


# The Handwork Landscape: Houston, Texas

Nest's Makers United Project
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NEST


Photo Courtesy of Sew Great

# Contents



Front Cover Photos Courtesy of: (Top Left) Rudi's Girls; (Middle) Pearl Park | Photo Credit: Paul Hester; (Top Right) CASUMS; (Bottom) Handmade Ellie Grace

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# Introduction

Nest's Makers United program is a multi-stakeholder initiative that connects and strengthens the wide diversity of makers across the United States, building a vibrant and inclusive maker community. The program identifies and supports makers who face greater barriers to expanding their market reach and accessing business development services that support growth. Leveraging the maker movement's potential to generate opportunity for all makers, regardless of sex, race, economic means, or physical ability, Maker's United is committed to an inclusive creative economy.

To launch our work in Houston, we partnered with Projects-Matter, a local Houston consulting firm that focuses on leveraging resources and opportunities to enhance community vitality and resilience. Their existing relationships and connections to local stakeholders, makers, and maker-facing organizations was crucial to our landscape mapping efforts. The following report highlights our insights and findings from our landscape survey, various stakeholder interviews, and community discussions with makers. We hope this report illuminates the needs, challenges and opportunities for all stages of maker businesses in Houston–and we hope it underscores the importance of investing in programs, funding, and resources to support the growing maker ecosystem there.

While we were able to reach a diverse group of participants who reflected Houston's diversity, we know that we did not reach everyone. The ongoing impact of the COVID-19 pandemic limited our ability to connect in person and build relationships. The pandemic has also exacerbated the digital divide, and we know that access to technology limited our ability to connect with relevant stakeholders. With those limitations in mind, the data that we share here represents our best approximation of the demographics, experiences, and goals of Houston makers.

# Meet Our Local Team

**Lauren Caldarera** enjoys developing partnerships to support innovative ideas and creative thinking in the US and abroad. In her work, Lauren brings together business and civic leaders to build collaborative initiatives, secure local and federal funding, and develop workforce and education programs that create economic vitality in communities.

**Erika Hornsey** is an experienced community engagement practitioner with proven skills in strategic planning and program implementation. Erika held executive leadership positions in the nonprofit sector for a decade, before partnering with Lauren to form Projects-Matter, a local social-profit consulting firm.

**Shaneka Jones** has worked in the nonprofit community for years in coordination and capacity building. She enjoys turning chaos into order and creating sustainable and user friendly operation procedures. Her skills include bridging communication between all levels of administration and leadership.

**Tricia Monticello Kievlan** has worked with nonprofits, school districts, museums, libraries, and foundations to help organizations understand their stakeholders' needs and develop creative, collaborative solutions. She spent the first decade of her career working in schools as a teacher and administrator, and she has since moved into the nonprofit sector as a writer, facilitator, and strategic consultant. Tricia served as lead writer on the report.

# Approach and Methodology

In Fall 2021 and Winter 2022, Houston consultancy firm Projects-Matter recruited and engaged the artisan and maker community in Houston in order to better understand their needs and challenges.

The following data sources were used to create this report:

- **The American Community Survey (ACS)** conducted by the US Census Bureau for population and housing comparisons
- **Bureau of Labor Statistics (BLS)** for local employee and salary comparisons
- **Nest's Makers United Landscape Survey (N=107)** focused on understanding who Houston makers are, what they make, how they sell their products, the resources they currently utilize and the resources they need.
- **Five Community Discussions** in three languages focused on makers' challenges and needs. Included one facilitated in Arabic (N=5), one in Spanish (N=5), one with BIPOC makers (N=5), and two with members of a pop-up market focused on Black-owned businesses (N=5 and N=6).
- **Stakeholder Interviews (N=16)** with key stakeholders representing local government, academia, financial institutions, accelerator/incubator programs, community organizations, workforce development programs, and funders.

The survey, which was administered digitally using Qualtrics survey software, served as the first touchpoint between Nest and Houston makers. It was distributed through craft communities via Facebook, market networks, college distribution lists, cultural community hubs, and civic and neighborhood associations. Makers were identified through consultants who identified key stakeholders representing local government, academia, financial institutions, accelerator/incubator programs, community organizations, workforce development programs, and funders.

# Houston's Maker Landscape

**Houston** is the largest city in Texas and the fourth largest city in the US, with a diverse population of 2.3 million people—29.3% of whom were born outside the US.[1] While construction and healthcare are the region's leading sectors, there is enormous growth potential for the creative economy.

Houstonians create and embrace a wide range of fine art and folks art, from downtown's performing arts spaces to slab car culture to the handmade architectural space at The Orange Show. Houston has a long history in the maker and craft space, but only more recently has there been an emergence of organizations, programs, and resources that provide support to creative entrepreneurs. Small business innovation hubs, accelerators, and incubators like The Ion, GreenTown Labs, and Impact Hub have emerged to support the creative economy. Some spaces have focused specifically on supporting makers, including the East End Makers Hub and Houston Community College's Idea Lab and academies.

These initiatives demonstrate a clear opportunity in Houston to further coalesce the craft and artisan community and provide on-ramps for emerging crafters to scale quickly.

**107** surveyed makers representing **19** craft techniques

**51%** minority-owned and led & **76%** women-owned and led

Collectively employing more than **280** individuals
with more businesses on average hiring full-time employees


1 https://datausa.io/profile/geo/houston-tx#economy, accessed 2022



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# Maker Profile: Collage Jewels

*“Keep making and look for inspiration in everything.*—Ballisha Hastings

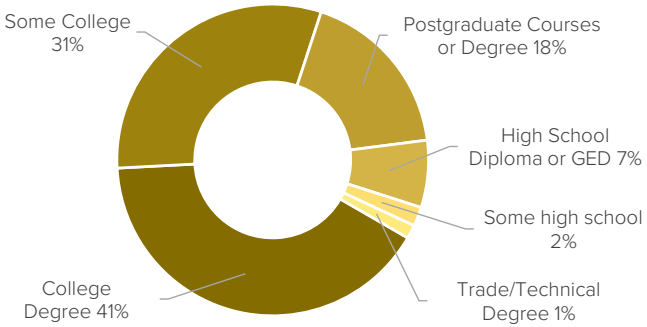
**Collage Jewels focuses on quality, handmade jewelry that highlights semi-precious gemstones, metal accents, vibrant colors and unique designs.**

# Who are Houston Makers?

| | | |
|---|---|---|
| **76%** Women | Average age **43** years | **49%** support dependents |

Average Household Income **$65,447**

**59%** have a college degree




**51%** of businesses are minority owned and led

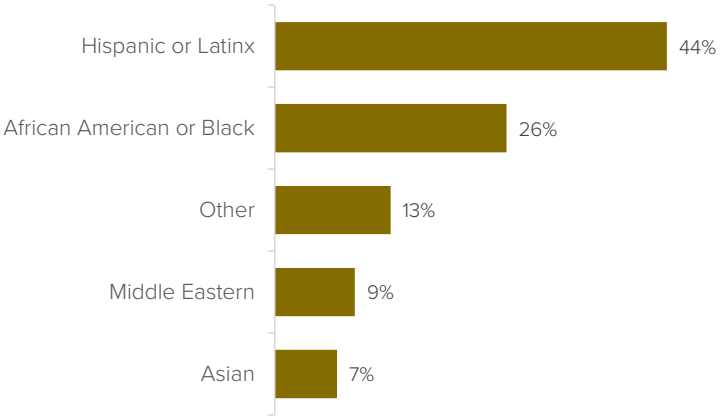


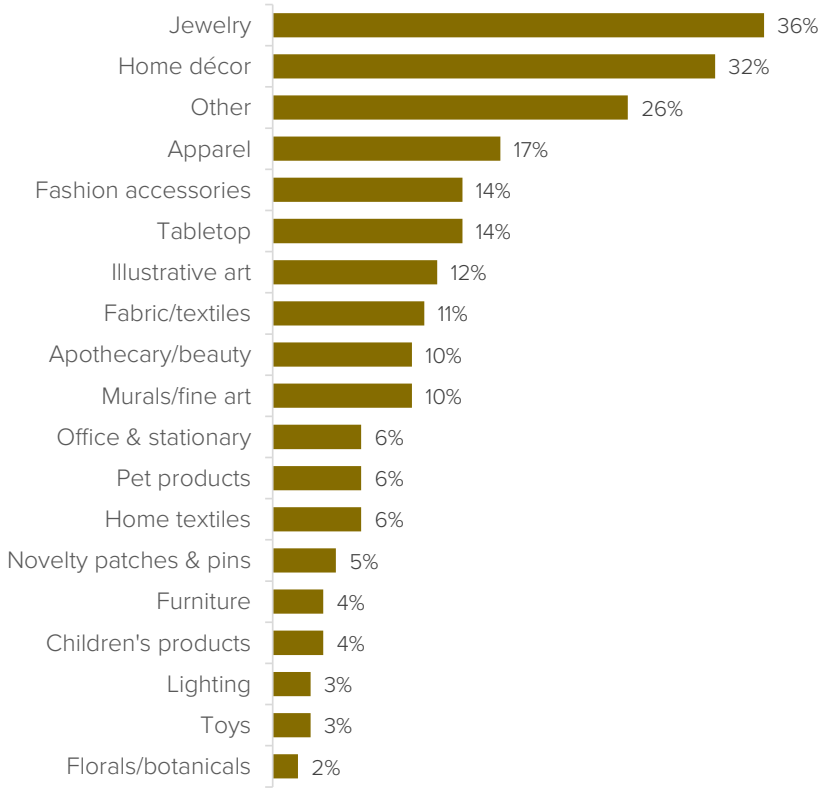


Photo Courtesy of TimberFire Sutdio

Few studies have been conducted on the economic impact of Houston's creative economy. In 2019 the Kinder Institute for Urban Research published *The Maker Economy: The Growing Demand of Small Urban Manufacturers in Houston* focused on small batch manufacturers with fewer than 25 employees. Although some of the respondents to the Kinder survey would be considered makers, the focus was on manufacturing instead of handcrafted products. In 2012, Houston Arts Alliance and the Greater Houston Partnership published *The Creative Economy of Houston: A Comprehensive Study of Creative-Sector Industries and Their Impact on the Houston Economy*. Like the Kinder report, the 2012 study focused on a broader population of creative entrepreneurs, including architects, singers, and marketing professionals.

# Makers Are Making a Wide Variety of Crafts

## Percent of Makers Producing Within Each Product Category




## Percent of Makers Practicing Each Craft Technique

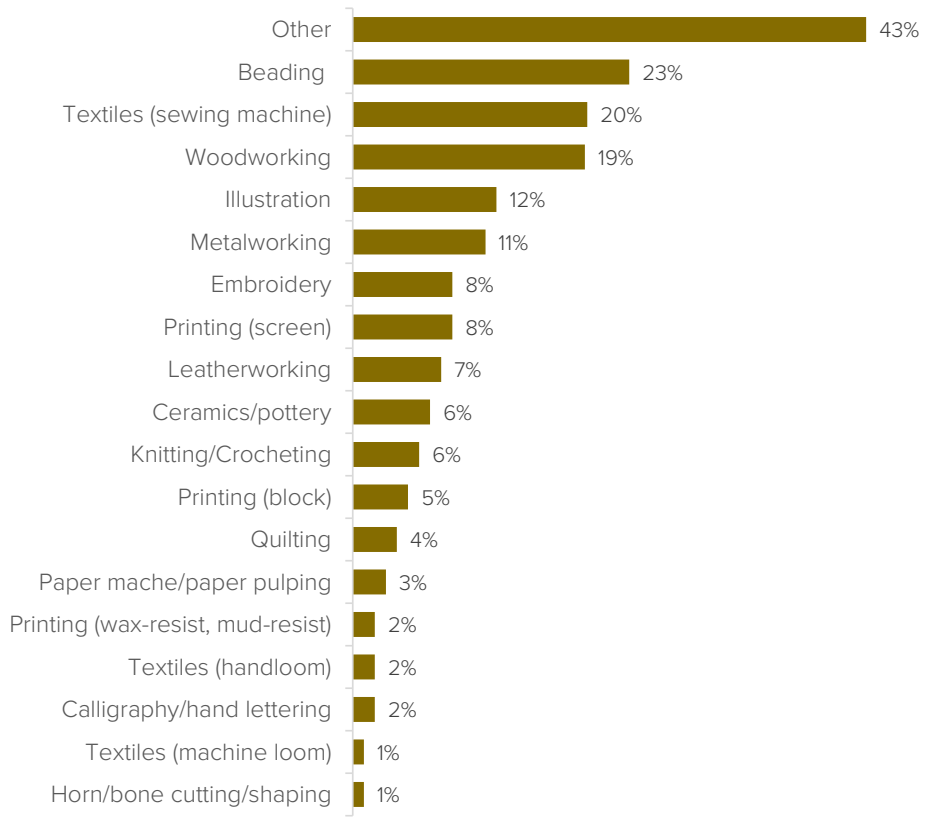




Photo Courtesy of A. Hyldgaard


Photo Courtesy of The Yankee WoodTurner


Photo Courtesy of CASUMS


Photo Courtesy of Chestnut Clay

Photo Courtesy of Texas Tickler Beard Co.

# Stages of Business

Key statistics from the survey regarding business classification and growth stages suggest that there are three distinct profiles of makers:

1 **The established business owner (47%):** owns a craft business, either a few years old or several years mature. **37%** of survey respondents self-identified as being in the mid-stage/growth phase with **10%** identified as owning a mature business. These individuals have developed a business plan, can talk about who their typical customer is, and are preparing to scale their businesses with possible new hires, long-term business financing, or similar.

2 **The start-up entrepreneur (50%):** either in the early phases of product development and business launch. They know what they want to sell, have a tentative target market, and may know of resources available to help them advance their business plans. However, they don't feel like they qualify for entrepreneurship resources, and don't know where to turn for help.

3 **The hobbyist (3%):** has a love for their craft and skill, and may have discovered that their craft could be an opportunity for a side hustle but the business concept is still in the "idea phase." These individuals are not necessarily looking to create a formalized business model, and are not looking for this to become a sole source of income, but instead are looking to become part of the creative community, find resources to grow their skill, and to find ways to sell their product for supplemental income.


Photo Courtesy of Pearl Park

# Key Findings

# Community Discussion & Interview Reflections

Five focus groups with Houston makers and 16 interviews with stakeholders were hosted in late 2021 and early 2022. To capture a diversity of perspectives and ensure a safe space for all makers, the community discussions were held in three different languages– one in Arabic, one in Spanish and three in English. Stakeholders represented local government, academia, financial institutions, accelerator/incubator programs, community organizations, workforce development programs, and funders. Key findings include:

1. **The Houston maker ecosystem is diverse but disconnected.** The ecosystem is disjointed, siloed, and lacks a central organizing body that reaches crafters, makers, and creative entrepreneurs. Makers are often unaware of networks and resources that are available to help them – and there are few organizations working to bridge those gaps, share information, and make connections. Currently, word of mouth and peer-to-peer connections have been the primary ways to disseminate information.

2. **Diversity, equity, and inclusion (DEI) are a priority for stakeholders.** There is acknowledgment that professional networks are less diverse than grassroots collectives and funders and those leading nonprofits that support the ecosystem are less diverse than the maker population. BIPOC Arts Network & Fund (BANF) was recently established with the support of the Ford Foundation to support BIPOC artists and was the first initiative of its kind in the city of Houston.

3. **Language barriers inhibit business growth.** Arabic-speaking makers underscored the need for more English and digital literacy skills to better utilize social media and to reach a broader (non-Arabic speaking) market. They are interested in meeting other makers to learn new skills, share about their businesses, and connect to markets and festivals to sell their goods. However, the language barrier is keeping them from exploring many of the resources or market outlets in Houston.

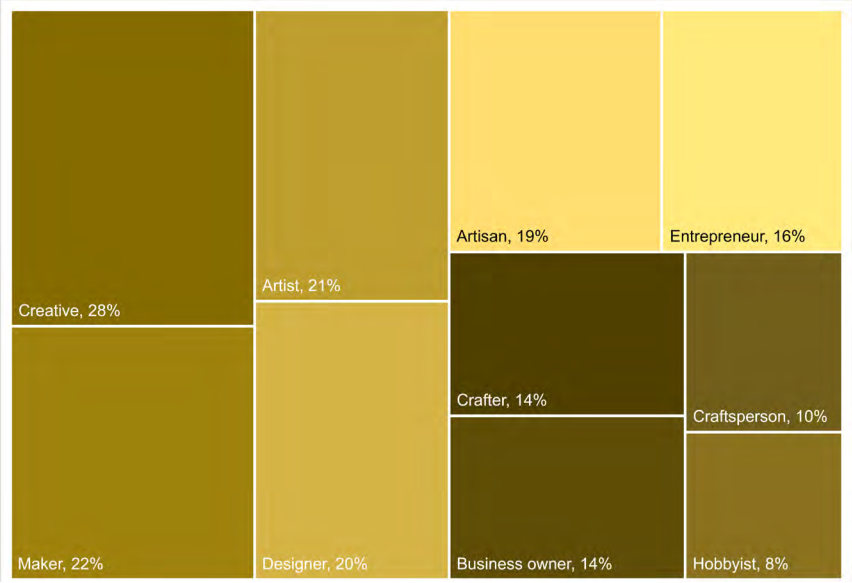
4. **Immigrant populations need increased access and support.** Language barriers, lack of proper documentation, and seed funding can prevent makers who are immigrants from being able to scale their business. The resources Houston and national organizations offer are not always accessible to those who lack an understanding of US systems and are not proficient in English. Yet these individuals have unique cultural craft techniques and skill that could possibly be their pathway to economic self-sufficiency in the US.

> “There are so many resources for artists and crafters in Houston, but so many times we just don’t know what’s available.—Participant from Arabic-speaking community discussion

# 1 SELF IDENTITY & RESOURCE USE

The way people identify and describe themselves in the creative ecosystem can correlate to the resources available to them. If they identify as an artist, they may seek out resources that are only marketed to artists so local artisan may not realize those resources might also be available to them. For example, a home-based crafter may not think of themselves as an artist and would not seek out art-related resources like those available at local organizations like Fresh Arts—even though those programs are intended for people exactly like them. Moreover, it is imperative that makers view themselves as entrepreneurs to access funding and skills-building resources to fortify the growth of their micro and small businesses

## Top 10 Self-Identification Labels





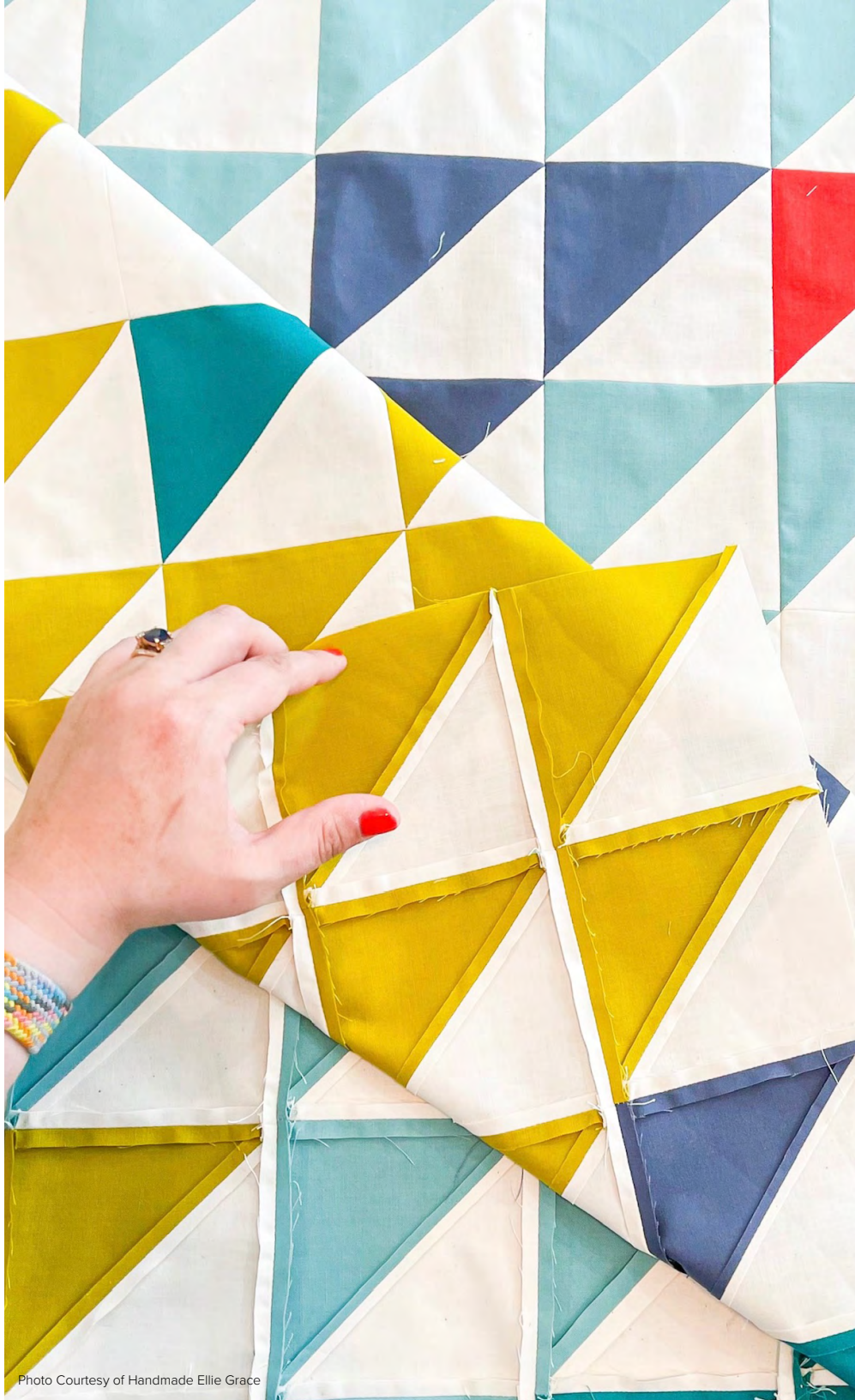



Photo Courtesy of Handmade Ellie Grace

## 2 A FOCUS ON DEI EFFORTS

Stakeholders shared that they interact with a diverse population of makers and artisans, but they noted that local professional networks for the arts are less diverse than grassroots collectives. Funders and those leading NGOs that support the ecosystem are less diverse than the maker population itself. Stakeholders noted that diversity, equity, and inclusion (DEI) are a priority for many of the city's supportive organizations, but there was a sense that most of those efforts are focused on internal organizational culture rather than on efforts to integrate those values into programmatic activities.

Currently, there is limited coordination around DEI among supportive organizations. Stakeholders suggested the need for a broader movement for understanding community needs and developing policy changes, including more paid opportunities for local artists and a broader acknowledgment of the arts as an economic driver in the region. This could help the community address existing barriers (like language) and identify other systemic barriers to success.

> "It is difficult for us to get a space to make our products. Many times markets or property managers want a social security number to get a space. We don't have this, so we can't. We need a space that will allow everyone to sell and make their crafts.
> —Participant from Spanish-speaking community discussion

Photo Courtesy of Collage Jewels

## 3 BUSINESS CHALLENGES DIFFER BY RACE

While challenges can vary greatly by maker business, acquiring a steady stream of income or funding needed to scale and have a profitable business is a common concern. Lacking access to capital has wide-ranging impacts–from preventing makers from purchasing equipment and supplies to grow production to deterring them from investing in marketing to grow their customer base. Among Houston makers that was cited as one of the top three challenges to growing their business—particularly for BIPOC makers.

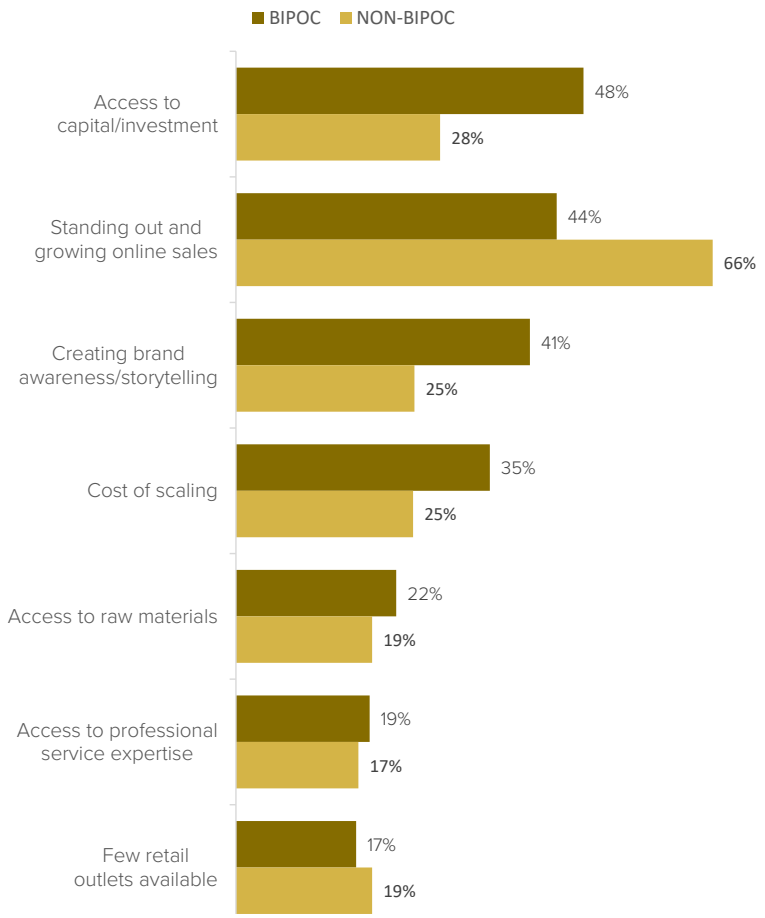
Additionally, **41%** of BIPOC makers indicated that cost was a factor when seeking resources, compared to **28%** of white respondents. While racial disparities have long played a role in business outcomes, the pandemic has exacerbated this divide. A 2021 survey by H&R Block[1] found that more than half **(53%)** of Black-owned small businesses lost at least half of their revenue since the beginning of the pandemic, compared to **37%** of white business owners. These findings emphasize the importance of providing targeted funding opportunities, resources and programming to those that have often faced barriers to accessing them.

1 HRB Tax Group, Inc. "Small Business Recovery Series

Financial Management as a Skill to Develop:

BIPOC: 26%
non-BIPOC:4%

### Top 7 Biggest Challenges to Small Business Growth



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# 4 FROM SIDE HUSTLE TO FULL-TIME WORK

Houston makers indicated that **21%** of their household income is coming from their craft business, but there is a strong desire for that to change with **74%** stating they would like it to become their primary source of income. While **85%** said they currently sell their products and aspire to increase the volume of their sales, additional resources and support are needed to achieve their goal of transforming their side hustles into more viable, sustainable endeavors—bringing increased stability and financial security to their families.

## How would you eventually like to classify your work as a maker?

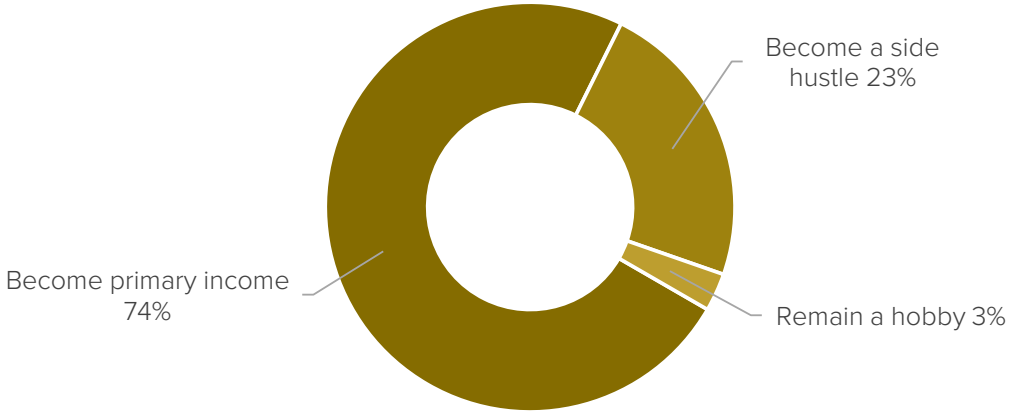



Photo Courtesy of Pearl Park | Photo Credit: Paul Hester

# Maker Profile: BE Kind

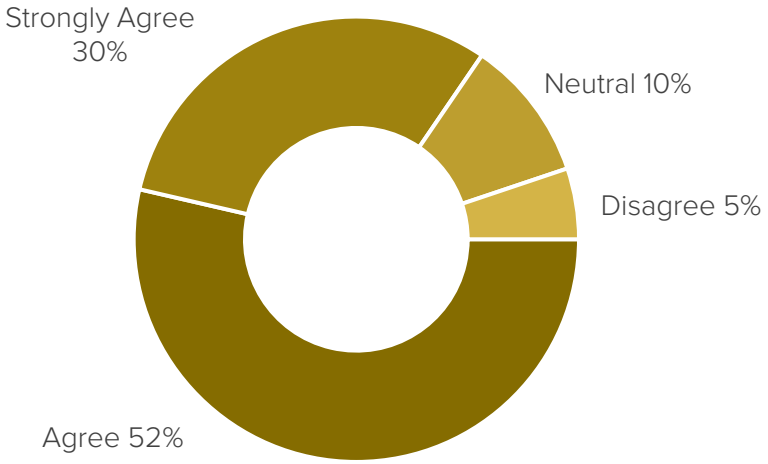
*“My daughter loves being able to help people with her products and sharing part of herself with other people.*—Melissa Johnson

**All of BE Kind and BE Kind Pet Shop products are made with therapeutic grade essentials oils and other high quality ingredients. They are sold at markets where BE Kind is participating. All products are handmade, with love, by the Johnson family.**

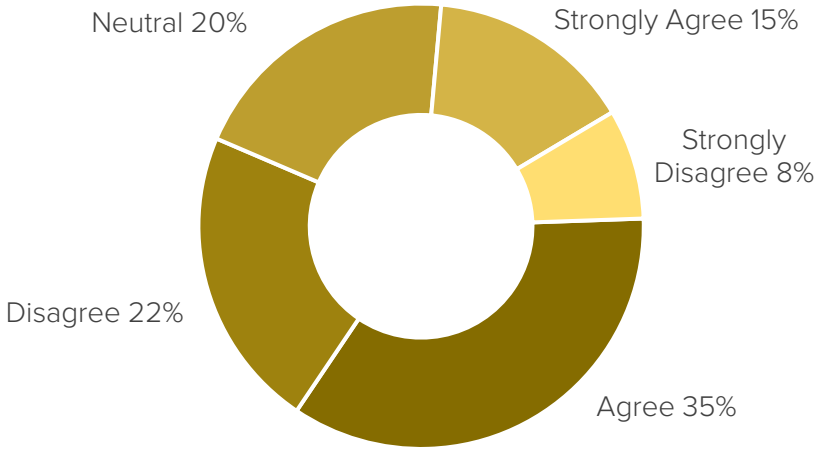
# 5 INCREASED COMMUNITY LINKAGES FOR MAKERS

Many stakeholders and makers noted that the lack of connection and communication around existing resources as the primary barrier to success in the creative entrepreneur space. A stronger sense of community needs to be fostered among makers, artisans, and crafters, with effective outreach to individuals who aren't aware of the networks, services, and resources available to them. As it is, more than **80%** of survey respondents agreed or strongly agreed that Houston is a is a great place to start a creative business—but only half agreed that they felt connected to a creative community where they live. Clearly respondents feel like a creative community exists, but are not always clear how they might connect with that community or leverage its resources.

## Houston is a Great Place to Start a Creative Business




## I Feel Connected to a Creative Community




> "I would greatly benefit from meeting with seasoned business owners in the same industry willing to share their knowledge.—Community Discussion Participant



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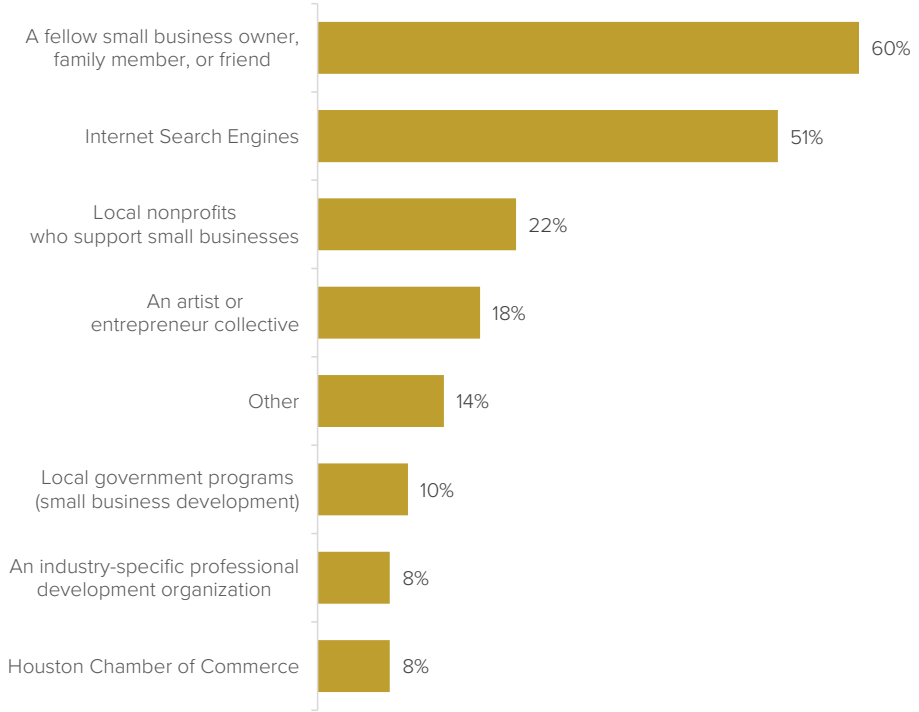
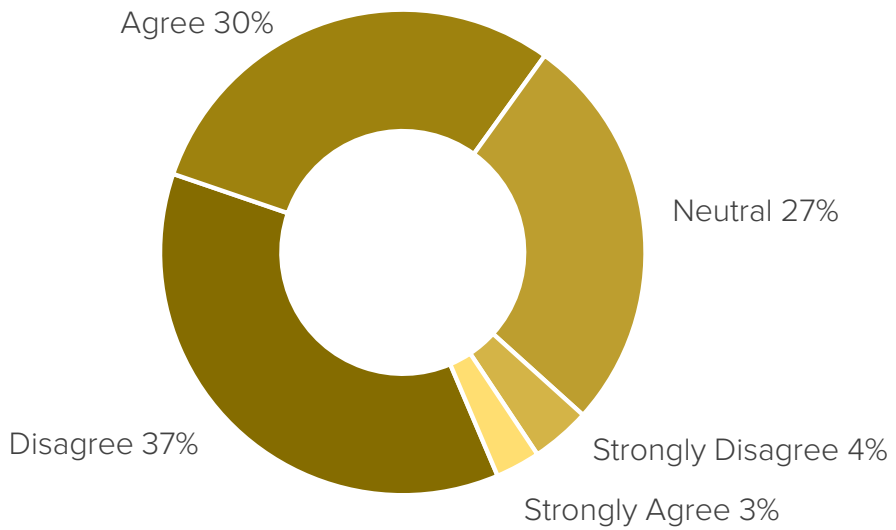
# 6 EXPANDING SUPPORTIVE NETWORK IS CRITICAL

To make their businesses successful, makers need more dedicated marketing, social media, storytelling, and entrepreneurial business training support—however, few makers knew of resources available to them. When actively seeking guidance on business-related matters, the majority of makers are likely to reach out to their immediate network including family, friends and other business owners. Only **21%** said the turn to local nonprofits that provide support to small businesses. When deciding to reach, out for resources and external support, **35%** of makers state that cost can be a prohibitive factor, highlighting the importance of making as many resources as possible either free or low cost to increase accessibility.

## Who do you typically turn to for business-related questions or needs?




## I am closely connected to the people and resources I need to grow



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## 7 DESIRE TO GROW DIRECT-TO-CONSUMER SALES

When asked which sales channels local makers would they like to expand to in the future, the leading response was social media **(32%)**, while more than half **(55%)** of makers said that standing out and growing their online sales was their biggest challenge. Community discussion group participants were also eager to broaden their online presence to generate business growth, increase sales, and expand their business reach beyond Houston.

Survey responses echoed this sentiment: Only **45%** of makers indicated that their target customer was in Houston, but a surprising portion of makers **(65%)** sell most of their goods at weekly markets, and only **35%** said they primarily use social media to sell. Makers expect that they might find more success if they could develop their online presence and expand their reach. In the meantime, they mostly rely on in-person events.

Courtesy of Five1Eight Designs.

# Maker Profile: Roxy Val Restorative

*“Having spent so much time and thought on my products, I became dedicated to only using pure, high-quality ingredients that worked well with my skin and were safe.*—Roxana Valencia

**Roxy Val Restorative herbal body care products are 100% natural, and designed to nourish your skin. All products are handcrafted in small batches.**

# Where We Go From Here

### 1. CAPACITY BUILDING WORKSHOPS

Nest will co-design a series of capacity building workshops focused on a core set of the identified needs from the Landscape Mapping phase, leveraging its growing network of brand and retail partners and industry and local experts to develop and administer high-quality trainings and interactive workshops. The curriculum for the initial capacity building workshops will be tailored in response to data collected during this research phase to address the most prevalent and pressing needs expressed by maker businesses in Houston. These are namely access to capital, brand storytelling and social media support.

### 2. SYSTEM COORDINATION

Stakeholders described a desire for greater systems coordination when seeking to support the maker businesses and strengthen the existing maker ecosytem. Identifying synergies and developing collaborative partnerships to avoid duplication of efforts and engage multiple sectors is a priority. It also will help to address some of the challenges outlined in this report including the expansion of larger scale DEI efforts and bolstering connections among the Houston maker community,

One opportunity Nest has pursued in other Makers United cities and would consider alongside local Houston support organizations is a local branding initiative which is a pioneering approach to economic development that the Urban Manufacturing Alliance developed and has been piloting alongside Nest with our Makers United Birmingham community. A local branding initiative creates an interconnected ecosystem of manufacturers, consumers, government agencies, and community organizations, in order to lift up urban manufacturing—including maker solo-entrepreneurs, artisans and craftspeople, and small-batch manufacturers.

This approach both expands and complements the Resource Guide and the ecosystem mapping done to date through Makers United. As part of our next steps in Houston, we will explore the applicability and fit of a solution like this with other partner organizations.

### 3. LOCAL RESOURCE CONNECTION

Makers United reveals the missing links between makers and local business development resources and seeks to bridge those gaps by engaging community stakeholders and city government in the program design and implementation. By bringing all parties to the same table, Makers United ensures makers have visibility of—and access to—the economic resources they need to grow, strengthen, and sustain their businesses. In addition to including local resources and stakeholders in the capacity building workshop design, Nest will provide all makers in the program with a resource index that outlines available programs, funding opportunities, and training support available to maker businesses.

### 4. SOURCING SUPPORT

Makers United programming concludes with a market access opportunity to for participating Houston makers. Nest will also be creating a Houston specific sourcing guide which features Houston makers, photos of their products, and their contact information. This guide will be disseminated to Nest's national partners as well as be distributed to local stores and boutiques, hotels and tourism departments to promote interest in locally made goods. showcases, program participants are considered for exclusive sourcing opportunities with Nest's growing network of brands and retailers. These opportunities have the potential to generate large product orders for program participants and expose them to new national and multinational audiences. These include (but are not limited to): West Elm, Madewell, Etsy and Amazon.

# Acknowledgments


## MAKERS UNITED HOUSTON WAS GENEROUSLY FUNDED BY:

WEST HOUSTON INSTITUTE
AN INNOVATION OF HCC

To conduct an immersive landscape scan of Houston's maker, Nest partnered with our on-the-ground, local implementation team, Projects-Matter, whose team members live and work in Houston and without whom this report would not be possible. We are also grateful to the many makers and stakeholders who participated themselves. We are in awe of your passion, resilience, and creativity in the way you have adapted to the changing economic environment and are grateful to be partnering with you through this program.




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