





SURVIVING THE PANDEMIC!

ABOUT SEWINGINCUBATOR.COM LLC. Rocio Evenett was gifted a sewing machine when she was three years old. Little did she know that small gift would provide the spark that would fuel her lifelong ambition for fashion design, sewing, and garment manufacturing. Rocio's strong work ethic, instilled by her grandmother, led her to a fashion design internship at the age of 15 and later to the London College of Fashion. Rocio recognized that many up-and-coming garment makers didn't understand garment manufacturing or pattern-making using computer design, which led her to start Sewing Incubator in Huntington Park, California, with a partner in December 2019. Sewing Incubator started out providing wholesale specialty product design and manufacturing for direct to consumer brands, and education for individuals interested in garment design and manufacturing using more efficient techniques, including a digital learning platform with direct support for startup brands and entrepreneurs to launch their own product lines.


THE CHALLENGE. When the COVID-19 pandemic hit the U.S. in March 2020 Sewing Incubator had just begun operations. Faced with product cancellations, Sewing Incubator quickly realized the need to diversify manufacturing and establish sound financial reporting systems in order to survive. The owners knew they had the ability to provide personal protective equipment (PPE), particularly face masks, to essential workers but weren't sure how to enter the market. They also realized they needed to find and implement a formal financial accounting system. Sewing Incubator needed a system with strong reporting capabilities to give them visibility into their profitability and to inform how they should price their products.


MEP CENTER'S ROLE. Sewing Incubator's owners engaged CMTc, part of the MEP National Network™, in March 2020 to help them register with the System for Award Management (SAM), obtain a CAGE Code (a CAGE Code is a five position code that identifies contractors doing business with the federal government, NATO member nations, and other foreign governments), and connect with government PPE purchasers. By being able to supply PPE to essential workers, they not only generated sales during the pandemic but were able to play a significant role in protecting those on the front lines. In June 2020, Sewing Incubator re-engaged CMTc to help them create a formal accounting system for the company and evaluate a comprehensive list of the company's existing accounting practices to identify opportunities for process improvement. CMTc helped Sewing Incubator select and set up QuickBooks Online. By implementing QuickBooks Online, Sewing Incubator was able to identify and execute operational upgrades based on improved cash flow as well as allocate funds to internal upgrades to increase return on investment. The accounting system implementation also saves labor time by automating previously manual processes, generating investment in new processes and offerings due to greater financial visibility and understanding, and helping avoid unnecessary investments by allowing more in-depth analysis of the investment's impact on profitability and cash flow.

RESULTS

-  \$1,000,000 in sales revenue
-  \$85,000 - 100,000 in equipment, \$5,000 in software and \$10,000 in other areas
-  \$50,000 in avoided investments
-  \$50,000 in new accounting system & related processes

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"We owe our business survival through the closures to CMTc!"

-Rocio Evenett, Chief Orchestrator