

Industrial Sewing and Innovation Center

OUR IMPACT: 2020

VISION

To be recognized as a national institute for reinventing the sewn goods industry with human-centered values, advanced technologies and a commitment to sustainability in people and processes.

MISSION

To ceaselessly advance innovation in sustainable apparel manufacturing and equitable talent force development as responsible stewards for the wellbeing of our team, partners, community and planet.



PRINCIPLES AND VALUES

Guided by our key message People Power ISAIC, leadership must articulate and demonstrate our commitment to people in everything we do.

We power innovation with people.

We foster the spirit of innovation with thinking and exploration in all we do.

We embody the strength of diversity, equity and inclusion.

We make decisions through the lens of sustainability for people and planet.

We cultivate and amplify interpersonal and industry relationships.

We tirelessly pursue better best practices.

We adhere to unbiased exploration and innovation.

We put mutual success ahead of competition.

We practice symbiotic citizenship.

We commit to financial stability, security and longevity.

A Message From The Board Chair & CEO

A year ago, ISAIC was still a dream. A dream of a national institute serving as a resource to global brands looking to reshore production back the U.S. One that focuses on responsible advanced manufacturing, with a commitment to sustainability of people and planet. An unbiased tester of new technologies and an anchor to attract major sewn goods manufacturing to Detroit.

Today, ISAIC is 30 incredible people making fair wages and earning benefits, learning and working together in a beautiful, humanistic facility, where its Department of Labor certified curriculum is taught both in formal apprenticeships

and continual, deliberate upskilling of the team. Where they learn on state-of-the-art equipment and technologies, producing for brands committed to quality domestic manufacturing. Where government and corporations test the latest innovations that will radically change how apparel is made and shape the workforce of the future.

Although the pandemic almost delayed the long-planned April 2020 factory launch, quick thinking and a strong network of local and national manufacturers allowed us to coalesce 15 sewn goods companies to produce 180,000 isolation gowns for the medical front line and first responders.

Committed funders responded with generosity that enabled ISAIC to administer the collaborative and keep 180 workers employed.

This report shows how the dream came to life in 2020 and the effects it has had on the lives of amazing and talented people stepping up for a career path in an industry ready to do better, in a community with manufacturing in its DNA, with a commitment to improving the environment every day.

All of this...in just eight and a half months since launch.

It is impossible to thank all the people who have made years of planning and our launch possible, but you know who you are and that every one of us at ISAIC is grateful for your support, friendship and faith. Check out our donor, investor and partner recognition section in this report.

There would be no impact without them.

Stick around, it's going to get even better!

Michael R. Tyson, Chairman of the Board Jen Guarino, President and CEO

Fashioning The Future

The 2020 Copenhagen Global Fashion Summit advocated for finding the "green lining" in COVID-19 by bringing sustainable practices to the core of every business, re-examining how companies can strengthen relationships to supply chain partners, employees and customers, and determining how the industry can make meaningful and sustainable improvement.

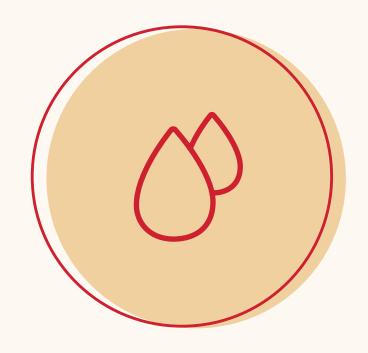
At ISAIC, we're wondering how they got ahold of our playbook.

ISAIC was designed to reinvent the troubled apparel industry, create unprecedented education and skills development for advanced manufacturing, respond to Detroit and southeast Michigan's need for high potential jobs and to assist the city and state with industry attraction.

ISAIC is a national institute for the sewn trades, bringing together thought leaders to address harmful industry practices that are responsible for:



10% of Global Carbon Emissions



Untenable Usage of the Planet's Precious Water Supply, Second Only to Agriculture



150 Million Child Laborers
Still Working in
Deplorable Sweatshops



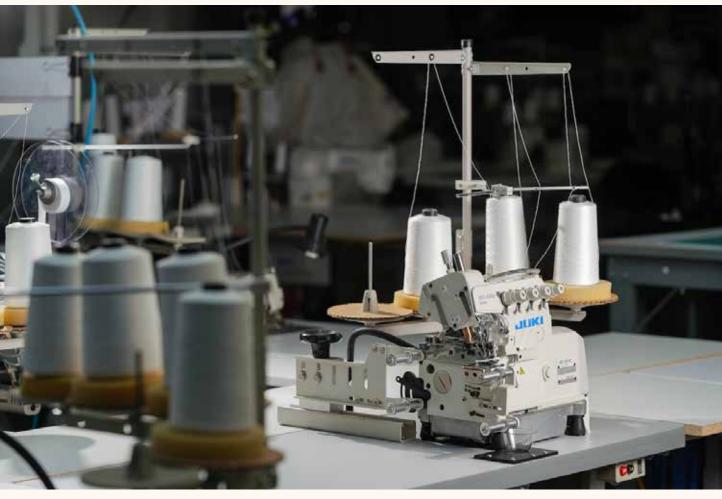
35% of Non-Biodegradable
Microplastics in the
Ocean From Laundering
Synthetic Textiles



46 Billion Pieces of Apparel Placed in Landfill Each Year Pre-Consumer









Innovation – It's in Our Name

Training on critical sewing skills and advanced technologies is only the beginning of the story. Simultaneously, the ISAIC factory is being used as a testing site for the future of manufacturing. The first opportunity was announced by Advanced Robotics for Manufacturing (ARM) as ISAIC was named the pilot site to test the use of robotic technology in making hospital gowns. Led by Siemens, along with partners Sewbo, Henderson Sewing and Bluewater Defense, the project will rely on the knowledge of the ISAIC team to prove out the concept of using technology in a factory setting. Technology that will ultimately lead to production of other garments and provide another step towards reshoring apparel manufacturing.

People Power ISAIC

When a consortium of manufacturers revealed that training for emerging technologies and rebuilding a diminished workforce were their most critical barriers to success, ISAIC found a way to prepare a new generation of workers while maintaining a commitment to social and environmental responsibility, inclusivity and diversity.

ISAIC responds with advanced training supporting:

- High paying, secure jobs with upward mobility
- Systemic enhancements in equipment and processes
- Testing of technological advancement and innovation





This promise has resulted in a talent force at the Detroit factory with an average age of 29, while the global sewn goods industry's workforce averages close to 50. The team is comprised of seasoned sewing specialists working side by side with those for whom ISAIC has provided a new opportunity, including a formerly homeless woman and a returning citizen in his first job since incarceration.



Veronica Williams was living in a homeless shelter when she began her training with ISAIC's curriculum at Empowerment Plan, learning the basics of sewing and providing her with an opportunity to become one of ISAIC's first apprentices.

Her paid on-the-job training pairs her with a skilled worker whose expertise and mentoring guide her towards measurable progress, regular wage increases and highly sought-after journey person status at the end of one year.

Roni's thoughts about ISAIC:

"The culture, the mission and things we stand for are great...the opportunities are really amazing."

MEET DEIRDRE



Deirdre Roberson, a successful entrepreneur, chemist and designer, enrolled in RTI to elevate her knowledge and help her position her brand for success. By receiving instruction in manufacturing processes, technical terminology, machinery, materials and more, the course gave her invaluable skills and knowledge.

Thinking about ISAIC RTI, Deirdre says: "It can take people from different backgrounds and walks of life and give them the skills to really propel them into whichever direction they want to go."



Training For The Future

Although launching Related Technical Instruction (RTI), the first phase of ISAIC's proprietary Department of Labor certified apprenticeship, was delayed during the pandemic ban on in-person instruction, the first class began training in September. This cohort was comprised of minority entrepreneurs looking to expand their knowledge to make their businesses more successful. Classes resume in the first quarter of 2021, with several enrollees from Services to Enhance Potential, an organization providing employment training for those with disabilities.

Protection Powered By People

The ISAIC team was hired in March 2020, ready to be part of a new model of apparel manufacturing. When clothing production was put on hold due to COVID-19, the team embraced the opportunity to be trained for an ISAIC-led alliance making PPE for medical frontline and first responders.

That collaborative:

Kept 15 businesses from shutting their doors and 180 people working

Resulted in the Rock Family of Companies purchasing welded mask technology for use in the ISAIC factory, which has produced nearly 500,000 three-ply face masks to date

Produced 180,000 isolation gowns

Provided training on new products and machinery



Sewing specialist Kim "KT"

Thomas has been with ISAIC since the first days making isolation gowns for the State of Michigan.

He has honed and expanded his skills becoming the most experienced team member sewing knit beanie caps.

KT describes the ISAIC culture:

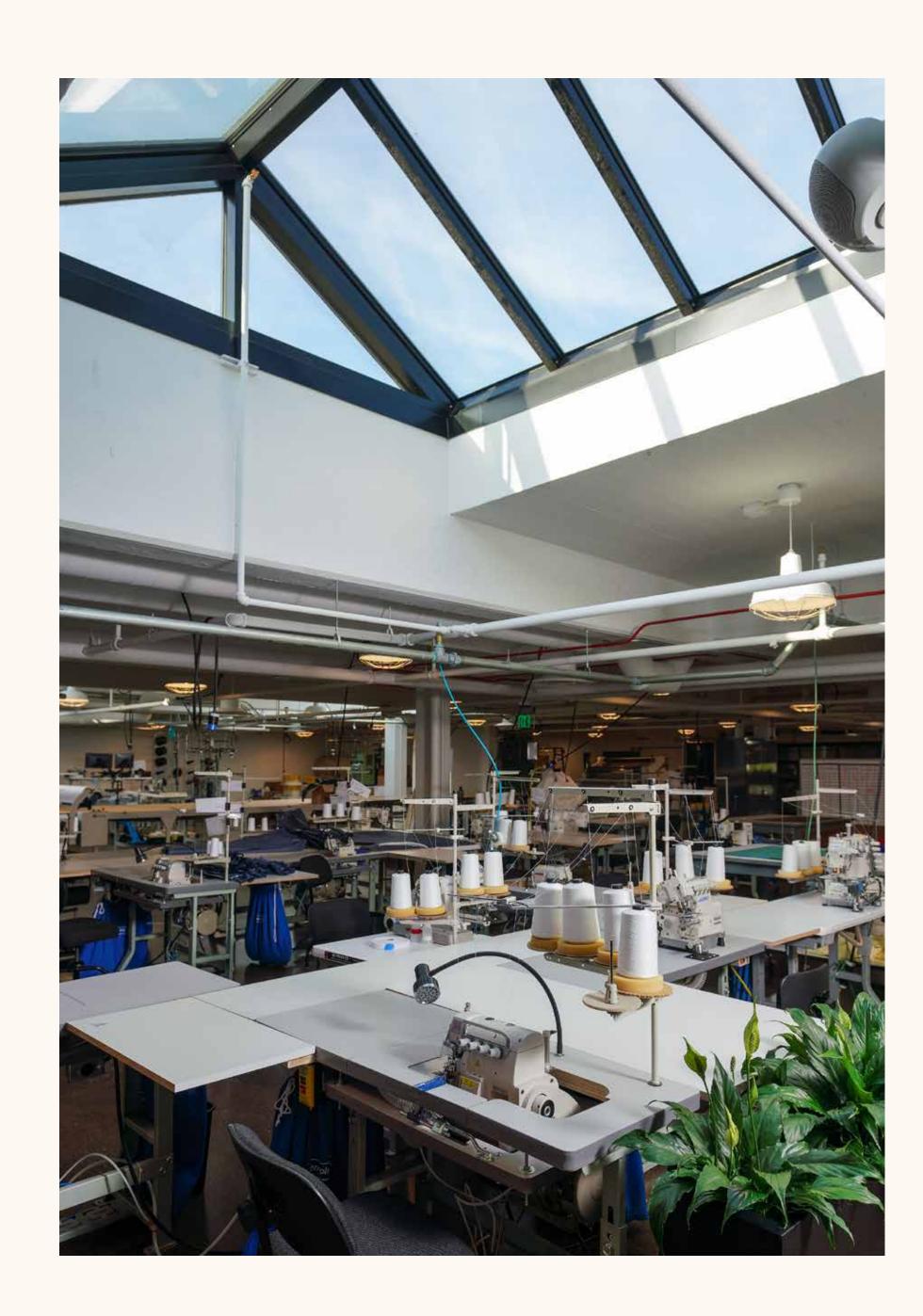
"ISAIC has been a wonderful
experience, job, and workplace.
It's like family and we have grown
closer and more unified than most
places...we have accomplished so
much in a short period of time and
it's only going to get better."

MEET JUSTIN & NICOLE

Justin McKinstry, ISAIC's materials handler servicer, and sewing specialist Nicole Albrant have been invaluable leaders as co-chairs of the DE&I employee circle, creating meaningful discussions about how ISAIC's philosophy can be carried out in daily practice.

Justin thinks "The reason why ISAIC is so great is the culture. Everyone here is willing and wanting to create something new."

Nicole adds "ISAIC is more than a job.
ISAIC is a community. That community
is a melting pot of varying cultures, deep
thinkers, and wholesome intentions.... I
can honestly say from the pit of my heart
that ISAIC has completely changed my life
in the most positive way possible."



It's Not Just A Factory, It's A Philosophy

ISAIC's learning and contract manufacturing factory became a reality in a space donated and built-out by Carhartt based on the iconic apparel brand's commitment to changing the industry. In addition to human-centric amenities like skylights, an abundance of live plants and a sound system to inspire creativity with energizing playlists, the factory encourages interaction both in manufacturing and co-creation of the ISAIC ethos. Employee circles, led by team-nominated representatives, design programs and dialogue on critical DEI topics, opportunities to develop Better Best Practices and events to celebrate the community that has coalesced around ISAIC's mission.

Progressive Good

ISAIC's commitment to sustainability is to people and planet, and to becoming an industry leader in what we call Progressive Good™. We don't claim to have solved all social and environmental problems, but promise to do better…every day.





A great example is the ISAIC T-shirt, which was thoughtfully and skillfully crafted from responsible materials and uses earth-friendly packaging. It contains a QR code on the care tag directing consumers to ideas for keeping garments out of landfills and ways to be better stewards of the earth. Our goal is to make this customizable shirt the go-to source for responsible branded wearables.



Our Venture for America Fellow and Sustainability Analyst, a recent Yale grad in Environmental Engineering, is Joe Lybik who is setting ISAIC on its Progressive Good™ course by creating a roadmap for sustainability, focusing on both daily changes and long-term goals.

Joe describes the ISAIC culture:

"ISAIC understands the deep connections between healthy people and a healthy planet.

I'm honored to contribute to the organization's model for responsible stewardship of both."

Change Clothes. Change Lives.

Pivoting to PPE production and then back to apparel manufacturing has proven the ISAIC team's resiliency and a relentless desire to grow their expertise. Manufacturing for brands like Carhartt, Cleverhood and Everywhere, as well as work with DO Apparel, provides opportunity for the entire production team to develop skills, train on new equipment and learn techniques to further career paths. Some of the remarkable career stats for talent force development in 8½ months at ISAIC:



New Sewing Skills



Proficiencies With New Production Machines



Trained To Develop

New Products



Trained To Create
New Products



Karly Butcher has developed machine maintenance skills through on hands experience and training. As production and mechanic educational offerings have expanded, Karly's mechanical aptitude and tenacity made her a perfect choice to be promoted to production maintenance technician.

Her unique perspective about prospects at ISAIC: "There have been more opportunities for individuals to learn and advance themselves in my short amount of time here than in my entire automotive career. When ISAIC succeeds, so do WE."

Special Thanks To Those Who Have Helped ISAIC As We Redefine How The Future Is Fashioned

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ISAIC's success and impact is only possible through the generous support of our visionary donors and investors.

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More than \$2 million

Carhartt

\$750,000 - \$1 Million

William Davidson Foundation

\$500,000 - \$750,000

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\$100,000 - \$200,000

Ballmer Group

Samvid Ventures

General Motors

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CHANGE CLOTHES. CHANGE LIVES.



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