

**UMA Pittsburgh Gathering**

# **Building Coalitions To Create Equitable Manufacturing Ecosystems**

September 2018





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# Foreword

Together with our local host, Bridgeway Capital, the Urban Manufacturing Alliance hosted our 7th national Gathering from September 26 to September 28, 2018. The Gathering theme was **Building Coalitions To Create Equitable Manufacturing Ecosystems**.

For decades, economic development in cities has depended on “smokestack chasing”: luring large employers from one community to another or incentivizing them to stay.

But through our network of members, we’ve begun to see a shift from this zero-sum paradigm towards a locally-focused, place-based approach that supports, lifts up, and champions manufacturing businesses of all sizes.

Our goal for this Gathering was to showcase organizing and systems-building strategies that are promoting manufacturing, while creating new economic opportunities for diverse communities. To do so, we put a spotlight on local and national organizations that represent the finest in ecosystem-building.



# Introduction

A once-vacant factory is buzzing with applause.

It's a Thursday afternoon, and Pittsburgh mayor Bill Peduto makes his way to the heart of the fifth floor at 7800 Susquehanna to grab a mic. Behind him are industrial cutting tables, Global and Juki sewing stations, and steel-frame windows with generous views of the city's treescape.

In front waits an audience of over 200, hailing from cities across the country, who've gathered for the Urban Manufacturing Alliance's (UMA) largest convening to date.


"Imagine Pittsburgh 10 years ago," says Peduto, donning tortoiseshell glasses and a striped two-piece suit. "We were just getting out of the doldrums of a recession. We exported people like we used to export steel."

"As I sit and listen to every one of these presentations, [I realize] you've fulfilled within this city a model that others can take nationally," he adds.

We feel the same way when we think about Pittsburgh's manufacturing community. UMA selected the City of Bridges for our 2018 Gathering because we have deep respect for what's happening there today.

Leaders like Peduto are striving to build a post-Great Recession economy where opportunity is within reach for all residents. Practitioners are blending manufacturing and community development to help fuel that resurgence.





It's the type of local synergy that UMA members are setting in motion across the country.

When most people think of entrepreneurial ecosystems, they think of cities like Boston, London, or Berlin. But “geography doesn’t have a monopoly on ideas,” said Andy Stoll, senior program officer in entrepreneurship at the Ewing Marion Kauffman Foundation.

“Why creative things come from those places is because they spent decades building the systems to support people with ideas,” he told the audience.

UMA Gatherings help assemble those systems. We bring manufacturing leaders together from across the country, and give them a dynamic platform to discuss coalition-building strategies, face-to-face, with like-minded professionals.

When Peduto took the floor, he was referring to local organizations who had just presented during our morning Rapid Share session. It was an exciting moment for everyone: local pioneers of a new school of economic development, showcased to a national audience of peers, and then championed by a mayor who promised support for work like theirs.

Moments like that make us realize how important it is to keep convening UMA members and other manufacturing practitioners so you can share the place-based work that’s lifting up local producers and communities alike. Pittsburgh was our largest Gathering ever, but we still feel like we’re just getting started.

In solidarity,  
The Urban Manufacturing Alliance



A background photograph of a social gathering. In the center, a man with a beard and a brown suit is smiling and talking to a woman with blonde hair wearing a blue and white patterned top. To the left, another man with a beard in a white t-shirt is visible. The setting appears to be an indoor event space with white draped tables.

**“There’s so many of us doing a lot of cool stuff out there, so a gathering like this was an important opportunity for everyone to get to know what everybody’s doing. Not only was it fun, but I made some good connections, and was really impressed by the spirit and the energy and the commitment to getting stuff done. It was contagious.”**

David Robinson, Manufacturing Renaissance.





# Breakout Group Sessions

Continuing the tradition of past UMA Gatherings, Pittsburgh Gathering attendees split up into groups to converse over specific themes impacting manufacturers everywhere. This time, though, we did things a little differently: instead of dividing the audience into a handful of large groups, we sent members to eight small sessions to keep the conversations intimate.



## **Adaptation Opportunities for Legacy Manufacturers**

Anh-Thu Nguyen of the Democracy at Work Institute (New York) and Bob Value at the Steel Valley Authority (Swissvale, Pa.) led this session on different options for manufacturers that are looking to step away from directing the day-to-day of their company. Employee stock ownership plans, and selling the company to a cooperative of workers, are two ways that manufacturers can build employees' wealth. Cooperatives go a step further by putting a company in the hands of the employees who know it best.



## **Protecting and Expanding Industrial Land**

Tanu Kumar of the Pratt Center for Community Development (New York) and Rebecca Flora of ReMake Group (Pittsburgh) took on the enduring question of how to grow and maintain industrial land in urban areas. Their group suggested that more partnerships between manufacturing, housing, and workforce advocates could help build campaign awareness on why these areas matter for cities.



## **Multi-stakeholder Approaches to Capital Access**

Dwayne Rankin from Bridgeway Capital (Pittsburgh), Sabrina Stratton from Amalgamated Bank (New York), and Heather Hanowitz from Philadelphia Industrial Development Corporation (Philadelphia) discussed some of the challenges that manufacturers face in accessing federal resources. According to all three, funding opportunities for manufacturing at the federal level often incentivize real estate development—a high bar for the average maker looking to grow their capital portfolio. They highlighted how important it is for small manufacturers to keep any relevant data on their economic impact because that data helps make the case for how they can deliver results with additional investment.





### **Workforce Development in the Age of Automation**

Regan Brewer of the Jane Addams Resource Corporation (Chicago) and Dillon Moore of Partner4Work (Pittsburgh) recognized that it's not just employees who need to be prepped for the automated shop floor. Employers need help funding and designing workforce development programs that can then help employees gain the skills they need to thrive alongside technology.



### **Supporting the Scale Up of Manufacturing**

Bonnie Fahoome from Design Core Detroit (Detroit) and Richard Mokuolu at Inventaprint (New York) discussed how critical it is for manufacturers to have access to experts at various stages of growth. "Sometimes they don't recognize that they're standing in the apex of a decision to scale or not scale until after it's happened," said Fahoome, who provides business services to small-scale manufacturers.



## **Building an Equitable Local Brand**

Andy Cook from Made in Baltimore (Baltimore) and Jamie Thomas and Lindsey Fox from Allen & Gerritsen (Philadelphia / Pittsburgh) outlined some of the challenges that local brands can run into as they build a reputation among local entrepreneurs. Cook drove home two potential solutions. The first is to be intentional about your partners, and who's on your staff, if you want entrepreneurs to identify themselves with the work you're doing. The second is to invest in developing a presence in the community by frequently visiting the organizations, businesses, and neighborhoods you want to collaborate with.



## **Creating Industrial Space for Light Manufacturing**

Clare Newman from the Brooklyn Navy Yard (New York) and Matt Madia from Bridgeway Capital (Pittsburgh) talked about how real estate for light manufacturers often requires a complicated financial stack. The financial instruments within reach of large manufacturers are harder to secure for those manufacturing companies with just a few, or zero, employees. Madia pointed out how Bridgeway Capital is identifying a network of smaller properties in Pittsburgh that can provide different real estate solutions to light manufacturers with different needs.





## **Building Inclusive Makerspace Models**

Lauren Caldarera of TX/RX Labs (Houston) and Devin Montgomery of Protohaven (Pittsburgh) shared advice for creating a community workshop, or “makerspace,” that fills training or economic needs in nearby neighborhoods. Makerspaces have traditionally had a reputation of being clubs for “upper middle class white males,” according to Montgomery. Locating in an underserved community, offering wraparound services like child care, and providing financial support for those who can’t afford the standard membership rate could bring more diversity to these spaces.

A group of people are sitting in a circle in a workshop or meeting room. In the background, there is a whiteboard with the words "CAPITAL ACCESS" written on it. The room has large windows and industrial-style walls.

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“I appreciated the shared value of not seeing our work as competition but seeing it as a shared venture. I saw a lot of genuine collaboration and willingness among attendees to share information and best practices and challenges. There were problems that people brought up [...] but [the response from other attendees] was ‘listen to what I went through, and let me help you avoid that pitfall.’”

Maggie Beldecos, Trade Institute of Pittsburgh.

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A man with a beard and short hair, wearing a dark blazer over a light-colored checkered shirt, is speaking into a microphone. He is gesturing with his left hand. The background is a bright, slightly out-of-focus indoor setting.

PROFILE:

# Craft Business Accelerator

Pittsburgh is booming. Between 2008 and 2017, the city's start-up economy chalked \$3.5 billion in investments<sup>1</sup>. Last year Washington, D.C.-based think-tank Brookings Institution highlighted Pittsburgh for its "unique opportunity to become a top global destination for technology-based economic activity."

But Adam Kenney, director of Bridgeway Capital's Craft Business Accelerator, says more needed to be done to bring creative entrepreneurs into the tech-fueled revival.

**"I knew a lot of artists and craftspeople who had a good studio space and had a good stock list of clients, but nobody was really thriving," says Kenney, who himself is a glassmaker.**

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<sup>1</sup> Innovation Works, "[A decade of growth: Investment in Pittsburgh's technology sector](#)," 2017

“I knew a lot of artists and craftspeople who had a good studio space and had a good stock list of clients, but nobody was really thriving,” said Kenney, who himself is a glassmaker.

Backed by Richard King Mellon Foundation and Hillman Family Foundations, Bridgeway Capital rolled out the Craft Business Accelerator: part business incubator, part investment fund specializing in Pittsburgh artisans, designers, and small-batch manufacturers.

The next step is to connect them with new markets. That’s where Monmade, the Craft Business Accelerator’s new trade group, steps in.

Case in point: Monmade’s partnership with ACTION-Housing, a non-profit affordable housing developer in Pittsburgh. At UMA’s Pittsburgh Gathering, Kenney and ACTION-Housing’s Lena Andrews gave a joint Rapid Share presentation on the collaboration.

ACTION-Housing contracts Monmade producers to design items like tiles and lighting for affordable housing buildings in the city. “It worked within our budget, and also we think that beautiful design is for everyone,” said Andrews.

Katy Stanton, program director at the Urban Manufacturing Alliance, says

Bridgeway Capital stands out from other community development financial institutions because it’s a patron of uncommon connections.

“They’re building their own ecosystem in Pittsburgh and the region between makers and manufacturers, lenders, housing developers, and other non-traditional partners,” said Stanton. “It’s the first time that we know of an example like that.”

“As small businesses go, you’re already wearing more hats than usual,” said Kenney. “You design the work, you produce the work, then you market the work. That can cause a lot of isolation.”

Monmade and the Craft Business Accelerator help creative entrepreneurs see the light at the end of that struggle.

To learn more, check out [monmade.org](https://monmade.org).



# Sewn Trades Collective

Surrounded by screen printing machines (and under the caring gaze of a giant Mr. Rogers mural), UMA staff and twenty sewn trades practitioners gathered in the production room at Commonwealth Press and got to work.

The Gathering was still a day away, but UMA's Sewn Trades Collective met in advance to kick off their second in-person planning session. UMA, the Makers Coalition, and the Industrial Sewing and Innovation Center (ISAIC) in Detroit have been spearheading this collective since 2017 because the U.S. apparel industry is at a crossroads.

Sewn trades entrepreneurs are popping up in cities like Baltimore, Seattle, Nashville, Kansas City, Cleveland, Pittsburgh, and beyond. They have the grit and savvy to build a business. But to stay competitive they need technology, trained workers, and access to one another.

The Collective's practitioners are creating curricula for and training future employees; building affordable production and training spaces; and designing technical service offerings for legacy and burgeoning sewn trades businesses alike.

The problem is that these practitioners are often starting from scratch, and in isolation. UMA brought them together in Pittsburgh so they could learn from





their peers, share challenges, and come away knowing they're part of something bigger.

Their three-and-a-half hour brainstorming session unveiled a few next steps:

1. **Sewn trades organizations want a platform through which they can stay in touch.** They'll use it to share struggles, successes, programming ideas, workforce models, and help each other out with funding questions.
2. **They want a survey of existing programs to understand what's out there.** A program "grid" would allow the Collective to compare what services are available, and where there may be gaps to fill.
3. **There needs to be more talk about impact.** Apparel entrepreneurs know they're creating jobs, but more documentation is needed on career ladders and supply chains to show what this sector offers for cities.
4. **There are stories to be told.** Business owners, employees, the clients they sell to—profile these individuals to capture voices that care about the sewn trades.

UMA and its partners are working closely to satisfy these asks in 2019. Reach out to [info@urbanmfg.org](mailto:info@urbanmfg.org) if you're interested in learning more, or supporting our work.

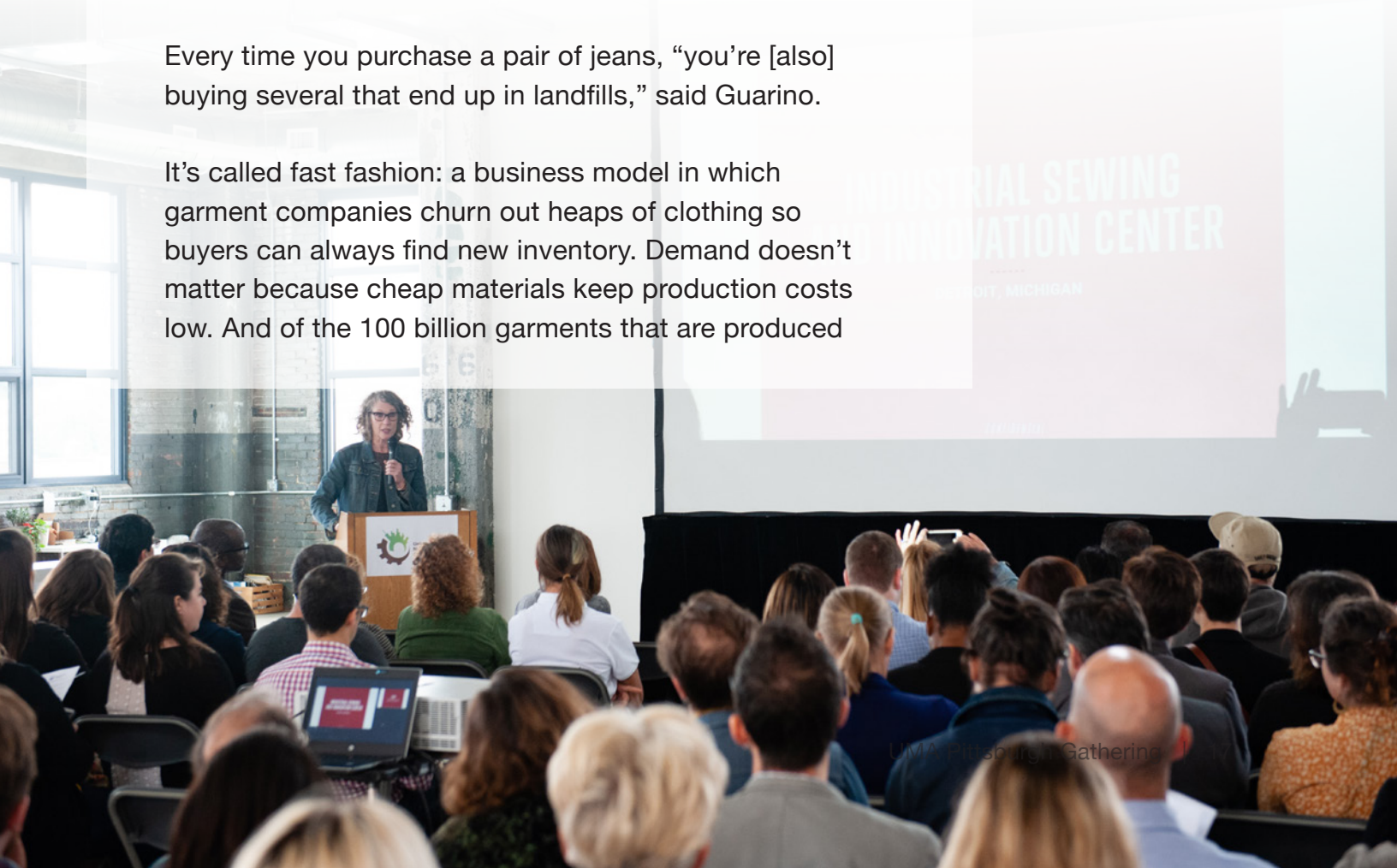


# Keynote Speaker: Jen Guarino, Industrial Sewing and Innovation Center

Every year, over 15 billion pieces of clothing are thrown away. We're paying garment companies to create that waste, says Jen Guarino, director of the Industrial Sewing and Innovation Center, or ISAIC.

Every time you purchase a pair of jeans, "you're [also] buying several that end up in landfills," said Guarino.

It's called fast fashion: a business model in which garment companies churn out heaps of clothing so buyers can always find new inventory. Demand doesn't matter because cheap materials keep production costs low. And of the 100 billion garments that are produced





globally each year, whatever doesn't sell is recycled, donated, or tossed.<sup>2</sup>

Which is where ISAIC comes in. "What if you didn't spend as much money on the extra you're buying that ends up in landfills, and you converted that same cost to lift wages?" asked Guarino.

Guarino is developing the Detroit-based apparel manufacturing center with a coalition of 16 local partners. When it launches, ISAIC will offer twelve-month apprenticeships, in both traditional textile skills and tech skills, to workers from disadvantaged communities.

Apprentices will take home \$24,066 and won't pay a dime for the training. Meanwhile, they're producing garments for local and national clothing companies close to market, which means shorter lead times. "This is the trajectory needed for on-demand manufacturing creating far less waste," said Guarino.

After the apprenticeship, trainees are put in touch with local job opportunities or business support organizations if they want to start their own company. They can also continue working at the ISAIC worker-owned factory and make a salary of \$30,500 in their second year, plus benefits.

"We're solving an issue that is an industry issue, that impacts local community," says Guarino. "We need skill. We need capacity. We need to manufacture where we live."

To learn more, reach out to the ISAIC team at [info@isaic.org](mailto:info@isaic.org).



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**“It’s great to have a national organization look at what’s happening in Pittsburgh as a catalyst or as a method of how [ecosystems] should work. People have seen my products that normally wouldn’t have, and I made a lot of great connections with people whom I might end up working with. It’s nice to just learn that [as a manufacturer] you’re not alone in the struggle.”**

Benjamin Saks, KerfCase.

During the Gathering, Benjamin connected with a representative from Square, who invited him to speak on a panel at the U.S. Chamber of Commerce’s Small Business Summit in Washington, D.C. the following week.

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# Rapid Share Presentations

At its core, UMA is a product of our members. Our aim is to showcase the promising practices and models of our close to 800 members so they can learn from one another and share in overcoming challenges.

Rapid Shares facilitate that exchange. They're succinct presentations that inform and inspire.

This September we were fortunate enough to hear from:

## National Presenters



**Ministers for Manufacturing.** Chicagoland clergy, politicians, and local manufacturers united around a single issue: youth violence. Through Ministers for Manufacturing they connect at-risk high schoolers with manufacturing jobs that pay \$15 to \$27 an hour. (David Robinson, [mfgren.org](http://mfgren.org); Chicago)



**Case Western Reserve University's think[box].** What used to be an unused storage warehouse is now the think[box]: a seven-floor entrepreneur center open to students, faculty, and Cleveland residents at no cost other than the price of consumables. (James McGuffin-Cawley, [thinkbox.case.edu](http://thinkbox.case.edu); Cleveland)



**Remix: The Soul of Innovation.** This organization partners with multiple makerspaces on Historically Black Colleges and Universities in the Atlanta area. They then invite design firms and corporations to visit the makerspace locations to work on projects directly with their members. (John Jordan Jr., [shiftdatmix.org](http://shiftdatmix.org); Atlanta)



**SecondMuse.** Business networks, crowdfunding-to-retail campaigns, industry workshops, eight months of hands-on mentorship—if SecondMuse selects you for its Futureworks NYC manufacturing incubator, they throw everything your way to make your idea work. (Katey Metzroth, [secondmuse.com](http://secondmuse.com); New York)



**Council of Fashion Designers of America (CFDA).** The CFDA has granted almost \$3 million to fashion manufacturers in want of new equipment. Now they're tackling the supply chain side by fortifying the logistical links between manufacturers and designers. (Cal McNeil, [cfda.com](http://cfda.com); New York)





**Project Equity.** Project Equity educates business owners on the benefits of selling to employees. They're working with four cities in a pilot project to identify local manufacturers that are retention risks, and help them examine succession planning strategies like conversions to employee ownership. (Patty Viafara, [project-equity.org](https://project-equity.org); Miami)



Thank you to Erin Archuleta, lead seller advocate of Square, for emceeding our National Rapid Share Session.

# Local Presenters



## **Craft Business Accelerator / ACTION-Housing.**

Furnishing affordable housing projects with locally made decorations gives Pittsburgh artisans new contracts. It also gives affordable housing units beautiful interiors.

(Adam Kenney / Lena Andrews | [monmade.org](http://monmade.org) / [actionhousing.org](http://actionhousing.org))



**Trade Institute of Pittsburgh.** The Trade Institute is rolling out a new project to help incarcerated women become artisan bakers that can also manufacture artisan pizza ovens. (Steve Shelton and Shauna Kearns | [tipgh.org](http://tipgh.org))



**THREAD International.** The manufacturer makes its quality sewn goods, such as bags and backpacks, out of plastic trash from Honduras and Haiti. At the 7800 Susquehanna building, they employ local Pittsburghers to get it all done. Brenda made UMA history as the first person to ever sing a portion of her presentation. (Brenda Joy Ponti and Kelsey Halling | [threadinternational.com](http://threadinternational.com))





**University of Pittsburgh Manufacturing Assistance Center / Conturo Prototyping.** The Manufacturing Assistance Center moved from the suburbs to 7800 Susquehanna so it could connect city residents with the 22,000 manufacturing job vacancies in Allegheny County. Manufacturers like Conturo Prototyping, a machine shop in Pittsburgh, praise the program. (Claire Bramble Guth / John Conturo | [engineering.pitt.edu/mac](http://engineering.pitt.edu/mac) / [conturoprototyping.com](http://conturoprototyping.com))



**Prototype.** A feminist makerspace that provides entrepreneurial support and free child care to its members. They're working with four local organizations to help ten low-income women gain the entrepreneurial knowledge needed to start a tech business. Bryanna and Erin also made history by taking UMA's first presenter selfie. (Bryanna Johnson and Erin Gatz | [prototypepgh.com](http://prototypepgh.com))



**East End Cooperative Ministries (EECM) / OTTO FINN.** The non-profit's Sew Forward program trains future sewers while helping them secure food and housing. EECM has connected local entrepreneurs like Rona Chang of OTTO FINN with skilled seamstresses. (Tony Cortese / Rona Chang | [eecm.org](http://eecm.org) / [ottofinn.com](http://ottofinn.com))



Thank you to Nisha Blackwell, founder of Knotzland, for emceeding our Local Rapid Share Session.



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**“I’m so glad I came. I’d love for this conference to come to Houston [...] It was a real worthwhile use of time to be here and to learn and share in the conversation.”**

Karla Cisneros, Houston City Council Member District H.

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A woman with curly hair and glasses is speaking into a microphone at a podium. She is wearing a patterned blouse. The background is a blurred indoor setting.

PROFILE:

# Knotzland

The sewing machine sat in a box for six months before Nisha Blackwell finally gained the courage to give it a shot.

She loaded a how-to video on YouTube and spent the evening learning to sew. Some hours later, she'd crafted a set of bow ties out of vintage clothing fabric to gift her friend's daughter the following afternoon.

They were a hit. She left that birthday party with Knotzland's first half-dozen clients. "That's when I realized, okay, I made something and people are responding in a positive way," she remembered.

**"We generally try to keep a diverse workforce, so it's women who are retired grandmas to immigrant wives," she said.**  
**"We've had women stop Ubering to do this."**

Three years later and Blackwell's gone national. A Google commercial, and an invitation to join Facebook's small business council, definitely helped.

Back home in Pittsburgh, Knotzland is a model manufacturer. It employs a social impact model that keeps its environmental impact low.

To date the company has used over 2,000 pounds of discarded or recycled fabric to make its bow ties. Every bow tie creates temporary employment opportunities for Pittsburgh women.

Blackwell's team trains them how to sew. Whenever a big order comes in, she contracts the women. Today she has about 15 on-call sewers and they can make up to \$16 an hour, depending on how much, and how quickly, they produce.

"We generally try to keep a diverse workforce, so it's women who are retired grandmas to immigrant wives," she said. "We've had women stop Ubering to do this."

Your next bow tie awaits at [knotzland.com](http://knotzland.com).



# Conclusion

We want to end this report by saying how grateful we are for your presence—whether you visited from across the street, across the country, or were there in spirit.

By supporting our Gatherings, you're helping UMA set the stage for our programming and research for the following year and beyond.

Many of the case studies, webinars, and research projects that we run through our Communities of Practice have been inspired by the feedback we get from our Gatherings.

Our Gatherings have also inspired some fantastic collaborations, including the launch of new local branding organizations; intra-city manufacturing district tours; and collaborations between Port Authorities, to name just a few. The impact from these events is still playing out and will do so for years to come.

We hope you use our event in Pittsburgh as a starting point to deepen the reach and strengthen your own manufacturing ecosystem.



# Thank You's

UMA would like to thank the following partners:

- To the whole team at Thread International for allowing us to take over their entire production space to host our Gathering.
- To Commonwealth Press for welcoming our Sewn Trades Collective meeting and our opening reception into their shop.
- To Dr. John Wallace, our standout Gathering emcee whose warmth and local perspective set the best tone for the event.
- To all of the makers who participated in our inaugural Gathering Makers Market, and who helped to ground our discussions in the realities facing small businesses.
- To Mayor Bill Peduto and his staff at the City of Pittsburgh for supporting our event so wholeheartedly.
- To all of our generous sponsors. Your support made this event, and all of UMA's work, possible.
- And to the whole team at Bridgeway Capital for being such insightful and thoughtful hosts.



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Additional funding was provided by a grant from the Richard King Mellon Foundation

