

DutchSpirit: Passion for sustainable suits

“DutchSpirit manufactures sustainable suits and focuses on the development of circular fabrics for work clothes. With an innovative business concept, the company creates ecological value in a fair fashion. ‘Only sustainable business is the future.’”

1. Introduction

DutchSpirit is a company in Arnhem which delivers high quality and sustainable clothing, especially suits. Customers have the option to buy or lease sustainable clothing. The concept is the same as a contemporary clothing store, however, the distinguishing factor is in the use of the high-quality and sustainable fabrics.

DutchSpirit focuses on two types of clothes. Special eco-woolen materials are purchased for tailoring suits. For clothing, the company develops sustainable materials (Inspire Fabrics) in cooperation with other parties.

In addition to utilizing sustainable materials, DutchSpirit is also working as a fair trade organization by taking the future into consideration. The company selects its partners based on these principles and ensures a responsible cycle from the moment of the production of all materials until the delivery to the customer.

DutchSpirit was founded in 2009. Erik Toenhake joined in 2010. In 2012, he acquired DutchSpirit and further developed the New Business Model (NBM) on the basis of sustainability and fair trade. Erik Toenhake operates the company together with a partner and has one employee in service.

2. Principles

Erik Toenhake applies the principles of professionalism, commitment, honesty, and passion in managing DutchSpirit as a company that trades fairly with businesses and consumers. This signifies fair prices, fair purchases, and fair wages. The sustainability principle can be summarized as respect for humans, animals, and the planet.

From these principles within DutchSpirit, different values are created when designing, building, and developing the NBM. The value creation is applied on a collective basis within the entire cycle from the acquisition/production of (eco) wool until the moment the sustainable suit arrives at the customer.

Choices are made consciously in all aspects of DutchSpirit. Among other things, this means that this is taken into account from the moment of purchasing, in the choice of which business to associate with (fair trade), and that recyclable materials are only developed with sustainable businesses.

With the sustainable suits, DutchSpirit is making a statement. Written in the liner of the suit is the universal rights of man, and the sheep live on unsprayed land and do not receive hormone

treatment. The production is animal friendly, there is no exploitation of child labor, and the suits are produced climate neutral. For each suit that is sold, DutchSpirit plants a tree to compensate for CO2 emissions resulting from the sheep to the wearing of the suit. In addition, DutchSpirit works circular, meaning the suits are recycled.

DutchSpirit applies multiple value creation by making sustainable choices economically, environmentally, and socially. In addition, the company applies shared value creation by only conducting business with companies that share their values. DutchSpirit is also committed to enlightening customers of waste in society and to explain why certain choices are made.

3. Design

The idea of fair and sustainable business has been a primary principle from the initiation of the company in 2009. The former owners of DutchSpirit marketed the company as a sustainable company. Erik Toenhake acquired the business and, with his entrepreneurial skills, applies the same sustainable principles. DutchSpirit began with small sustainable steps and is gradually working toward being even more sustainable and inspiring other businesses and consumers to do the same. In its cooperation with other parties, DutchSpirit consistently seeks partners that have similar ambitions. There has never been an unambiguous and direct business model involved. DutchSpirit mainly works by examining the product.

Looking at the stages that the NBM runs through (idea, pilot project), the current business of the branch workwear Inspire Fabrics is in the pilot phase, i.e., working on a prototype. For the branch suits, DutchSpirit is in the project phase of a working supply.

With the suits, different transaction types occur. The customer purchases a suit, and the property of the suit belongs to the customer. DutchSpirit subsequently receives a deposit which will be returned to the customer if the suit is ever returned. The customer can also lease the suit whereby the deposit is refundable upon return of the suit. The suit remains the property of DutchSpirit, and a lease term is settled for two years. The right to continue to wear the suit at the end of the lease period is unlimited.

There is also word-of-mouth publicity and workshops on sustainability being shared by DutchSpirit. DutchSpirit also raises people's awareness of the waste in our society. Furthermore, DutchSpirit creates sustainable fabrics in cooperation with other parties. The used transaction means include money, time, and knowledge.

4. Value Proposition

One of the core values of DutchSpirit is fair trade. DutchSpirit states its value proposition as follows: "We produce high-quality, sustainable clothing and preferably deliver to people who want to help further propagate our message." The people who purchase a suit at DutchSpirit are ambassadors of sustainability and spread the value proposition through word-of-mouth advertising.

DutchSpirit has no direct competitors. There are no other companies that choose for the most sustainable application on all aspects of sustainability. DutchSpirit distinguishes itself by operating circularly while most other companies continue to operate linearly. This is precisely why DutchSpirit decided to only deliver fabrics for workwear so that they can collaborate with various parties in the process. DutchSpirit operates similarly to an Open Platform Circular Workwear.

The drive behind this value proposition is to conduct fair trade and disagree with things that damage humans, animals, or the environment. DutchSpirit indicates: "We must collectively ensure a better future with minimal wastage. Keep recycling! "

The business model is indeed able to be upscaled. For workwear, DutchSpirit now uses 100% polyester, but this can also be 100% cotton or other types of fabric. The greater goal in this aspect is to demonstrate that things can be different because things should be different. The model is able to be copied as this is an accessible model.

The values that DutchSpirit adopts can be summarized in its NBM in the four B's: Behoeft (Need), Belofte (Promise), Bewijs (Evidence), and Beleving (Experience). The relevant Need that is met is that people desire to dress respectably and be distinctive. The Promise includes "Fair price, Zero tolerance" when addressing employees, not compromising on quality, and reusing products. DutchSpirit has Evidence that is inherent in their own property, for example a tie made of recycled material for KLM workwear. The Experience is realized by the personal approach.

5. Community

The community consists of everyone associated with DutchSpirit. This includes the government, corporations in healthcare, producers, suppliers, sponsors, etcetera. Each party within the community is linked to sustainability, otherwise, there is no circularity.

Unfortunately, sustainability is a concept that is not yet applied, to a large extent, within the business world and/or society. In this regard, DutchSpirit must compete against large corporations, and that is an enormous challenge. In sustainability, money continues to play a substantial role. If a sustainability subsidy would be available, businesses would be much more committed to doing business sustainably.

The history and message of DutchSpirit is dispersed through storytelling in the community. DutchSpirit also organizes brainstorming evenings where the ambassadors meet and stay informed about the business.

6. Results

DutchSpirit does everything it can to be sustainable. This is apparent in business operations in the Open Platform Circular Workwear.

By approaching work in a circular manner in accordance with its principles, DutchSpirit adds significant value. Thus the companies from whom DutchSpirit purchases the (eco)wool for suits in no way tolerates animal abuse or child labor, and the employees of these companies are treated well. Precisely by not doing business with companies that are animal unfriendly, dehumanizing, and environmentally unfriendly (and thus creating negative values), DutchSpirit is contributing to the future.

DutchSpirit develops recyclable/sustainable fabrics in collaboration with sustainable partners and is committed to reducing the waste of our resources. In their business operations, DutchSpirit takes into account People, Planet, and Profit. The main purpose is to retain a sufficient amount of resources available for the next generation.

Creating value should also afford an opportunity to make money in order to survive, however, for DutchSpirit, this is not the only goal. DutchSpirit is much more concerned with creating something sustainable.

7. Conclusion

DutchSpirit would like to share the following message to every person and organization: "Try to make conscious choices. Every day you get a chance to do this. In each of us we find the first step of change. Deflecting the (easy/economic) highway is still very difficult, but it starts by taking the first step."

Address: Sonsbeeksingel 147, 6822 BL Arnhem

Phone: +31 (0) 6 53 53 30 53

Email: info@dutchspirit.com

Website: <http://www.dutchspirit.com>

Youtube: <https://www.youtube.com/watch?v=UrFi-eJdIYk>

Case Author: Gerti Rijlaarsdam, student of Business Administration MER, Hogeschool Utrecht