KARMA CASE STUDY



IN A TWO-YEAR PERIOD, SALES ARE GROWING **OVER 100% ON A SEASON-BY-SEASON BASIS**

In an industry decimated by overseas production, this local apparel company is asserting it is not only possible to keep manufacturing jobs at home, it's good business to do so. Inspired by institute B's unreasonable business ethic, Karma has taken the bold step in declaring they will only use North American factories for North American consumers. By investing in their local communities and keeping local women employed, Karma is proving that manufacturing companies can prosper without having to go overseas.

WHERE THEY WERE

- A lululemon copycat with no discernable differentiation
- No long-term operational, financial or marketing strategies in place
- Ambivalent corporate culture with no vision for its future direction
- Sales were declining
- Operations, accounting, HR and ERP functions were not effective or scalable

THE IB CONTRIBUTION

- Led them through Hopscotch our proprietary business planning process
- Co-created an aligned vision and ambition centered around Clothes for Movement. Clothing For A Movement.
- Developed a compelling corporate culture and purpose to reimagine the Karma brand and what it authentically stands for
- Raised equity
- Hired a new team that effectively changed the impact of the organization
- Developed and implemented an ERP program
- Developed key retail expansion strategies and a comprehensive financial model
- Set up a warehouse and distribution center for shipping
- Moved them from strictly functional apparel to a fashion company

THE RESULTS

- Karma is now actively sought out by consumers
- Sales have grown over 230% during the past two years
- Now a top selling Activewear brand at Nordstrom retail locations as well as nordstrom.com, YYoga, Sporting Life, Core Power Yoga and Pure Barre in the USA
- Corporate culture is empowered, accountable and supportive
- Created scalable operational, financial, ERP and shipping functions that is allowing them to grow into their future
- Local factories are being kept busy making Karma Wear
- Dozens of local women are being sustainably employed

