

Simon:

Hey everyone, Simon here, coming to you from my mom's kitchen here in Sydney, Australia. It's been a while due to COVID since I've seen her. So I actually wanted to remind my mom what I look like.

Simon:

But firstly, I wanted to say thank you so much for the incredible support that you've given me and the whole We First team over the last few months, with the launch of my new book *Lead With We*. And like everybody else, this time of year, this holiday season is such an important time to recover, to restore ourselves, ready for 2022. So we're going to take a really good break over the next month or so, after this episode and then we'll come back in the new year and resume with season three. And we're going to have the most incredible guests that will be showing us how to not only reinvent business, but also rewrite our future. So have a wonderful restorative break and enjoy the episode.

Simon:

From We First and Goal 17 Media, welcome to *Lead With We*. I'm Simon Mainwaring and today I'm speaking with Kristen Elliot, the VP of Marketing at the iconic outdoor brand Eddie Bauer. And we'll be talking about how you grow a company for more than a century on the strength of your sustainability. And how you deepen your relationships with employees and customers by solving for social and environmental challenges.

Simon:

Kristen, welcome to *Lead With We*.

Kristen:

Hey Simon, thanks so much for having me.

Simon:

It's a pleasure to have you. And as someone who's known Eddie Bauer all of my life, it's just fascinating to get a chance to dive into the brand and all the way that it's bringing its mission to life.

Simon:

I have to say though, you spent most of your career with Eddie Bauer. I know you stepped away at one point and came back. Give us a sense of how you landed at the company and why you stayed so long.

Kristen:

So funny what you just said about knowing Eddie Bauer all your life, because I feel like the same is true for me. To your point, I've grown up there in my career. I moved out to the Pacific Northwest from Metro Detroit where I grew up, in 2004. Started with Eddie Bauer in 2006.

Kristen:

And at that point it was very much still a elastic-waisted khaki pant brand. We hadn't quite gone back to our roots as an outdoor outfitter yet, but when I came into the company, I saw that potential. And I remember going down into the company archive, which at that point, hundred years worth of archival apparel and outerwear in history was in boxes in the basement. And I remember pawing through it and

thinking A, I shouldn't be allowed to do this right now. And B, what an amazing, authentic brand story that I want to tell more thoroughly and as luck would have it, I've had the chance to do that and be in a position of leadership to help shape that for the company over the years.

Simon:

It's a really important point you made actually, I've had similar experiences over the years where you get to go into a brand and you're like, "oh, I'm down in the bowels of the basement." And you're seeing all the boxes and the old campaigns and some product samples from way back when. And it always makes me reflect on the journey that every brand goes on. But too often when we talk about a company, all we see is that snapshot of the present or some projections of its future. But every brand has permission to evolve through that journey. You left and you came back, but you still have a line of sight across what is a hundred year old company. I didn't realize 1920, the company started. How do you, your sense of how it's changed? If not over the whole period, just in the time you've been there.

Kristen:

Yeah. Well in one sense, it went on an errant path for a while. It was owned by General Mills and Spiegel, and was really a women's sportswear brand for about 30 years. But for the rest of our hundred years, we've been a brand that is getting people outside. So Eddie Bauer, for those who don't know, was a real guy and he started his shop like you said, in 1920 here in Seattle. And he was all about empowering people to have outdoor experiences. Here locally, he knew where to go, what to put on your back so you were comfortable when you went and had whatever adventure you were going to have. And that's our same purpose today, is to make sure that everyone who wants to have an outdoor experience can have one and also feels welcome and safe in the places where they're out doing that.

Simon:

And I think sometimes we think about things like getting outdoors as self evident, but actually there's reasons that people need to get outdoors. And there's a reason that Eddie Bauer, the guy, had personally felt himself the difference of getting outdoors and wanted to give that to others. Help us understand what it does for you personally, physically, emotionally, mentally. Give us a sense of that.

Kristen:

Yeah and it's a personal passion of mine too. I've had my own experiences, various outdoor experiences that are transformative. They can be very transformative, you're doing something big like climbing a mountain. But they can be equally as transformative on a small scale when you're just going to your local park and absorbing all of the things around you. You're reconnecting with yourself, reconnecting with others, it's a part of your daily self care or wellness practice. It's a beautiful thing. And I think there were a lot of tragedies in the past 18 months of this pandemic, but one of the benefits that I see, if I can say that, is that a lot more people are realizing the value of outdoor experience right now.

Simon:

It is true. I've looked in nature, I grew up in Australia in Sydney and spent a lot of time in the water and the water really restores me. But the first city where my wife and I moved to America was in Portland, in the Pacific Northwest. And suddenly we had to go and climb mountains and places with big trees, one next to the other and roads that curved amongst them. And I, it was a new experience, it wasn't just sunshine in the water. It was weather and climate and immersion and mountains and hills steeped in just, I don't know, history. They had an ancient feel to them and it was a different type of experience.

And one of the things I've come to learn over time is that, that opportunity, even though it appears to be available to all, isn't. That isn't the case. So, give us a sense of what are some of the challenges in terms of making the outdoor space available to everyone?

Kristen:

Well for one thing, anybody who's participated in some kind of an outdoor sporter activity, might have faced some kind of a financial hurdle. It's not cheap to go skiing, it's not cheap to have your own kayak. Sure, anyone can walk out their door and go for a walk or a hike where they live, but there's still some purchase element involved in that. And so specifically in the outdoor industry, I think we really need to think about what accessibility means and including that financial element. So one of the things that we launched this year at Eddie Bauer is rentalsdotEddieBauer.com. And it's a place for people to go and spend far less than they would to buy the item, to rent an item.

Kristen:

And it's a full range of products. So you can get t-shirts leggings, technical pants, outerwear gear, anything you need for an adventure for far cheaper than buying it. It gets delivered to your door, you return it back really easily and you get to see what you like, what you don't like, what you might be interested in eventually purchasing. And it's just a way to include more people in getting outfitted for outdoor adventure.

Simon:

Think about that, it's almost counterintuitive to some people and for those listening, that you would, rather than encourage people to buy something, have them rent it. But think about it, you're encouraging that visceral, personal, physical experience of the product, and then you're that much more inclined to buy it. So not only do you make accessibility a top of mind issue, but you also bring in new people to the sport, to the activity that you want them to do. So I think it's super smart from a business and also an impact point of view.

Simon:

One of the other things that I think any brand that's been around for a long time is challenge to do is to innovate, to meet needs. And we've all heard about sustainability for a long time. And more recently, we've been hearing about ESG environmental, social and governance metrics. Which, companies of all sizes, but especially big and publicly traded companies, are being challenged to be clear about. You do some innovations that just absolutely fascinate me. And I think I love this topic because I deeply believe that all the answers we need are all around us in these genetic blueprints that are in the natural world, that we walk past every day, trying to invent something in a lab that could solve for something when evolution and science is all right in front of us. So tell us about Seawool. That was something that I was really fascinated. You're creating fiber from oyster shells?

Kristen:

Yeah. It's not a proprietary component which is actually great because many companies can adopt this and increase the sustainability of their products. But we launched products using Seawool a couple of years ago and a soft, durable, really quality products. But also, you feel good about what you're buying because at least a portion of the garment is made sustainably. And we're just in the process right now of solidifying our sustainability goals for the next two to five years. We're going to be publishing them within the month of October and then really, publicly holding ourselves accountable to them. And that

includes environmental impacts. It also includes people impacts and what we're doing on the DEI side as well.

Simon:

And I want to come back to that idea of holding yourself accountable because I think that's incredibly important. There's something you also do, which I was fascinated about. Which is, I was just, like so many people, heartbroken when you saw the burning of the Amazon to make way for agricultural land to make palm oil or whatever else it might be that goes into so many products. I know that there's an initiative, the CanopyStyle initiative that make sure that you don't actually, suppliers don't use those ancient or endangered forests. Tell us about that because there's only so much of that around and you can't stop it and turn on a light switch and restore it. So I'm so mindful of the biodiversity there.

Kristen:

I think you make a good point, which is, yes it's the fibers that go into the product, but it's also the sourcing of all of that. So you have to look holistically at all of the sourcing and the materials that are going into your products. Canopy is one way that we're doing that and that's a partnership that's going to grow and you're going to hear more about. But we actually have a 25 year partnership with a company called American Forests and it's a little bit of a misnomer because they're a global company. They do reforestation projects and we have helped plant over seven million trees in our time with them. But also, they do a lot now with urban reforestation and so we're going to be working with them also to affect our urban centers as well. And as more and more people move in and out of those zones and the trees that are planted in those urban centers, can really help with climate change, global warming, et cetera, as they create a different kind of canopy.

Simon:

I love that instead of... It's intuitive instead of going out there and restoring lands that have otherwise been lost, go back into those urban centers. We all know what it's like to spend day in, day out, commuting to these concrete jungles and these office blocks and it's soul destroying. And I think we don't realize it, but we're losing this innate connection to nature that's so fundamental to being a human being. You mentioned the accountability and your sustainability goals. There are those listening who quite rightly are like, "oh my gosh, there's just a pile going on right now. All of these brands falling over themselves to manage the optics of how kind they are to the environment just to mitigate risk or tick the box. And they're not really changing what they're doing" and that's probably even truer of the outdoor apparel space because you're at the cold face of consumer engagement. If you're about the outdoors and you're not protecting the outdoors, you're in trouble.

Kristen:

Yeah, we don't have a business after that.

Simon:

You don't have a business and also you're not defensible in public. So, how do you see the industry responding and how do you, what would you say about those who are just trying to manage their image rather than really change what they do?

Kristen:

Well, I think we've got a great governing body, I guess you would call it, in the outdoor industry association. We're definitely partners in the association who's putting some well structured tools in place to be able to help outdoor industry companies set their sustainability goals and be accountable for them. More and more people are signing on to the climate pledge that the OIA does, Eddie Bauer included. And so I do see the swell of companies that are really trying to do the right thing. Where it might have been the management of optics in the past, now we're having inter-industry conversations about how best to move this along as an industry. Because to your point, if we don't band together as the outdoor industry to affect climate of change, then we're not going to have a business. Then we're not standing for what we say is important, which is ensuring everybody can have an outdoor experience.

Simon:

A lot of folks, whether they're a founder, a solopreneur, whether they're leading a startup or whether they're a big multinational corporation, they might ask themselves, okay, we want to change. But the industry isn't changing with me or everyone wants to do things the way they've always been done. But what I'm hearing from you is there's more and more organizations that exist to enable an industry to change and you get these coalitions or partnerships coming in. So let me ask you this, how does change happen? Is it from you going out there and doing something different and then leveling up the whole industry by way of your example? Or is it these organizations outside or within the industry, but outside any individual brand saying, hey come and join us, or is it both? How does change happen?

Kristen:

I think it's strongest when it's both but that depends on each individual company having leadership support from the top down. And passion for the cause from the bottom up to be able to have a full force in line, trying to accomplish these things. When you have industry support then on top of that, and tools and you have a group of people who are making it really easy to say yes, then that's the magic sauce. And we've been really lucky at Eddie Bauer because from the start, from the top down and everywhere in between, we have been fully aligned on all of these issues. And admitting where we're maybe not meeting the mark and then acknowledging when we can meet the mark, what our goals are and being held publicly accountable. So we are a bit lucky in that regard as we had internal buy-in, but it definitely helps having the support of tools and resources from the industry as well.

Simon:

And so for those who aren't like Eddie Bauer, which is just built on these principles, what guidance or advice would you be? You might be, someone listening might be in the C-suite of a large corporation, but they're just trying to survive right now. And they can't prioritize sustainability or ESG, or they might be a founder who's like, "I just got to get the product out there and got some market traction, because there's so much competition. I just want to stand up this business. I'll think about doing good or these sorts of things later." What advice would you give them as to how to drive buy-in in a large corporation or the priority of starting out that way.

Kristen:

I think like with a lot of good things, that starts with curiosity and an acknowledgement that this if, as a solopreneur or as a part of an organization, if this is something that's on your mind, it's on other people's minds too. And if you step forward and start asking questions and generating information, then it gives others permission to come along with that. So if you don't know where to start, do a little research, find a good partner, ask some questions. Start small but definitely start in some way.

Simon:

One of the other great challenges for any company right now, especially during COVID, is to really engage their employees, whether they're distributed still or not. When you think about all these initiatives, does it come from on high where the leadership team says, "hey, this is what we want to prioritize now and let's go execute." Or is it co-created or crowdsource in and amongst your employees? What's that dynamic like internally so people feel like they're a part of the process?

Kristen:

Yeah, crowdsourced for sure. Through constantly asking the question and gathering feedback from internally and then externally too, from consumers, from brand partners that we have. To see what the more holistic view is of what it is that everyone envisions that we create. And then we come together and figure out what's feasible and timelines and things like that, but definitely crowdsource.

Simon:

And you mentioned the accountability with your sustainability goals. You're going to put them out there and once you've published it, it's like you've got to deliver because you are the ones who put it out there. But in terms of the ROI of prioritizing these things, every business sits there today and goes, "I know we're in trouble. I want to do more good." Arguably, there's a business case out there but then how do you measure the ROI to your business of all of these different initiatives, prioritizing inclusion and accessibility and so on? How do you do that so you hold yourself accountable on the bottom line front as well?

Kristen:

Yeah, that's a great question. And it's not an easy thing on the day in and day out. Because at the end of the day, we do exist in some form or function to keep the business going by making money. But honestly, I think we all see that not only is it the right thing to do to expand our work on the sustainability front as a whole, but it is the good thing for business. Both in the short term but in the long term. And so it's really that balance of looking at short term gains and also building for long term eventualities. So the ROI might be less evident upfront, but you've got to think long term about what happens if you don't do these things.

Simon:

I actually think that's a fantastic answer because I think we always almost frame ROI in the short term and we focus on ROI because we have a short term perspective. It's this, I don't know, vicious circle in a sense, but the ROI is longer term when you focus on longer term. And I think that it's a really interesting way to realize that it gets unlocked over time by being relevant to the marketplace, by getting the employees you want and holding onto them, by the innovation that the purpose or mission inspires and so on. But sometimes we're like, show me the numbers for this quarter on worrying about our sustainability. And you're like, well, it doesn't really work that way.

Kristen:

Yeah and I'm a brand person through and through. So I'm used to having these conversations about long term versus short term. But I'll say to our credit, we also don't really speak about it in those terms, as in, show me the money for the short term gain on sustainability. We all have held hands from the beginning

that this is a long term mission and it's part of the brand and therefore it has value that we might not see right now today.

Simon:

One of the great challenges every company out there faces right now is, oh my gosh, what do we solve for? We've got sustainability in ESG, we've got DNI or Jedi, diversity inclusion. We've got a fair and living wage all the way back to your suppliers and the different levels of suppliers, the different tiers, that's a lot to do. But then you've got COVID and then you've got whatever else comes along. How do you decide what to show up for and when? And what's the decision making filter there?

Kristen:

We have had a pretty clear path for a number of years now. So DEI work, sustainability, the mission of making sure that more outdoor experiences are available to more people. Those have been part of our DNA and our day to day working life for a few years. So then when we entered into the pandemic, sure, things had to change for us. We had to change up processes in terms of photography and product and what was happening with our stores. We had almost 300 stores closed for a number of months. And so there were adjustments to be made, but luckily we had done so much work on the other fronts already that they just kept running and progressing and we were able to shift our focus to the immediate needs of the pandemic.

Simon:

And so have you benefited and again, there's no such thing is a silver lining in such tragic circumstances, but are there direct to consumer e-commerce shifts, innovations that you move to retool for COVID that you'll carry forward and what are they?

Kristen:

Yeah, for sure. So I think definitely we all saw shift to more online shopping and maybe that gave us a little bit of a kick in the pants to do a few things digitally, faster than we would have otherwise. And that's a really good thing, we've thought about our store experience and what that's like for consumers in a different way, and are starting to really look at that as well for the future. So I think the benefits are a shift in perspective on how we want to go forward as a brand from a shopping perspective as much as anything else.

Simon:

And very rarely do you get to speak to somebody who represents a hundred year old brand. That's an achievement. 1920, you just think about what's happened in that time and you spent the majority of your career at Eddie Bauer. So, give us a peak behind the curtain. If you were to describe the leadership traits that have really enabled that success, those things that always bubble up that rise to the top that you go, oh wow, that's part of our secret sauce that makes us succeed. What would you say that is? And no one else is listening, it's just you and I, so you can say anything.

Kristen:

All the secrets they come out now. No, I think the number one leadership trait that's really important and that has been tantamount to our success across the board is empathy. And I always hear empathy talked about as a soft trait, but it is one of the most valuable traits that you can have as a leader.

Considering everyone's experience, not just your own, considering everyone's point of view, not just your own and then leading from a heartfelt place. So what is the best decision for the company? Yes, but also for the people, for the impact on the world, for the things that are going around us from a social nature, that kind of a worldview, I think will get you further than maybe a more narrow one.

Simon:

Right, understood. And as a leader in the industry for so long, your perspective is even more important. So I want to ask you a double barrel tricky question.

Kristen:

Okay.

Simon:

Which is, of all the different solutions that people are putting out there right now specific to the outdoor or even footwear and apparel industry, which do you think is the least effective. So for example, recycling or carbon credits, are we really just kicking the can down the road? And what is the number one change you think needs to happen to move the whole industry forward? It might be regenerative practices or circular economy, I don't know. But what is that thing that people are pointing to you that you go, yeah, that's not a long term solution and what are the what's that thing you go, no, we've really got to solve for this.

Kristen:

One of the things that I've learned in the past number of months working on our own sustainability goals is I think what you just said, which is that it's not one thing it's... You have to look holistically across your organization and all of the impacts that you have. And from there, pick out the things that might be most impactful and what you think they might be are likely not what they are. A good personal example, when we started our sustainability path, I was really focused on the poly bags that our product gets shipped in and thinking that if we eliminate those, that's a big win. That's not a win at all, that's not even on the map.

Kristen:

There are so many other things that are more impactful to tackle in terms of how we manage waste, how we conserve water, the things that we produce that use water. And so I think it's, you've got to really dig deep and find a partner. If you don't have the expertise in house to really learn holistically for your organization, what are the things that are going to make the most impact. Because they're probably not what you think they are.

Simon:

That's interesting because you're just framing, as you said, your sustainability goals. So how did you think about it? Did you look at it and say, where is the root cause, where the greatest impact can be had? Or was it building on what you've done in the past? How did you as a leader, who's been focused on this for a long time, how did you approach your sustainability plan?

Kristen:

And I just want to be really clear too, that I'm definitely being led in this regard. So we're working with an amazing organization called Shift Advantage who's really helping educate us and lead this for us. And we did look holistically at the organization and all of the different touch points and impacts. So this has been a multi-month process to get educated, to dig into the details. Instead of starting from what we had been doing, we looked holistically and then figured out, is what we had been doing impactful and necessary, or do we need to shift our resourcing and our focus.

Simon:

And as a company that's been leading with sustainability long before it was either fashionable, pardon the pun, or required because there's so much scrutiny on all industries right now. You've done something that a lot of companies listening to this might not have done yet, which is, you leaned into sustainability for the first time when there was no reason to do it other than your own choice. And they're sitting there on the sideline going, should we be more regenerative in our practices? Should we be more sustainable? Is this as a priority? Or can we just like kick it down the road another year or two? What would your advice be to them?

Kristen:

Eddie Bauer was traditionally a heavy cataloger. So when I came into the business, we were producing 90 million catalogs a year. Now we produce zero. As a cataloger and just as a company focused on the outdoors, I think it was just inherent in our DNA to look at what we were producing and to understand that those impacts might not be the best for the environment and so to take steps along those lines. And that's the advice that I would give to any company or individual looking to affect their footprint or their sustainability. Is just where, look at where you think the leaks might be and then find a partner, do some research and shape up a plan that is most beneficial to the future of the company. Sounds so easy, right?

Simon:

Yeah, easy. It's easy to say, less easy to do. You talk about the rigor that you bring to all aspects of this commitment and so on. But just pointing back to the business because if there is no mission without a margin, you have to stay in business. For those listening that are at the beginning or midpoint of their journey, after a hundred years and with ongoing commitments, what value do you see being delivered to the business because you prioritize this? Because I feel personally in our work and what we see out there, the market forces are more and more behind companies that prioritize these sorts of things. But literally inside your company, how do you see it at Eddie Bauer? How do you feel that on a daily basis?

Kristen:

We know because we've gotten consumer feedback that people do, people are thinking about this. It's more important now than it ever has been. And so there are things that we're looking at all the time, where can we make trade offs on the product front, on the materials, with our materials and our sourcing. What can we do in one pocket that we might have to affect with dollars from another to make those shifts? So from a business perspective, yes, absolutely. There's financials in play and we're constantly looking at where we can make trade offs to meet those goals and to continue down that path.

Simon:

This is a curious time to be a human being, standing, looking at the future and so on. There's a lot of reason to be pessimistic, shall we say, and obviously the new cycle out there, that's the business they're in. To show you all those things that are a little bit scary but at the same time, there's a lot of cause to be optimistic. And I'd love to just hear what's your idea? What is that thing that gets you out of bed each day? Why do you feel positive about the future? Because the reasons to be negative, there's the many in self-evident. But what makes you optimistic?

Kristen:

I think we have the benefit of receiving a lot of feedback from people about how Eddie Bauer specifically is empowering them and inspiring them to have experiences that they never thought that they would have. That are instrumental to their health and wellbeing and that is what I cling to. These stories of how we're able to affect, directly affect people's lives. I think at one point my parents thought I just made jackets or something and that couldn't be further from the truth. Sure, that's what we do but we allow people to have experiences that change their lives. And that is what has kept me at Eddie Bauer, that is what I'm passionate about. And that's what I look forward continuing into the future.

Simon:

Thank you, Kristen. I so appreciate that point because I think one of the keys to solving for our future is reconnecting us to the natural world. And not just because it's restorative for us and there's a fundamental chemically hard-wired connection to the natural world. But I think when we are lost in those moments of awe and wonder where we see something much larger than ourselves, that's extraordinary. It puts us and that healthy ego that we have inside ourselves in our place and allows us to more readily see ourselves as part of the collective. And that enables us to work together to solve for these issues. So I see the role of the natural world in getting outdoors, even more important because it puts things back in perspective and the perspective we need to actually solve for all of these issues that are threatening our future. So thank you so much, Kristen, for the insights today. And we look forward to another hundred years from Eddie Bauer.

Kristen:

Thank you so much for having me and so do I. Looking forward to keeping it going.

Simon:

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