

THE CLOTHING BANK



Executive Summary

About us

The Clothing Bank (TCB) was founded in February 2010 in Cape Town, South Africa by Tracey Chambers and Tracey Gilmore. Our vision is to **“inspire, skill and support unemployed women to eradicate poverty in their lives”**.

In South Africa, 48% of women are unemployed and more than 65% of children live in poverty and require additional income support. (Statistics South Africa (2013) South Africa's young children). This statistic suggests that unemployment of women is linked to children living in poverty. Therefore, if you help a woman, you also help a child. What compounds this problem is that 40% of mothers in South Africa are single and less than 50% of fathers contribute towards their children's care. South Africa faces major obstacles to address the injustices of the past and to ensure that everyone participates in the economy. At the centre of these challenges is the failing education system. 58% of children do not complete school which means that formal employment is not an option for them as most companies require Grade 12 as an entry level requirement for even the most basic job. We cannot wait for the education system to be fixed. That is why The Clothing Bank provides unemployed mothers with an alternative to finding formal employment by empowering them to become self-employed business women. It is our mission to “empower unemployed mothers through enterprise development so that they become financially and socially independent”.

Our **Enterprise Development Project** is our primary focus. In this project we recruit unemployed mothers, with the help of partner organisations and enroll them in a two year training programme. We have built relationships with major clothing retailers (Woolworths, Edcon, Pick n Pay Clothing, Clicks and Mr Price) who donate their excess stock to us. The stock is then used as a tool to teach and practically apply business skills that are taught in the classroom. Our programme includes over 500 hours of practical training covering modules such as money management, business skills, and life skills. We have an extensive support system which includes life coaching, business mentoring and counselling. Once the women have completed their initial two weeks training, they start buying the merchandise from TCB at significantly discounted prices and sell the goods in the informal sector in the townships. The objective is that each woman should earn at least R3500 profit per month. Our motto is **“Don't just teach a woman how to fish, teach her how to sell the fish”**. The women exit the programme with two national SAQA registered qualifications through the W&R SETA. ISBP (Informal small business practice) & ICDL (International computer driver's license) are SETA accredited Learnerships.

30% of the stock we receive is redistributed through our **NPO Support Programme** to accredited non -profit organisations (NPO) free of charge. We work with NPOs and government institutions (specifically disaster management) that have beneficiaries in their care. Clothing is supplied on a needs basis, whereby charities and government make specific requests for clothing and we pride ourselves in meeting their needs within a 48hour turnaround time.

A key element of our business model is the sustainability of our organization and of the women we serve. With this in mind we are constantly seeking opportunities for our women to migrate into once their tenure at TCB has been completed. Our **Microfranchise Accelerator** (MFA), project was borne out of a deep understanding of the core components needed to establish successful, self-sufficient, independent business owners. The MFA's mission is to develop a number of township based microfranchise models which can be replicated at least 50 times in a particular region and earn the business owner R5000 per month. The MFA researches and develops each model and partners with a business working in that industry who will become the franchisor. We have already launched a home beauty model, a bakery model and an early childhood development centre (ECD) model.

Track Record

In our Enterprise Development Project, we receive 60 000 garments on average per month and have received over 1.5 million garments with a combined estimated cost value of R93m since we started. We have trained 745 women in the last five years and are proud of our 80% retention rate. Currently there are 420 women trading from our branches in Cape Town, Paarl, Overberg, Johannesburg and Durban earning an average profit of R4 200 per month. Collectively, our facilities can recruit 300 each year and cater for 600 women at any one time. Our women have collectively generated profits in their businesses of over R26 million since the start of our project. This money is used to feed, clothe and educate their families and has had the added benefit of stimulating other township businesses.

We also see other significant changes in the women's behaviour and life styles. Debt levels reduce by 90% after two years and savings increase from an average of R385 per person to over R3300 per person. 83% of our women have not opened a new credit account since they entered our programme and 71% now only buy for cash. 94% have improved their living conditions, 88% say their health has improved and 82% report having improved relationships with their families and partners. 88% of our women report that their children are doing better at school and 100% of our women say that they have hope for their children's future.

Broad Based Black Economic Empowerment (B-BBEE)

Empowerdex has verified that The Clothing Bank is one of the best examples of Enterprise Development in South Africa and as a 3rd party Enterprise Development service provider, we can offer an extensive menu of points on the B-BBEE scorecard under the old and new codes. Ownership, through our Broad-based ownership scheme (B-BOS), Skills development through our SETA accredited Learnerships, Enterprise Development & Supplier Development as well as Socio-Economic Development.

The Future

Our plan is to expand our programme nationally and create 1000 self-employed "jobs" in the next 3 years. As part of this plan we are establishing a new branch in East London in mid-2015 and intend to open a another branch in Gauteng by the end of 2016.

Our model has been acknowledged as a best practice model internationally. We have won numerous awards including the Teach a Man to Fish award, Pan African Award for Entrepreneurship in Education, the Ashoka/SAP Power of Small Competition, the African Philanthropy Achievers Awards for Economic Development and Poverty Relief, New Charity of the Year 2013 and The Mail & Guardian Investing in the Future and Drivers of Change Award in 2014.

To download our Annual Report: www.theclothingbank.org.za