ALLIANCE for ARTISAN ENTERPRISE

ALLIANCE FOR ARTISAN ENTERPRISE

Exploring Certification Models

west elm

OUR MISSION & GOALS

We blend a *passion* for global craft cultures and traditional techniques with a *commitment* to building and sustaining profitable businesses. Our goal is to *create* products that *connect* artisans, makers and the traditions of craft with new customers and markets.

west elm

Goals & Vision of Certification

How can we scale & support artisan enterprise?

The Alliance for Artisan Enterprise was created to support and grow artisan enterprises, provide best practice services to the organizations that support them, and to support the broader recognition of the importance of the artisan sector to development and preservation of cultural heritage.

west elm believes that a globally recognized third-party certification adopted by the alliance for artisan-made product will help all of us meet this mission

our goals | HOW COULD A CERTIFICATION SYSTEM SCALE & SUPPORT ARTISAN ENTERPRISE?

- **Support** artisan economic development and create artisan jobs on a global scale.
- **Connect** and support existing certification groups, artisan training organizations and artisans in various countries.
- **Authenticate** and validate artisan processes by a globally recognized third-party alliance.
- **Empower** consumers to support artisan makers and connect with the story of the people who make the products they buy.
- **Create** a scalable business model that relies on fees paid by corporations and buyers to support certification costs.

Our vision | WHAT COULD A GLOBAL ARTISAN CERTIFICATION SYSTEM LOOK LIKE?

- A globally recognized, third-party certification system would illuminate and authenticate a world of artisans.
- A respected third-party certification system can become the standard for artisan-made product, the way that Fair Trade is to labor practices, or FSC is to sustainable wood harvesting and forest stewardship.
- A certification system can validate varying artisan processes of handcraft, or "direct manual contribution," as outlined in UNESCO's definition of artisan production.
- An organization that partners with existing certification and artisan support organizations can build on prior knowledge and expertise to implement a 'real-world' system of global certifiers in multiple countries.

Products certified as authentically artisanal would meet UNESCO's definition as agreed on by the Alliance for Artisan Enterprise:

Artisanal products are those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product.

Alliance for Artisan Enterprise, Founding Documents & Guiding Principles

west elm's handcrafted product % of total

| | 2012 | 2013 | 2014 | 2015 |
|-----------|------|------|------|------|
| Textiles | 36% | 38% | 40% | 42% |
| Dec Acc | 12% | 15% | 18% | 22% |
| Furniture | 11% | 13% | 13% | 13% |
| Total | 18% | 21% | 22% | 23% |



Our artisan partners meet UNESCO's standards, adopted by the Alliance for artisan enterprise.

We internally regulate our own products according to this potential global certification mode. We are seeking a globally recognized, third-party certifier to validate the work we do.

Stakeholders: Who, Why & How?

How would certification benefit key stakeholders?

The benefits of a global third-party certification system are farreaching and impact a broad range of stakeholders: the artisans themselves, first and foremost, as well as artisan support groups, governments, consumers and retailers.

artisans | HOW COULD A GLOBALLY RECOGNIZED CERTIFICATION SYSTEM BENEFIT ARTISANS?

- **Become** part of a globally recognized brand, tell their story and generate awareness and press.
- **Receive help** to overcome barriers in the value chain and scale production in response to the marketplace.
- Access an organized network of trainers, validators and support services.
- **Validate** a product as authentically artisanal (and use that connection to attract buyers).
- **Attract and engage** with buyers at all levels of the marketplace, from small to large.

support groups | HOW DO ARTISAN SUPPORT ORGANIZATIONS BENEFIT?

- **Raise awareness** about the intrinsic value of artisanal products and makers.
- **Protect and preserve** traditional craft techniques.
- Attract new artisans seeking certification & training.
- **Enter into** a globally recognized pool of expert trainers, validators and support services.
- **Supplement** training costs with certification fees paid by corporations and buyers.
- **Participate** in a globally branded campaign and generate awareness and press.

governments | HOW COULD CERTIFICATION BENEFIT GOVERNMENTS?

- **Raise awareness** about the intrinsic value of regional/national artisan products and makers.
- **Create jobs** and economic opportunities for artisans and women entrepreneurs.
- Improve livelihoods and generate social impact for communities connected to artisan production.
- **Quantify** the impact of the artisan sector with help from a globally recognized model.
- **Organize** a compliance toolkit for artisans that reflects global certification standards.

consumers | HOW DOES A CERTIFICATION SYSTEM BENEFIT CONSUMERS?

- **Purchase** products that support artisans around the world. Use purchases to effect global change.
- **Support** economic development and create jobs for artisans globally and locally.
- **Help to preserve** traditional craft techniques and cultural heritage.
- **Ensure** that a purchase is authentically artisanal and guard against buying copycat pieces.

retailers | HOW DOES A GLOBALLY RECOGNIZED THIRD-PARTY CERTIFICATION SYSTEM BENEFIT RETAILERS?

- **Support** economic development for artisans, create jobs and overcome barriers in the value chain.
- Attract and engage the best artisan makers in the world.
- **Scale production**, working with artisans to meet orders in response to the marketplace.
- **Differentiate** from pretenders in the marketplace and validate a product as authentically artisanal.
- Access a trained/organized network of validators.
- **Participate** in a globally branded campaign and generate awareness and press.

Exploring the Craftmark Model

Similarities & Differences

There are many models that currently exist for certification, and most rely on the Artisan paying for the service. It is important that our model is sustainable and can continue to support our partners who have been working in the field.

craftmark | WHAT ARE KEY SIMILARITIES WE SHARE WITH THE CRAFTMARK MODEL?

- Craftmark certifies artisan processes/techniques using a validation system. We would issue certification for artisan processes/techniques and work with trained partner organizations to implement the validation process.
- Craftmark does not cover ethical sourcing audits. Rather, certifications like Fair Trade & Goodweave are complementary standards for fair labor practices. For example, products can be cobranded with Craftmark & Fair Trade certification.
- Craftmark is operated by the All India Craftworkers Welfare Association, an umbrella group that organizes various stakeholders in the India Craft Sector. Similarly, the Alliance would be an umbrella organization working with various stakeholders in different countries.

the model | HOW DOES THE PROPOSED MODEL DIFFER FROM THOSE LIKE CRAFTMARK?

- The buyer pays. We know retailers and importers have been using the Artisan tag to promote their products for some years now, with no moderator. This model proposes that the retailer or importer will pay for the certification costs to ensure longevity for the certification system.
- Redundancy is a real threat for any new concept when certifying.
 We will work with certification partners who have already made
 good headway in specific regions and help grow their
 organizations.
- Global certification. While Craftmark is all-India, our certification would connect various countries.
- Income generated would help support the initiatives of the Alliance and, in turn, Artisan members will benefit.

The Proposed Process

the model | WHAT ARE WE CERTIFYING?

- Authentic Artisan processes are the proposed certification subject.
- Artisan products are those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product. (UNESCO)
- These artisan products are handcrafted without restriction in terms of quantity. The intent of this clause is to support scalable production for artisans wishing to grow their businesses.

Validation & Monitoring

the model | WHO WOULD CONDUCT THE CERTIFICATION?

- Third-party experts, such as potential partners like Craftmark, would be utilized to complete the certification.
- These partners may be existing certifying bodies or regional experts who understand local processes and have connections within Artisan communities.
- These certifiers would be contracted by rules and terms of the Alliance.
- By using existing certifiers, the Alliance will also be building local regionalized businesses.

the model | WHO WOULD MONITOR 3RD PARTY CERTIFIERS?

- The Alliance board members would take applications for third party certifiers.
- They will be audited annually and cross-checked with regional references.
- Craftmark provides one example for an artisan craft validation process, but further research regarding potential partners and auditors in other countries will lend greater validity to our proposed model.

the model | WHO PAYS FOR THE CERTIFICATION AND HOW MUCH?

- The retailer or importer pays for the certification and for the rights to market their certified products.
- We propose a percentage-based fee. Purely for the purposes of modeling, we have used .5% of the cost of goods as an example of fees which could be collected and directed to the Alliance.
- The Alliance would then forward a portion of that fee to the 3rd Party Certifier and hold the remainder for use to fund special projects related to its mission.

Artisan Certification: A Case Study

How would west elm contribute to a29 certification model?

Global retailers such as west elm have been looking for a holistic certification for Artisan made goods. Certification will encourage and increase production of Artisan made, if it is globally recognized, branded and widely implemented.

case study | WHAT PRODUCT CATEGORIES WOULD WEST ELM CERTIFY?

We have a wide range of Artisan-made product in the following categories:

- 1. Flooring (Rugs)
- 2. Pillows
- 3. Bedding
- 4. Decorative Accessories
- 5. Tabletop (Entertaining)
- 6. Furniture
- 7. Ornaments

WHAT PRODUCT CATEGORIES WOULD case study WEST ELM CERTIFY?



case study | WHAT IS THIS MODEL'S INCOME POTENTIAL?

- The figures below account for an annual total of west elm's handcrafted products purchased.
- The "Income" stated is .5% of the cost of goods.
- \$100 USD has been used as an estimate based off Craftmark's model.
- The "Net Income to the Alliance" is what would be used for the initiatives of the Alliance.

| Handcrafted Income (west elm) | |
|----------------------------------|-----------|
| Income from West Elm | \$121,087 |
| Cost per Certification | \$100 |
| Techniques / Products | 500 |
| Cost of Certification - West Elm | \$50,000 |
| Net Income to Alliance | \$71,087 |

case study | WHAT IS THIS MODEL'S INCOME POTENTIAL?

- As a goal for growth of the certification model, the following is an indication of the potential income which could be generated with additional corporate certifications.
- A percentage has been used to derive these figures from west elm's estimated contribution.

| | Net Income per corporation | | Number of corporations participating | Tota | al Net Income | Total number of certifications | |
|-------------------------------|-------------------------------|---------|--------------------------------------|-------|---------------|--------------------------------|------|
| Large Corporation | \$ | 142,174 | | 2 \$ | 284,348 | | 2000 |
| Medium Corporation (West Elm) | \$ | 71,087 | | 8 \$ | 568,696 | | 4000 |
| Small Corporation | \$ | 14,217 | | 20 \$ | 284,348 | | 2000 |
| Independent Retailers | \$ | 711 | | 50 \$ | 35,544 | | 250 |
| Total Net Income | | | | \$ | 1,172,936 | | 8250 |

What will certification look like to a consumer?

When west elm works with a third-party certification organization, we market that partnership on our product and across all channels: in social media, online, in our stores, in our packaging and in our catalog. A branded certification has the potential to reach millions of shoppers, reinforced at every touchpoint where someone connects with our brand.

ALLIANCE for ARTISAN ENTERPRISE

west elm

Souk Rug

A percentage of the sales from this product go to the Alliance for Artisan Enterprise. The Alliance is an international organization that works to support the power and potential of artisan enterprises to developing economies, communities and women entrepreneurs all over the world.

- Handmade by Craftmarkcertified artisans.
- Hand-braided tassels on both ends.
- · Made in India.





Home > We Love > We Care

CUSTOMER SERVICE

CONTACTUS

Help + Info Shipping Information Returns International Orders FAQs Email Us

WAYS TO SHOP

Store Locator
See Store Events
Sign Up For Emails
International Email Sign Up
Request A Catalog
Catalog Mailing Options
Catalog Address Change
Online Catalog
Shop Our Mobile Site
west elm Credit Card
Gift Card
Gift Services
Wishlist
Track Your U.S. Order
Track Your International Order



WE CARE

A percentage of the sales from this product go to the Alliance for Artisan Enterprise. The Alliance is an international organization that works to support the power and potential of artisan enterprises to developing economies, communities and women entrepreneurs all over the world.







20% Off Select Sofas + More





Outdoor Sale Un To 40% Off



20% Off Candles + Candleholders limited time only



Shipping To:

Home > Collaborations > Craftmark

COLLABORATIONS

THIS SEASON

Bend

Claudia Pearson

Clinton Friedman

Gemma Orkin

GLA Nature

Isabelle Palmer

Paulina Reyes

Potter's Workshop

Sarah Campbell

Schmidt Brothers

Stuart & Company

PARTNERSHIPS

Etsy

Kinfolk

St. Jude

MARKET COLLABORATORS

Aaron Probyn

Brooklyn Copper Cookware

Brooklyn Ground Works

Cake Vintage

Common Good

Design Workshop

GreenPan

La Colombe

NYCIB

Skillshare



1 of 5 of our hand-tufted Istanbul Rugs.

WE LOVE®

ALLIANCE FOR ARTISAN ENTERPRISE

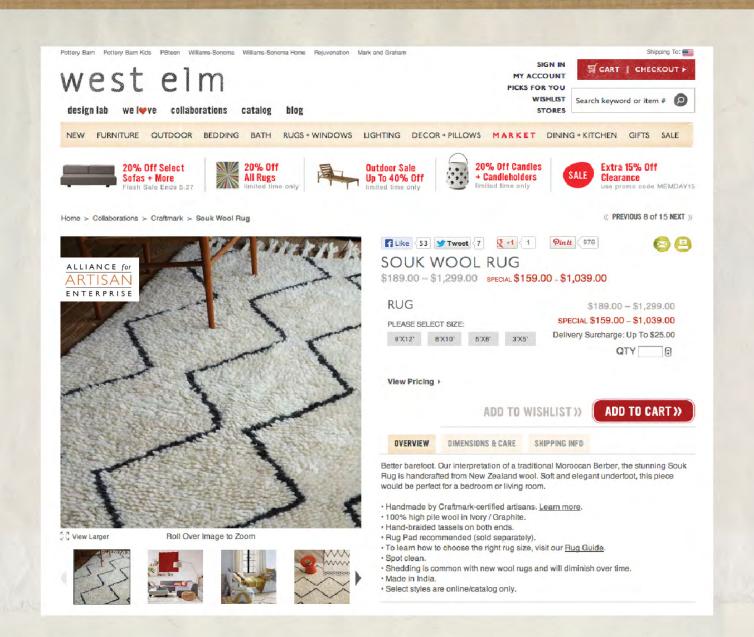
A percentage of the sales from this product go to the Alliance for Artisan Enterprise. The Alliance is an international organization that works to support the power and potential of artisan enterprises to developing economies, communities and women entrepreneurs all over the world.

Sort By: Best Match











ALLIANCE for ARTISAN ENTERPRISE