

ALLIANCE *for*  
**ARTISAN**  
ENTERPRISE

**Exploring Certification: An Alliance for Artisan Enterprise Working Group Roundtable**

June 12, 2013

west elm • Brooklyn, NY

**Summary and Notes**

**Welcome and Introductions**

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Jim Brett, President, west elm

Karen Gibbs, Co-Director, Alliance for Artisan Enterprise

Jim Brett welcomed the group to west elm and reviewed the conversation at the Alliance Corporate Council roundtable held at the U.S. Department of State on June 10. Jim explained that this meeting would focus on learning more about the Craftmark model, west elm's proposal for a certification system, and gathering feedback from participants. On behalf of the Alliance for Artisan Enterprise, Karen Gibbs welcomed everyone and thanked west elm for hosting this roundtable. Jim introduced representatives from the All India Artisans and Craftworkers Association (AIACA) to present the Craftmark model

**Introduction of the Craftmark Model ([View background information here.](#))**

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Amita Arora Puri, Executive Director, AIACA

Arushi Chowdhury Khanna, Manager, Enterprise Support Program, AIACA

Craftmark is an initiative of the All India Artisans and Craftworkers Association (AIACA), a membership-based apex body for the handloom and handicraft sectors in India. Craftmark began as various groups associated with AIACA were interested in creating and strengthening to the image of artisanal products. However, Craftmark has grown into more than simply creating a brand, it helps strengthen artisan enterprises and improve the lives of artisans.

**Key Components of Craftmark**

- 70 Craftmark members in 20 states. Members are mostly concentrated in Rajasthan and Gujarat, where there is heavy textile and craft production.
- Craftmark certifies individual processes as being handmade.
- There are a total 68 processes that Craftmark certifies and each technique has its own documentation.
- 120 artisan-based organizations have obtained certification.
- Each technique must be recertified every two years.

Producers benefit from the certification because it adds veracity and authenticity to the product. To the consumer, it demonstrates that the product is genuine and handmade. AIACA's goal is to strengthen the image of Indian craft as quality products, as well as build the greater Indian identity.

## Craftmark Q&A

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### **How many monitors and how frequently are organizations monitored?**

Craftmark audits at the organization level, not each individual artisan. One organization could have 3,000 individual artisans, so it is not possible to monitor each one.

There is a 7-step process of documenting and auditing a process. They identify a cluster and visit the organization. Monitors visit the selected artisans wherever they produce their goods, in homes or facilities.

Each process is recertified every 2 years.

### **How often do you find that the process is actually a machine?**

Very rarely. In the past 2-3 years, there are only 304 examples.

### **What benchmarks do you look at to measure success? How do you measure impact?**

- Changes to member base; Craftmark has added 20-25 member each year
- Increase in sales for members and buyer satisfaction

### **Where are standards for quality or maintaining quality included?**

Quality is not a defining parameter for the certification process, but Craftmark does offer technical workshops to help artisans improve their techniques. Products featured in the Craftmark catalog undergo a quality check.

### **Does a group with multiple processes have to get multiple certifications? How many artisan groups apply for multiple certifications?**

Yes, each process is given an individual license number. Not many groups have multiple certifications, around 15 groups currently have certification licenses for more than one process.

### **With Craftmark, the fees are the manufacturer's responsibility and products are sold to an array of different customers. West elm is one of the larger purchasers of Craftmark products and has its own quality control. When sold to smaller organizations, without quality control, how does the customer ensure quality?**

In our experience, even the smallest buyer has their own quality standards.

### **What have been biggest challenges in establishing Craftmark?**

- Communication with artisans: located in disconnected villages with very basic infrastructure. Difficult to communicate the value of Craftmark to artisans.
- Highly fragmented nature of industry: currently concentrated in regions where craft production is known and trying to expand.
- Outreach: have contacted 130 groups and just over half have joined. Working to appoint local agencies and partners to help with outreach.
- Educating consumer on value of Craftmark

### **How often have people come to you as an agent to discover artisans? A resource to find artisans?**

Buyers do come to them to connect them to artisans. Some producer groups have come and said they would buy if they had the Craftmark certification. Craftmark has a directory of artisans and are willing to share contact details.

**How many companies have been de-certified?**

None yet.

**How are you promoting yourselves? How would a prospective buyer discover Craftmark?**

Trade exhibitions, social media, existing buyer linkages. We also had a relationship with Aid to Artisans.

**How do ensure there's no pressure to certify organizations that may not be a fit?**

Everything is documented, so it is difficult to certify an organization that is not using a hand process. We have checks and balances. We haven't found instances of misuse. Also, typically a lot of our artisan groups are so tiny, it would be difficult for them to influence the decision in any way.

**Closing by Jim Brett:**

How can we become a global certification model via NGO partners like Craftmark, Craftlink and others who do these certifications around the world? We haven't been able to find anyone in China who is certifying handmade products. There is a need to find the right partner. There's no global standard for certification, no one who is certifying outside of their country. You specialize in India, Craftlink specializes in Vietnam, they are all country-specific organizations.

**Introduction of west elm's Certification Proposal ([View presentation here](#))**

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West elm staff, led by Jim Brett, presented the certification working group's proposal to explore a third-party, globally recognized artisan certification system as a starting point to help us address the challenges that exist for everyone working in the sector: from artisans, to governments, to NGO support groups to retailers.

This certification would appear on products that adopt the Alliance's definition of artisanal product, as outlined by UNESCO: 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.

Our strategy is to collaborate with existing certification and support organizations – such as Craftmark, a handicraft certification system in India operated by the All India Artisans and Craftworkers Association (AIACA). By working with existing in-country organizations such as Craftmark, this certification structure could build on prior knowledge and expertise to implement a 'real-world' system of global certifiers in multiple countries.

Refer to the presentation for proposal details.

**End of presentation – Q&A begins**

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Alliance is talking to labor certifying organizations. But we aren't trying to tackle that because there are so many organizations already doing that – we are meeting with WFTO. We are not making this about social compliance. The label could say fair trade and artisan made.

Consumers are looking for process, materials, and social/labor standards (fair trade etc.).

How do we lump it all into one? We want to contribute something that isn't already being done.

**Judy Espinar:** Authenticity is related to process?

**Jim Brett:** Yes.

**Peter Fowler:** The broader conversation is around how do we celebrate artisan craft and tradition? And part of that is distinguishing from social compliance. Walmart is looking for clear branded communication to a consumer that this is handmade.

We prefer not to define things as handmade. We say very specifically this is hand-woven. We have dishes that are intricately handpainted but the dishes themselves come from a mold. We say the dishes are handpainted, not handmade. Gives the customer the choice.

I think as much transparency as possible is the best. Customers are too savvy. Someone asked Etsy about how to audit and the thing is the community is ferocious.

How to choose which countries to certify? Follow the demand.

Alliance hasn't been talking about income but the work we need to get done requires money. This is a two-pronged attack. Certification could be an accomplishment for us but also a potential income stream

**Jim Brett:** On Monday at the State Department, we started talking about policy about how we could leverage an Alliance certification in terms of an AGOA status. If there was some sort of duty benefit associated with an alliance certification... It's super exciting.

**Judy Espinar:** I have some concerns about using this word "authentic" because it's not clear what it means. Authentic depends on a particular region and tradition and will vary from country to country.

**Jim Brett:** I 100% see your point. I think what's exciting is we can do some consumer research and see how people feel about these words, "craft" and "authentic"

**Pete Fowler:** Maybe we can regionalize the concept as we get further down the road, there may be some additional opportunities.

**Karen Gibbs:** There has to be an education component on both sides, consumer and artisans, so that we are justifying why certification will elevate the position of artisan products and expand markets.

**Jean Johnson:** Maybe we should think about working with certifiers for other things that may have offices all around the world. Work with their auditors to scale this up, they are already in place certifying organic or fair trade.

**Karen Gibbs:** I think a core value is building long-term relationships so it seems that in the early stages we want to make sure that we work off of existing business relationships.

## **Group Discussion: Verification and standard setting efforts within and outside the artisan industry** [\(View presentation here\)](#)

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Jennifer Gootman, Executive Director, Global Goods Partners

Jennifer Gootman presented challenges and key issues to consider when developing a new or evaluating an existing certification or verification system, including examples from other efforts within and outside of the artisan sector.

Recommended factors to consider include:

- Scope – “authentic” process, how do you convey authenticity to the consumer?
- Transparency – Will the certification be publically evaluated? Describe what the label is and is not. Monitoring and evaluation, and validation will need to be publically documented.
- Accessibility – Create a way to make the certification system scalable so that it can work with smaller artisan groups. There clearly has to be some threshold.
  - Risks of not knowing the entire chain of custody is related to risk of bad publicity.
  - There should be standard for removing the certification for people who are in poor labor conditions. We should have a system for checking on social compliance and monitoring who we are associated with. If it is public record that a person has been in trouble for child labor we shouldn't touch that.
- Governance – Financial independence
- Validation – Can include self-assessments, peer visits, monitoring audits (costly); what happens to organization found in violation? There has to be a ramification to give the certification teeth.
- Consumer Value – Energy Star has measureable return on benefits. What is the value to the consumer and the artisan?
- Additional Considerations – product, partners, logo design, competing and complementary standards

## **Closing: Next steps and Alliance Business**

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Karen Gibbs, Co-Director, Alliance for Artisan Enterprise

In terms of next steps, the Alliance will continue the dialogue about certification interest of members and stakeholders in Santa Fe at the conference. In Santa Fe, the plan is to bring in more artisan perspectives and gather their feedback on the proposal, as well as experience with other certification program. The International Folk Art Market has identified 12 artists to attend. We can hear much more from the supply side, the artisan perspective, what are the key issues for them.

What other partners do we need to draw in to make this successful for the Alliance and the sector more broadly?

**Jim Brett:** Do we all agree that this is a model that we want to continue to pursue and investigate? Through the day we've fleshed out that this is a complex undertaking. We will encourage people to continue to send in their feedback, but it sounds like there is consensus building around this model.

## Impact on artisans

**Beth Huber:** One issue worth mentioning, we work with one organization called ISEAL and one of their criteria is that the most meaningful certification processes are designed to be impactful – cleaner water, safer working conditions – it hasn't come up yet what the impact of this is for the artisans.

**Jim Brett:** Isn't it about job creation? And sales. Craftmark said sales have increased by 60%. I think we need to articulate this more clearly as a goal. What is the impact on the artisans?

**Amaris Caruso:** We work a lot with WEConnect to find groups to work with that they have vetted, audited and have a relationship with. They are part of the alliance.

**Colleen Pendleton:** Ten Thousand Villages?

## Santa Fe and website

**Jim Brett:** They were there on Monday. Is Santa Fe about certification or broader?

**Karen:** It's about certification among other topics. Other topics are key messages for the sector which would feed into the promotional campaign, presentation of website ideas, an opportunity to feature different business models of artisan business organizations around the world, strengths and weaknesses of each.

**Jim Brett:** Should we be trying to talk about financing and have somebody there?

**Karen Gibbs:** Peggy's background is in microfinance so I will put that on my follow up list.

**Jim Brett:** We are obviously a massive account for UPS. We are going to pull together a list of external partners. We'll contact UPS and see if we can get any interest from them. What was the other type of partner we said we needed? A website to connect the artisans and the makers – potentially what Etsy does. Caution on the website – we operate a huge site and it's a mountain of people to gain traffic and traction. I just can't imagine how we will have the resources. That's why I am interested in talking to Etsy, maybe we could leverage an existing site with a lot of power.

**Karen Gibbs:** I think it's a great thing to bring to the table. There are so many different functions it could serve, but we are looking at it as a member portal vs. the public facing side of the website. What kind of connections with members vs. the market place. We could have a whole meeting about the website. But our goal is to present ideas with the funding we have an explore.

**Jim Brett:** It needs to document what we stand for.

**Karen Gibbs:** Making the connection between why is artisan important? What does it mean? Negotiating better rates means that you are supporting women, poverty alleviation, cultural preservation. We need to clearly and effectively communicate this. Our goal is to pool together that information in a beautiful, compelling easy to digest way.