



NEWS RELEASE

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Haan Crafts Awarded Alliance Bank's American Hometown Service Award

Alliance Bank is proud to announce Haan Crafts, LLC as an American Hometown Service Award recipient!! Haan Crafts was founded in 1977 by Bob and Ellie Haan in Chattanooga, Tennessee. According to their son Scott, Ellie had studied Early Childhood Education, and Bob worked for a textiles company. Together they had an idea for a product that could be sold to schools and nursing homes. At that time, there weren't any vendors that Home Economics teachers could call to order sewing kits. The teachers had to purchase all the supplies for their students individually, if they wanted them to learn how to sew. Bob and Ellie saw this as a great opportunity for an entrepreneurship. After much discussion they decided to pursue the venture and, as they say, "the rest is history!" When they began, they worked off of their kitchen table, and Bob (who has a Mechanical Engineering degree from Purdue and an M.B.A. from Harvard) even built a stuffing machine from scratch in their garage. After a few months, the operation got too big for the house. Bob and Ellie moved to Lafayette in November of 1977 so they could grow their new business in closer proximity to their family. At that time, Bob's parents, Charles and Dorothy, as well as several other family members, lived in the Lafayette area. When asked why they chose Otterbein, Scott replied that in addition to being closer to family, "They also wanted to choose an area that they could expand in." The original business had to move locations twice because they quickly outgrew the facilities. Today, Haan Crafts is located at 506 E Second Street in Otterbein and has been at this location since 1982. When originally built, the building measured 18,000 square feet, but after 3 expansions over the years, it has grown to encompass 48,000 square feet.



Bob and Ellie retired in 2004 and the business was purchased by a former competitor, Nasco (a Wisconsin-based division of the Aristotle Corporation). At the time of the purchase, Haan Crafts had

approximately 85% of the educational sewing kit market; Nasco had 5%, with the remaining 10% split between various other competitors. Several times a year, management from Nasco and Haan Crafts convene to discuss their business plans and goals. The business is still run as a family business, and Scott is proud of the fact that anyone calling during business hours will receive personalized service from one of their four full-time customer service representatives; there is no automated system in place. Scott has worked at the business ever since he was a youth, with the exception of the four years he was at Purdue University obtaining his degree in Creative Writing. He also has two brothers who worked in the family business while they were growing up, but took different career paths after graduating from college.

Haan Crafts has been an industry leader for decades and they have more styles, sizes and colors of sewing kits than you'll find elsewhere. They offer about 2,000 different sewing projects including stuffed animals, pillows, gym bags, sports balls, clothing and aprons, just to name a few. The kits come in various colors and designs, and schools love the fact that many items can be obtained in their school colors. All of their projects have detailed, well-illustrated instructions with all of the necessary items needed to complete the project in the kit. The kits are perfect for anyone learning how to sew, for those individuals who haven't sewn in several years, or experienced crafters. Haan Crafts typically tailors to schools who continue to offer Family and Consumer Sciences (sometimes known as Home Economics or Life Skills) to their students, mainly those in grades seven and eight. As a result of the economy and schools having to trim their budgets, Scott says they have seen a decline in the educational business; however, they have branched out and now cater to clubs and organizations such as Girl Scouts, 4-H, Amazon, and even individuals, to name a few.

Haan Crafts has 31 full-time employees, 15 of whom are long standing employees with greater than ten years of service. At the beginning of each day, the employees "pick" orders. Picking an order means to select each kit in that particular order and get it ready to ship out. Once the orders have been picked, the employees then go to their respective specialized areas to work on assembling more kits. These areas range from shipping, to fabric cutting, to silk screening, to shrink wrapping, to printing instructions, to folding, and to packing. If at all possible, orders are shipped the same day they're placed, or the next business day at the latest. All orders over \$100 are shipped free to schools, and there is rarely a time when individuals stop in to pick their orders up. The material to stuff certain projects (like pillows and stuffed animals) can either be included with the kit, or it can be withheld for a discount if the customer prefers to supply this on their own. The stuffing comes in bales, and a machine that was modified by Bob Haan picks it apart and can put it into one of 9 different size packages to be sent with the different kits. The fabric comes in massive rolls and then the cutters cut it in various lengths, depending on the project. The fabric cutting saws can cut up to 50 layers at a time. They are set up to do larger projects so they can print on them. The pattern is printed directly on the fabric and then sent through a large conveyer belt oven to dry the ink. Their goal is to make 100-200 items at a time to be more efficient and cost effective. They are always looking for new things to market but some of their biggest sellers have been around for 20 years or more. Haan Crafts offers their repeat customers a 5% discount when their order reaches \$300, and they get 2% of their total annual sales back as an incentive to return and order again during the next school year.

What started out at the kitchen table in Chattanooga, Tennessee has grown to filling orders all over the world, mainly the United States and Canada. Scott, the Design and Advertising Manager, invites you to check out their website at www.haancrafts.com or visit them on Facebook. Alliance Bank salutes Haan Crafts, LLC for being a part of this community for more than thirty years!

Alliance Bank is proud to be your local Real Community Bank® with offices in Francesville, Monon, Monticello, Otterbein, Oxford, Rensselaer, and Winamac.