

Office of the Minnesota Secretary of State  
Minnesota Public Benefit Corporation / Annual Benefit Report  
Minnesota Statutes, Chapter 304A



Read the instructions before completing this form  
Must be filed by March 31  
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.  
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Fair Anita SBC
2. The public benefit corporation's board of directors has reviewed and approved this report.
3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information); Note: Use additional sheets if needed. (Required)

Please see attached report.

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Joy McBrien  
Signature of Public Benefit Corporation's Chief Executive Officer

Feb 10, 2020  
Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

joy.mcbrien@gmail.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Joy McBrien 651-338-3842  
Contact Name Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?  
Yes  No

Fifth Annual Benefit Report of  
**FAIR ANITA,**  
A Minnesota Specific Benefit Corporation

February 10, 2020

## FAIR ANITA

We're on a mission to build a company that's good for the world and the people who inhabit it. Creating space for women to feel safe, valued, and respected—no matter their geography. This mission has led us to working with 8,000+ changemaking women around the world: women who are on their own missions to improve the lives of their children and communities.

At Fair Anita, we are committed to creating economic self-sufficiency for women. Working with survivors has long been at the heart of what we do. But economic opportunity isn't just good for women; it's good for the world. For every dollar a woman makes, between 80-90 cents is reinvested back into her family and communities, as opposed to 30-40 cents by men. Women work diligently to create better lives for their children; making sure they are fed and clothed, sending them to school, even putting them through college. Women's economic empowerment and leadership is key to overall economic growth and prosperity, and we are lucky to partner with so many of these changemakers.

Fair Anita is a social enterprise that empowers women in developing countries through dignified jobs and fair trade relationships. We sell cute + ethically-made + affordable products handcrafted by female artisans in 9 countries, giving women tools they need to improve their lives, while providing the chance for consumers to contribute to this positive life-changing process through their purchases. The sale of our products provides income to over 8,000 talented yet impoverished women. Our message is women investing in other women, creating positive impact globally.

*Fair Anita exists to serve women.*

We envision a shopping experience where customers can go to the store and know where their product is actually coming from. All products should be mission-based products—no product should exploit people in the making of it. We want customers to have the opportunity to make fashion-forward purchases that empower people rather than exploit them. Fair Anita is opening up a fair trade supply chain so that products that consumers love can also do good in the world.

### History of Fair Anita

Fair Anita was incorporated as a Minnesota Public Benefit Corporation on January 2, 2015. After falling victim to rape and sexual violence, Joy became very passionate about women's rights. Feeling compelled to take action on the issue, she moved to Chimbote, Peru, and built the city's first battered women's shelter, working to heal herself while helping others tackle the same issue. After years of traveling and meeting with women from around the world, Joy McBrien founded Fair Anita as a way to provide economic opportunity to the women who need it most, the women who continually ask for it. Financial insecurity is the #1 reason women stay in abusive partnerships, and economic abuse affects 99% of women experiencing domestic violence. Sustainable jobs have the potential to create big impact in women's lives and their communities.

This is why Joy started Fair Anita, because of this clear need for a platform for these women to sell their products. We're so grateful for the support of our communities in these efforts, and have been so excited to see the growth Fair Anita has experienced over the last five years.

## Management

Joy McBrien is the Founder and CEO of Fair Anita. Joy is a global learner who is passionate about creating opportunities for women and girls. She has worked with thousands of women around the world, using her empathetic nature to understand circumstances and develop creative solutions. As a graduate of the University of Minnesota in Entrepreneurship Studies, Nonprofit Management, and Design, Fair Anita combines her passions and strengths. Joy has been recognized for her leadership in this space, awards including: Top Ten Outstanding Young Minnesotans 2015, Open Hands Initiative Fellow 2016, and Minnesota Business Magazine's 35 Entrepreneurs Under 35 and Real Power 50 award. Joy is part of the Global Shapers community, and she was chosen to represent women's issues at the World Economic Forum's conference on Overcoming Social and Economic Exclusion with His Holiness Pope Francis, as well as participate in "Summer Davos" in China and lead a session on gender equity at the World Economic Forum's Sustainable Development Impact Summit. At Fair Anita, Joy is responsible for overseeing and implementing growth activities, such as marketing, artisan relationships, product development, and sales, in addition to setting the company's vision and making goals to create a more inclusive economy for women.

Fair Anita team members include:

- Anna Bottila: Operations Manager (FT). Anna is responsible for all off-site sales, part-time staff management, inventory management, and customer service, and she plays a critical role in developing our retail and wholesale sales channels and our brand presence in the Twin Cities and around the country.
- Sarah Ling: Creative Director (PT). Sarah manages most creative aspects of Fair Anita, including all photography, Instagram, graphic design elements, and product design.
- Taylor Hall: Sales Associate and Analytics Manager (PT). Taylor's passion for ethical supply chain brought her to our team, where she works offsite sales and is working to improve our SEO and online analytics.
- Nikki Luczak: Sales Associate (PT). Nikki started with us at the end of 2018, our first sales associate based outside of Minnesota. She manages pop-up sales in WI and IL.
- Grace Nelson: Social Media Manager (PT). Grace started with us in the summer of 2018. She now manages our Facebook page and ambassador program.
- PJ Valenciano: Digital Marketing Manager (PT). PJ is a part-time team member based in the Philippines. She manages our SEO and online branding, including blog posts, Pinterest, and Twitter.
- Libby Ames, Bailey Kinsky, Natalie Kinsky, Carey Hoppman: Holiday Sales Staff (PT). These ladies worked part-time for us over our busy holiday season to assist with sales.

Our Board of Directors includes:

- Jeanne Voigt: strategy and impact investor
- May Swenson: operations, inventory, and supply chain expertise
- Joy McBrien: Fair Anita CEO & Founder
- (unofficial) Anita Caldas, namesake of Fair Anita

## Highlights of the Year

- March 8, 2019: **Celebrated International Women's Day in New Delhi, India** alongside our artisan partners. Joy spent a week in India working on new product designs for 2020.
- March 16, 2019: **Hosted first #AnitaAdventure Artisan Learning Tour in Cambodia**, with 20 Americans, including Fair Anita customers, volunteers, and staff.
- April 16, 2019: **Joy speaks at Design in 7 at the University of Minnesota**, giving a talk about using design to overcome challenges (and personal trauma).
- May 7, 2019: **Began partnership with Venn Foundation**, allowing us to engage donors to better finance our fair trade payment agreements
- May 14, 2019: **Visited artisan partners in Chimbote, Peru**, working hand-in-hand to improve group processes, finances, and new product designs using local materials.
- June 4, 2019: **Begin classes with WomenVenture**, focusing on improving financial savvy and marketing plans alongside 7 other female business leaders.
- August 15, 2019: **Exceeded sales goals at summer trade shows**, entering the holiday season with over 600 retail partners.
- August 26, 2019: **Sustainable Bamboo Straw and Utensil Sets launch**, branching out from our usual product mix. Sets sell out in less than 24 hours, our most successful launch yet.
- September 6, 2019: **Joy speaks at International Economic Forum of the Americas in Toronto** on the social entrepreneurship and mission-driven business movement.
- September 9, 2019: **Fair Anita launches at Fourpost at the Mall of America**, creating higher visibility for our fair trade brand at the 2<sup>nd</sup> largest mall in the U.S.
- October 1, 2019: **Launched our top-selling new product, the Wayfarer Jewelry Travel Organizer**, which helps store jewelry when you travel, keeping necklaces tangle-free.
- December 8, 2019: **Our biggest sale day of all time**, held at Colonial Church in Edina. We sold over \$18,000 at pop-ups in one day. \$14,000 came from a one hour sale at the church!
- December 17, 2019: **Announced \$1 million sent to artisan partners** in aggregated invoices paid since starting Fair Anita.
- December 18, 2019: **May Swenson joins the Fair Anita Board of Directors**, rounding out our board with three women in the highest decision-making roles.
- December 22, 2019: **Participated in over 80 popup markets** during November and December throughout Minnesota, Illinois, and Wisconsin.

## *Our SBC Mission:*

*Empowering under-resourced women throughout our supply chain and business operations.*

### **Pursuit of Mission**

With regard to the period covered by this report, January 1, 2019 to December 31, 2019, Fair Anita pursued the specific benefit purpose stated in its articles in the following ways.

- **Selling fair trade products.** As a business, our main activity is the creation and selling of fair trade products, made by over 8000 women in 9 countries. The sale of these products provides fair incomes, good working conditions, and a sustainable job to women around the world. Part of our mission is to fill a gap in consumer markets by sourcing fair-trade goods that are designed to appeal to a younger and more mainstream demographic and at lower prices than are average for fair trade consumers. This brings a new demographic to ethical, fair trade purchasing, which ultimately increases opportunity for our artisan partners to create and sell their products. Resources devoted to this include: staff time, marketing, website development and maintenance, order fulfillment, shipping products, off-site sales, building wholesale partnerships, creating relationships with customers, and managing an authentic brand.
- **Increasing capacity** in design and business of artisan groups. Fair Anita not only buys and sells products from fair trade artisan groups, but we work with the women to increase their competencies, allowing their businesses to grow and enabling them to hire more women. We work with them on design skills, which helps us be able to sell more product. We regularly work on business acumen as well, making sure all costs are accounted for in their pricing strategies and figuring out the best ways to improve the supply chains. This year, we worked in-person with artisan groups in India, Cambodia, Vietnam, and Peru, in addition to working with groups in 5 other countries over the internet.
- **Providing mentorship** and guidance to entrepreneurs across the U.S. and globally. We worked with hundreds of entrepreneurs, primarily those looking to start mission-driven businesses, to help them prepare, launch, and/or scale. We worked primarily with young entrepreneurs, often meeting with students to help them think critically about their business models.
- **Hosting workshops** for women in the US. We organized and led 2 workshops on topics of women's empowerment and anti-racism. At Fair Anita, we believe that anti-racism work is absolutely critical to the feminist movement, and as a social enterprise (primarily led by white women) working with artisans in 9 countries, it is of utmost importance that we are always pushing ourselves further in our understanding of anti-racism work.
- **Donating to causes** that further Fair Anita's mission. We made donations, both in-kind and otherwise, to nonprofit organizations that support women around the world and in the Twin Cities. These include (but aren't limited to): Women's March, Dress for Success, Sisterhood Boutique, Ann Bancroft Foundation, Survivor's Memorial, YWCA, and International Justice Mission.

## Impact

Fair Anita is creating impact in Minnesota and across the world. Here's how we succeed in meeting the goals of our specific benefit purpose:

*By selling fair trade products.*

- **Impact of selling products on earning opportunity for women.** In 2019, Fair Anita generated income for women employed by our primary artisan partners in the following countries:
  - India: \$233,957.24 (39% growth over 2018)
  - Ethiopia: \$49,080.09 (22% growth over 2018)
  - Cambodia: \$40,827.00 (25% growth over 2018)
  - Vietnam: \$36,088.70 (230% growth over 2018)
  - Peru: \$34,752.15 (105% growth over 2018)
  - Chile: \$16,405.82 (22% growth over 2018)
  - Mexico: \$14,473.38 (14% growth over 2018)
  - Egypt: \$9,826.11 (27% decline due to payment cycles)
  - South Africa: \$3,890.00 (35% decline due to payment cycles)
    - *Total sent to artisan partners: \$439,300.49 (40% growth over 2018)*
- **Impact of selling products on improving the lives of artisan partners.** These jobs provide a path to economic independence for at-risk or marginalized women.
  - **Providing sustainable jobs.** We are committed to longevity, continuity and reliability in our fair trade relationships. These characteristics allow our artisan partners to be forward thinking in a number of ways, including employing additional artisans.
    - 58% of artisans reported that working with Fair Anita has allowed them to employ additional artisans.
  - **Increasing organizational capacity.** Our artisan partners strive to produce more than fair trade goods, they seek to create stable and inspiring opportunities for women in society. By paying artisans fair wages and committing to long-term partnerships, we enable artisan groups to invest in production and organizational development simultaneously.
    - Artisans report growing capacity, creating more jobs and educating clients as their goals for the future. We are committed to helping our partners realize those goals.
  - **Improving women's status in the community.** We believe that investments in women are investments in the community. The results of employing groups of women with fair wages and long-term opportunities spread beyond the artisan cooperatives themselves.
    - 100% of artisan groups strongly agree that fair and sustainable jobs improve women's status in their community.
    - 90% of artisan groups agree that economic opportunity is essential for women experiencing domestic abuse.
  - **Maintaining responsive and accountable partnerships.** Meeting and exceeding artisan partner's needs is our primary motivation. We strive to provide open communication and responsive behavior in all of our partnerships, and our artisan partners know this about us.
    - On average, artisan groups indicated being "strongly satisfied" with the current state of our fair trade relationships.
    - "I find working with Fair Anita to be very easy. They respond very quickly and have many new ideas for products, which helps us sell more." – India

o **Artisan testimonials**

- "All of us artisans in Chimbote, Peru are so grateful for the support of Fair Anita's customers. Our 'little workshop with big heart' is able to thrive because of the orders we receive. We are so grateful for the jobs that you give us, and that the Fair Anita customers love and value our hard work. One new woman just joined our cooperative; her name is Rosa and she lives her life in a wheelchair. Thank you to Fair Anita for this grand opportunity. Thank you for the work and for always thinking of us. We are so glad you value you our work. We are so grateful for this opportunity." – Peru
- "Because of fair trade work, we're able to raise our children differently. We're able to provide them with education. We have a better living standard than before. Before, the small children didn't have shoes to wear, but now, the children go to school and have clothes to wear. We have our own transport, a motorbike. We're able to save some of our earnings and invest in buying more animals, like chickens and cows." – Cambodia
- "It is thanks to Fair Anita that we are able to give work to female artisans. Our relationship is very good; there is mutual trust, and they always pay upfront so that we can pay artisans early." - Chile
- "I came to this community 12 years ago, right after my husband and daughter passed away. It took me years to accept that I have HIV/AIDS in my blood. It has been 6 years since I started with this artisan group, and I'm very thankful for it because through this job I have started living again." – Ethiopia
- "I love this work and it has definitely made a big impact on my life. I am able to make jewelry in my own home, and I am able to care for my disability without others making it harder for me. People love the pieces I make, and that brings me so much joy and motivation." – Chile
- "We feel fortunate to be the Fair Trade partner of Fair Anita. It is already few years now, since our mutual Fair Trade cooperation began. With happiness we all realize that Fair Anita has become a very important partner of ours, our existence. It had been an enriching journey together so far! The valuable work provided by Fair Anita has impacted the lives of many artisans, especially the women in our working communities. It has not only given them the much required work, but also dignity and fair price. Through the valuable work we are receiving from Fair Anita, the artisans have not only receive fair wages but their families and many others in the community are also benefitting. It is joy for all of us to see their children attending school (particularly the girls), the young girls learning self-defense techniques to become strong and save themselves. It is a continuous struggle but we have to continue and to fight for gender equality. Many of the women associated with the organization have become more aware now about their situation and the rights. They have courage to start their own small micro credit initiatives and receiving the much required respect and recognition in their families. They are organizing themselves into self help groups and developing their skills. We are thankful to Fair Anita for their valuable cooperation and solidarity." – India



- **Impact of selling products for our customers.** Fair Anita successfully marketed and sold products to customers in 50 states in U.S. and Canada in 2019. In early 2020, we conducted a mixed-methods survey to measure our progress in pursuit of mission. The survey results show that we successfully engaged with our target demographic in 2019 and communicated our mission to customers. We also used our online analytic data to provide these results.
  - **Reaching a younger demographic.** The majority of our customers are under the age of 34, indicating our client base is significantly younger than the average fair trade demographic (women 40-65). We continue to sell our products to people of all ages, but our sales records show that our goal of engaging a younger market in fair trade has been successful in 2019.
    - The largest age group of survey respondents was women 35-44 (27.5%), the second largest women 25-34 (21.3%), and the third largest women 55-64 (16.3%). According to our Google Analytics data, 37.66% of all website visitors in 2019 were between the ages of 25-34, followed by women ages 35-44 (20.19%) and 18-24 (13.13%).
  - **Selling fair trade goods at an affordable price point.** 92% of survey respondents say that our price point is "just right." Other options included "too high" and "too low." Our average product price is currently \$20 retail.
  - **Competing with free market firms.** 72% of participants purchased Fair Anita products as substitute goods that they would otherwise purchase in the free market, meaning they chose our mission-based product over other options.
    - 20% of survey respondents purchased Fair Anita products as an act of philanthropic giving, meaning they potentially purchased the product solely because of the associated mission.
  - **Reaching new customers.** About 85% of our customers in 2019 were new to Fair Anita.
    - We grew our social media following online from January 2019 to December 2019.
      - Facebook: 1945 to 2285
      - Instagram: 3623 to 5011
    - We partnered with new retailers to get Fair Anita products to a wider audience.
      - Wholesale partners increased from 500 to about 600
    - 100% customers say they are likely or very likely to recommend Fair Anita to a friend
    - 23.5% of our revenue was generated at pop-up shops, 17.7% through Purchase Orders and trade show purchases with our wholesale partners, and the remaining 58.8% done online (both retail and wholesale).
      - Overall, roughly 54% of our revenue was done through wholesale partnerships, and 46% of revenue made by selling directly to the consumer.
  - **Communicating our mission as a social enterprise.** While our customers purchase our products for a variety of reasons (price, design, mission, convenience, etc), it is clear that they are aware of our mission.
    - About 75% of our entire customer demographic understand the term "fair trade." 92% of our online survey respondents understood this term, likely proving that we do a better job of educating customers online vs in person.

- 96% of survey respondents are more likely to purchase a product if they know it is fair trade.
- **Customer testimonials**
  - "I appreciate Fair Anita's support of women and their voice in business."
  - "You've quickly become one of my favorite retailers/organizations!"
  - "I so admire and appreciate the work you do—including these regular invitations for input, constructive criticism, and suggestions. It makes me feel even more valued and important as a customer, and grateful for the intentionality behind everything Fair Anita does!"
  - "Thank you for acting on your mission to empower women around the world!"
  - "I was so excited when I first learned about Fair Anita. It's some of the most attractive and on-trend (in terms of U.S. standards) fair trade jewelry I've seen. Keep up the excellent work!"
  - "Thank you for making the world a better place for women."
  - "Beautiful variety. Love all the new additions each year. I'm not a huge jewelry wearer - so love the scarves, other accessories. The leather wrap bracelets are my favorite. "
  - "You make fair trade more affordable and accessible."
  - "Beautiful design, high quality, wonderful mission, and excellent price point"
  - "I love how you educate your customers on the women from the countries, their story and how they are paid! Your transparency is fabulous!"
  - "I looove what you do. The mission is amazing, the prices are so affordable and the jewelry is gorgeous. Friends have purchased from you on my recommendation!"
  - "The staff at the pop up event were incredibly knowledgeable about both the product and the mission. They answered questions confidently and made sure customers were fully informed when buying the product!"
  - "I am grateful for the way you convey the mission and highlight the incredible artisans behind the products (in a way that celebrates them as people and creators, not in a pejorative or exploitative way)."
  - "First, you're making a difference for women around the world. What else can I say? And I love the photos of the artists and of models wearing the jewelry. Helps with perspective on size of a particular piece."
  - "I bought a purse at pop-up sale. My daughter saw it, wanted it, I ordered another one online and got it in two days! Bravo and thank you!"
  - "We've been working with Fair Anita as a retail partner for 4+ years. The best customer service I've every experienced. Their products have always been a huge seller for us!"
  - "We LOVE Fair Anita! Everything from their customer service, to their beautiful products and diversity in countries represented. Their artillery jewelry is gorgeous, has a story to tell, and is popular with our customers."
  - "Fair Anita is so easy to work with. Their jewelry has done very well in our stores. Great product! Great prices! Great customer service! Great mission!"
  - "I appreciate the quality and innovative design at very reasonable prices. One of the few merchants supporting social causes I can contribute to on account of the price points."

- "Communication is great. Service is perfect. Designs and price point = great."

*By increasing capacity.*

- **Impact of capacity building with attracting new markets to increase sales.** Fair Anita provides consultation to artisan partners on product designs, creating products that are more likely to appeal to younger US consumers. Nationally, this is a new and emerging market for fair trade, as fair trade products are traditionally sold to women ages 40-65. Because Fair Anita is able to help artisans create jewelry for a younger demographic, they're able to sell more product; both to their typical fair trade retailers with their traditional designs, and to new fair trade partners (including Fair Anita) with the younger, trendier designs. According to leaders from 8 of our artisan partners, this opened up a totally new demographic, allowing them to increase production and sales. For some of these partners, including groups in Peru, Chile, Mexico, and India, the new sales opportunities meant they were able to create new jobs for additional women in their communities.
- **Impact of capacity building with our artisan partners in Chimbote, Peru.** Fair Anita works with a cooperative in Chimbote run by Maritza and Anita (our namesake). This is a group of 12 women, either with children with severe physical disabilities, or with disabilities themselves. Their disability status prevents them from obtaining a more traditional job, especially in a town with 80% unemployment rate. We have been working with this group since long before Fair Anita started, dating back to 2010. This year, we spent two weeks with the cooperative, working on new designs, business acumen, and financial planning. We shared best practices from other artisan groups, carefully analyzed prices for each product, and found new local sources for materials. Transparency was our #1 priority in working with this group. Now, all 12 women, many of whom cannot read or write, understand why we charge \$14 for the pair of earrings they make: they know how much they make, how much materials cost, and understand the cost of shipping, customs, and business in the U.S. As a result of understanding their group finances, this cooperative knew they had some extra profits to determine what to do with: they vote on their options as a group. They used part of these profits to throw a Christmas party for 265 children in their community, complete with a gift for every single child. Women do extraordinary things with financial resources! Additionally, the quality of this group's work has dramatically improved, and their new products have quickly become some of our best-sellers. We're so proud of how far this group has come—the opportunity to grow together has been incredible!

*A note on measuring impact.*

- We understand that the women we are working with are capable, competent people, who, like all women, are trying to create better lives for themselves and their families. We cannot attribute all of their successes solely to the opportunities that Fair Anita has created, as they are likely exploring multiple approaches to improve their livelihoods. We used a mixed methods approach, gathering both qualitative and quantitative information, to determine the impact of Fair Anita. Some of our artisan partners work with other distributors for their products, so often times, the impact in artisans' lives can be attributed to more than one organization. That being said, we're proud to contribute to the happiness, safety, income stability, and respect that these women are achieving.

## Strategic Directions for 2020

In order to scale Fair Anita sales and impact, we've determined the following goals for the next year:

- **Focus on environmental sustainability.** We've been doing this since day 1, but we want to make sure it's communicated as a highest priority of our brand. We're working to become a carbon negative company, and we want to see upwards of 80% of our product materials made from recycled materials. We are improving all processes to become more environmentally friendly, especially our packaging and shipping. We've been working to create biodegradable/compostable transparent bags for shipping (as many countries require individual packaging for export), and we aim to have this task completed in 2020.
- **Add staff capacity.** 2019 became overly evident that our mission has grown beyond the capacity of just 2 full time staff members, Joy and Anna. Our plan is to add 2 full time staff members in 2020 to help take our work to the next level.
- **Continue to improve processes with artisans.** While we've come a long ways from the days where our MN-based team had to fix thousands of products and attach all tags by hand upon U.S. arrival, we still have aspects of our processes that need improving. The more of this work that is done by our artisan partners, the more efficient our U.S. team can be, and the more fair trade work that is provided to women around the world. Our plan is to have 100% of artisan partners attaching their own tags and labeling products by the end of 2020, and we are continuing to improve processes for ordering and quality control.
- **Inventory management controls.** Utilizing the expertise of our newest Board member, May, we are going to formalize processes for inventory purchasing and management. Our goal is to have nonstop consistent orders will all artisan partners with reasonable amounts of inventory on-hand, while minimizing shipping requirements as to prioritize sustainability.
- **Utilize online sales trends to grow our margins and our mission.** In 2019, online retail sales were just 19% of our overall revenues. These sales give us the highest margin on product and are the easiest to manage, so we are focusing on increasing our online sales. The higher margins will help ease some of our cash flow issues, as we pay artisans upfront for their products. In 2020, we will grow our SEO, online advertising, PR, and national presence to drive people to the website.
- **Assist other mission-driven businesses in their launch and growth.** We are starting to develop some online materials for early-stage entrepreneurs to use to help them start new social enterprises. We'd love for all business to be mission-driven business, and we believe it's partially our responsibility to help make this a reality!

CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all of the directors of Fair Anita, hereby acknowledge and certify that we have reviewed and approved the enclosed Fifth Annual Report.



Joy McBrien, CEO & Founder



May Swenson, Board Member



Jeanne Voigt, Board Member



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*Steve Simon*

Steve Simon  
Secretary of State