The Soap Co. & CLARITY
Experience Story (UK)

The Heritage
Start-Up

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What we will cover

1. Our History
   • How it all began
   • Learnings through the years
   • The recent past

2. The UK SE Eco-system
   • Key organisations
   • Buy social
   • Buy social corporate challenge

3. Our Social Value
   • Impact
   • Iceberg
   • Employment Model

4. The Plan
   • Commercial Aims
   • Products
   • Retail
Our History
How it all began

- Founded in 1854
- The Association for Promoting the General Welfare of the Blind
- Elizabeth Gilbert
- UK’s Oldest Social Enterprise
1854: Krišjānis Valdemārs born, graduated from Liepaja gymnasium.
   1865: Rainis & Aspazija born
   1870: opening of Laima chocolate factory

1918 November 18: proclamation of Latvia's independence
1919 November 11: victory over Bermondt
1924: Laima clock was built
1927: opening of G. Erenpreiss

1930: opening of Riga Central Market
1935: 1st European Basketball Championship
1936: First Minox miniature photo camera produced

1954: opening of Riga Airport & Mežaparks Song Festival Bandstand

1981: Iveta Gurkovska born
1988: 1st time Labvakar was aired
1989 June 1: ration tokens for soap were introduced

1991: Latvia declares independence from USSR
1993: 1st Droga store opened in Riga
1993: 1st Drogas store opened in Riga
1994: 1st Drogas store opened in Riga

2001: Stenders opened their first shop
2004: Latvia joins EU
2013: Latvia joins EU

2014: Latvia joins EU
2015: Latvia joins EU
2016: Latvia joins EU
2017: Latvia joins EU
2018: Latvia joins EU
2019: Latvia joins EU
2020: Latvia joins EU
2021: Latvia joins EU
2022: Latvia joins EU
A little support to help us scale
The Welfare of the Blind is best secured by giving them work!!!
We can give them work, if you will give us orders.
Goods go direct from our workshops to your homes.
Other goods which the blind do not make are sold and the profits help to support the institution.

Forward thinking.
Soap Making Begins
The Recent Past

We have 30,000+ customers nationwide, and products made in our factory have been stocked by Boots and the Savoy. With 2 production facilities, 11 tele-sales centres and three brands and over 1.2m units produced each year.
The UK SE Ecosystem
What we define as a Social Enterprise

“Business which trades for a social purpose”
Key UK SE Demographics

GROWTH
• Outstripping SMEs for growth in turnover (52% to 40%)
• 35% of all social enterprises are three years old or younger (11% SME)

INNOVATION
• 59% developed a new product or service in the last year (38% SME)

JOBS
• 41% have created jobs in last 12 months (22% SME)
• 59% actively employ people disadvantaged from the labour market

COMMUNITIES
• 31% are based in the 20% most deprived areas (12% SME)
• 84% employ local people

DIVERSITY
• 12% social enterprise leaders are BAME; 40% are women
• 84% of leadership teams have at least one woman (54% SME)
Key Organisations
Key Organisation – Social Enterprise UK

Established in 2002 as the **national body for social enterprise** (as a coalition)

**Membership** organisation: over 1200 members;

Bring together **all the different forms of social enterprise** under one umbrella

Main purposes:

- Supporting social enterprises to **thrive**
- Developing the **evidence base** for social enterprise
- Influencing **policy** and political agendas (with govt)
- **Showcasing** the benefits of social enterprise
- Broker, facilitator, **market builder**
Buy Social Corporate Challenge

• Working with a range of well known businesses across a diverse range of sectors

• Businesses set a target (as a group) of achieving £1 billion of procurement spend with social enterprise by 2020

• All businesses responsible for acting as advocates for their industry sector

• SEUK and Cabinet Office to provide detailed programme of support and media coverage
Why are businesses engaged?

<table>
<thead>
<tr>
<th>Impact your customers</th>
<th>Impact the bottom line</th>
<th>Impact your future talent</th>
<th>Impact your team</th>
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<tbody>
<tr>
<td>84% of customers</td>
<td>20% increase</td>
<td>80% of millennials</td>
<td>50% reduction</td>
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<tr>
<td>believe that companies should do more for society</td>
<td>can be achieved in a company’s revenue as a result of their Corporate Responsibility strategy</td>
<td>want to work for a company that cares about how it contributes to society</td>
<td>in staff turnover by implementing Corporate Responsibility effectively. Improvements in Corporate Responsibility have the same effect on retention of staff as an increase in annual salary of £2,400</td>
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<tr>
<td>Ipsos Mori</td>
<td>Babson Social Innovation Lab &amp; IO Sustainability</td>
<td>Cone Millennial Cause Group</td>
<td>Babson Social Innovation Lab &amp; IO Sustainability</td>
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‘Typically big businesses focus on the best price for the quality they need. But social enterprises widen the definition of value to include **societal contribution** – something that businesses, including our own, are increasingly thinking about, and this includes focusing on indirect impact through our supply chain not just direct impact.’

Kevin Ellis, Managing Partner,
Case Study

- Started 2016 with successful trial looking to expand to 29 offices
- To support PWC’s strategy to buy from social enterprises
- Supply The Soap Co. 300ml hand wash bracketed to the wall
- Managed by ISS and soon supplying via Bunzl
- Great client feedback!

‘This great little social enterprise is based in north east London… It employs visually impaired people to make hand-wash and hand-cream. So we’ve stocked their soap… It gives The Soap Co. a stable revenue, and gives its employees secure and supportive jobs.’

Kevin Ellis, Managing Partner, PWC
'At Accenture we believe that one of the most important things we can do as a business is to engage in the challenges of the communities we live and work in.

'We trialed the hand soap in our London head office for six months before committing to a longer term agreement. This was set up easily through our facilities management team and CLARITY. ‘We have received very positive feedback in recognition of the CSR benefit of partnering with CLARITY.’

‘Using CLARITY soap has made our supply chain more diverse, which is core to Accenture’s values. It’s the first time we’ve received compliments about the hand wash in our bathrooms – the soap is great quality!’

Linda Wickstrom, UK Corporate Citizenship, Accenture
Our Social Value
Our Social Value

Each year our product sales generate:

- More than 10,000 employment days
- Dozens of New jobs in London and Cumbria, often after long term unemployment
- Staff moving onto “mainstream” employment after working with us
- £2.65 of social value for every £1 invested via the government’s specialist disability employment programme, Work Choice.
Iceberg of Social Value

What we measure

- # Hours of Employment
- Reduced burden on healthcare system
- Improved confidence
- Reduced spend on welfare and benefits
- Improved mental health

What is harder to measure

- Cohesive communities
- New Career options
- Professional development

- Friendships and new social ties
- Improved self worth and purpose
- Reduced reliance on close family
- Financial Independence
Staff Stories

**Darren** came to work with us to begin rebuilding his life after a mental break down. When he arrived he described his confidence and self-esteem as “absolutely blown” but through working he found being helpful to others gave him a boost. He aspires to be a support worker when he’s able to train and work full-time again.

**Sandra** joined us in 2015. Being deaf has meant she can do jobs that her colleagues with sight impairments find more difficult, like mixing soap colours. “My first time making it I was a bit nervous but was told ‘don’t panic, take it easy, don’t rush’.” An excellent lip reader, being at The Soap Co. has taught her to be positive and strong. Now she’s looking for a fulltime job in admin.
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<tr>
<th>Component</th>
<th>%</th>
<th>Details</th>
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<tr>
<td>Core Team</td>
<td>25%</td>
<td>Retained skills required to run the business effectively</td>
</tr>
<tr>
<td>Transitional</td>
<td>50%</td>
<td>Enables us to help more people per year</td>
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<td></td>
<td></td>
<td>Focus of the govt’s Work Choice programme</td>
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<td>Additional Support Needs</td>
<td>25%</td>
<td>People with few employment opportunities</td>
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<td>Original charitable mission</td>
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<td>2 million people in the UK</td>
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The Plan
The Soap Co, the ‘Start-up’ within CLARITY
Key Commercial Aims

1. STRENGTHEN existing commercial relationships
2. BUILD new commercial relationships
3. PROMOTE our brands to increase brand awareness
(New) Routes to Market

- Tele-sales
- Contract Production
- Bespoke Products

The Recent Past

- Tele-sales
- Contract Production
- Bespoke & Dual Branded Products
- E-commerce
- Welcome Packs & Corporate Gifts
- Retailers
- Office Bathrooms via Distributors
- Events & Conferences
More than just ‘Social’

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<th>Environmental</th>
<th>Local</th>
<th>Diverse</th>
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<td><img src="https://via.placeholder.com/150" alt="Ecolabel" /></td>
<td><img src="https://via.placeholder.com/150" alt="Made in Britain" /></td>
<td><img src="https://via.placeholder.com/150" alt="Buy Social" /></td>
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- **Environmental**: May 2017 launch of our eco range – Product development and Ecolabel accreditation underway.
- **Local**: All our products are made in London and the Lake District with a low carbon footprint.
- **Diverse**: We are a social enterprise, a SME and 80% of our staff have disabilities.
The face of every social enterprise is a product or service – and to the market this is the initial reason to spend money with a social enterprise.

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<th>Current</th>
<th>Next 6 months</th>
<th>Next 3 years</th>
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<tr>
<td><strong>Soap Co.</strong></td>
<td>3 Product Lines</td>
<td>+2 New eco formulations</td>
<td>+Range Extension for Hotel</td>
</tr>
<tr>
<td></td>
<td>3 Fragrances</td>
<td>+2 New fragrances</td>
<td>+more lines and fragrances</td>
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<tr>
<td></td>
<td></td>
<td>+EU Eco Label x2</td>
<td></td>
</tr>
<tr>
<td><strong>CLARITY</strong></td>
<td>100+ Products</td>
<td>+Range review</td>
<td>+ISO 9001:2015 etc.</td>
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<td></td>
<td></td>
<td>+Regulatory compliance</td>
<td>+eco accreditation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+foaming eco hand wash</td>
<td>+Range refresh</td>
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<tr>
<td></td>
<td></td>
<td>+EU Eco Label x1</td>
<td>+barcodes for retail</td>
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Entering National Retail
Final Thoughts - Ilgtspēja

Sustainable Revenue Stream \(\rightarrow\) Sustainable Impact

1. Find the MONEY
2. Ensure there are REAL outcomes and impacts
3. Carefully BALANCE social and financial
4. Build something SCALEABLE and REPLICABLE
5. Don’t underestimate good MARKETING
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