\$50,000 – \$99,999

HSN
Nicole & Andrew Luck
Mastercard Center for Inclusive Growth
Swarovski Foundation

\$20,000 – \$49,999

Heather Winn Bowman
Cordes Foundation
Kathryn Harbert
Julie & Jon Meyer
Louise Parzick
Marissa Sackler
Lekha Singh
Ellice Sperber
Staples Trust
David & Ann VonAllmen

\$10,000 – \$19,999

Ashoka Foundation
Bank of the West
Bruce C. Abrams Foundation
Jerry & Diane Cunningham
Doris Duke Charitable Foundation
Gudrun Sjödén Design AB
The Valerie Parr Company Inc.

\$5,000 – \$9,999

Lindsey Abrams
Pamela Baer
Claudia Constantiner
Kellie & Michael DeFries
Darci DeMatteo
Jane Ehinger
Leah Friedman
James S. Peterson Foundation
Kastory Family Foundation
Levi Strauss & Co.
Hall Rockefeller

\$1,000 – \$4,999

Molly Carter
Kari Erickson
Carolyn Ezrin
Gerson Family Foundation
David Grossman
IF Hummingbird Foundation
Jaya International
Anadil Johnson
Deborah Palmer Kieser
Warren & Kim Lane
MacDonough Foundation
Melissa Joy Manning INC.
Newman's Own Foundation
Robert J Lieber Charitable Trust
Victoria Rovner
Susan Sandler
Sharon Davis Foundation
Alison Sheehan
Krista Stack
Vivian Blin Vose
Elliot & Sharon Zucker

GRASSROOTS
PROGRAMMING

INDUSTRY
LEADERSHIP

CONSUMER
EDUCATION

SECTOR
BUILDING



NEST
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