



## Episode 22: The Pandemic Pivot—Corporate Social Responsibility During A Pandemic

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In this episode, we chat with leaders at [L.L. Bean](https://www.llbean.com) about how they successfully pivoted manufacturing and operations capabilities to protect and support employees, healthcare workers, and Maine residents at the start of the Covid-19 pandemic. Our guests share their experiences making face coverings, procuring PPE by leveraging their supply chain, and boxing food for [Good Shepherd Food Bank](https://www.goodshepherd.org). Discussion topics include the decision-making process, the manufacturing transition, corporate social responsibility, and the impacts to employee morale.

Marie McCarthy is the Chief Operations and People Officer at [L.L.Bean](https://www.llbean.com). She has been with the company since 1993. Working primarily in Human Resources throughout her career, her role has expanded in recent years to include current oversight of Operations, including Fulfillment, Returns, Manufacturing, Customer Satisfaction, and Corporate Facilities, in addition to Human Resources, and Health, Safety and Wellness.

Tim Cahill is the Vice President of Sourcing at [L.L.Bean](https://www.llbean.com) and has been with the company for 26 years. Tim came to L.L.Bean with a background in Logistics and has held positions in Logistics, Fulfillment, and Supply Chain. He has been in his current role for 9 years.

Jack Samson is the Vice President of Fulfillment, Manufacturing & Logistics at [L.L. Bean](https://www.llbean.com). He has been with L.L. Bean for 31 years.

This transcript has been lightly edited for clarity.

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**The Greater Good: Episode 22**

Terry: Hello, I'd like to welcome you to our first Greater Good webinar, "The pandemic pivot: Corporate social responsibility during a pandemic. I'm Terry Sutton, CEO of Maine Center Ventures. We're a non-profit that supports the development of the University of Maine Graduate and Professional Center. Last fall, we launched the greater good podcast focused on current issues in law, business, policy, and public health. Clearly, the world has changed a bit since last September, but one thing hasn't: conversations about issues in these four areas are still critically important. Our podcast studio on the USM campus has been closed since March so we decided to transition these important conversations into a webinar format and to focus specifically on issues related to Covid-19. Today I am thrilled to have three senior leaders from L.L. Bean joining us to talk about corporate social responsibility in the age of coronavirus. LL Bean has been a responsible corporate citizen for decades but the most recent public health crisis presented them with unprecedented challenges and an unprecedented opportunity to serve the Maine community by pivoting their manufacturing capabilities to produce PPE and box food for local food banks. Leveraging their sourcing expertise to procure PPE, LL Bean's impact on the community has been felt far and wide.

Joining us today are Marie McCarthy, Chief Operations and People Officer at LL Bean. She has been with the company since 1993, working primarily in human resources. Throughout her career, her role has expanded in recent years to include current oversight of operations including fulfillment returns, manufacturing, customer satisfaction, corporate facilities, in addition to human resources and health safety and wellness. It seems like she's running the entire company. We have Tim Cahill, Vice President of Sourcing at LL Bean, and he's been with the company for 26 years. Tim came to LL Bean with a background in logistics and has held positions in logistics, fulfillment, and supply chain. He's been in his current role for nine years. And Jack Sampson, the Vice President of fulfillment, manufacturing and logistics at LL Bean. He's been with LL Bean for 31 years. As a side note and in full disclosure, I had the opportunity to work with these folks earlier in my career at LL Bean and I'm thrilled to have an opportunity to reconnect with them in this format.

At the end of our discussion with our panel, we will save some time for questions from the audience. Please feel free to submit questions using the Q&A feature at the bottom of your Zoom window. Marie, Tim, and Jack, welcome to the greater good!

All: Thank you.

Terry. To start off, can you give us a sense of the timeline of LL Bean's response to the pandemic and the healthcare needs here in Maine.

Marie: For sure, I'll give you just a picture. So it started with on Thursday, March 12th, we were starting to hear more about this flattening of the curve. And we wanted to understand what that was. So we had a conversation with Rich Petersen, who's the president of MaineHealth. And after talking to him that morning, we understood that this was serious. And so we took our organization to work from home and we piloted that next Friday. The next day we went to a work from home pilot. We spent some time talking to Dora Mills there, Chief Health Improvement Officer [at MaineHealth], to understand a bit more about what the impacts of this will be. And she was incredibly prescient about several things. It told us we're going to work from home until somebody tells us not to. So that was Thursday and Friday. Her closing advice was to be of service, which I can talk more about, but it was great, just thoughtful advice. So then Monday, I know Kristen Maile, who's the president of Good Shepherd [Food Bank], and I'd seen her at a meeting the week prior and talked to her a little bit about their needs that she had expressed to me the prior week. Tuesday, March 17th, one of the folks on Jack's team in manufacturing came forth with an idea saying, we think maybe we could make masks. Maybe we could stop making some of our tote making and boot making capability and help with masks. By Friday of that week, which actually also was a Board meeting day, we got something of a panic call from a director of procurement at MaineHealth saying, "can you help us in some way? This is not blue sky. If you have manufacturing capabilities, can you help us make PPE?" I should say that the prior Friday, when we talked to Dora Mills, we offered her Supply Chain support. Maybe we can help you get PPE because she was describing some of the challenges lightly the week prior. So that a week later we get a call saying can you make masks then that's Friday. Saturday, that afternoon, members of Jack's team had already been and were working on prototypes, but we were trying to address what material to use. So two things happened. On Saturday, we got in touch with MaineHealth and said, "Can some people talk to us to understand what to use?" And then Jackson Labs also got in touch with us and said, "we need masks because we'll [helping develop] the vaccine. And so we arranged a call with folks from MaineHealth, Maine Medical Center, Jackson Labs, and LL Bean that night, Saturday night, to try and understand how to solve the problem. That call will forever be one of my favorite professional moments. There was a mix of people on that call. On Sunday, Jack and some other folks that are closer to the design and engineering of pieces got together and

determined we had some fabrication we thought we could use on hand. So that's Monday. Jack's team leaders call manufacturing employees and CFL command to help make masks. By Wednesday and Thursday of that week, March 25th, 26th, we're training people. And by the following Monday, they were into production and within a matter of days, they were up to making 5,000 masks a shift and they were going to two shifts a day and then said they can go to six or seven days a week if we needed to. So within two weeks of learning about what's this flattening of the curve thing, we were in the process of, you know, stopping boots and totes and making masks and turning our fulfillment center into a food bank. Terry: That's about the best pivot description I've heard. Marie, could you talk a little bit about how LL Bean's, mission and history helped inform this effort?

Marie: People often ask me what's different about working at LL Bean? And I think the fundamental difference is we have a stakeholder philosophy and we live according to it. This stakeholder philosophy really underlies all of our decision-making. The idea is that you are trying to make decisions that benefit all stakeholders. And that's six stakeholders that we talk about: our employees, our customers, our shareholders, our vendors, the natural environment, and our communities. And so when it comes to that decision-making, that's where we pivot and sometimes you see us make decisions that if you were looking at it purely from a shareholder perspective, they would look illogical. Some of the things we do so that underpins how we operate. So to be honest, when Dora Mills, the advice that she was giving us was a mix of practical like, this is a novel virus and we don't know what's going to happen. So what we're directing you to do today might change. She was quite prescient on several points, but her last point was to find ways to redirect your energy. Because this can be a hard time period. You don't know what might happen in this experience. So when she said go be of service to us, that was sort of like, we got it. We know that's stakeholder. That's what we do. And let's stay home because that's the way that we help our community. And then we knew we had resources that we can offer. And so we made some offers out and then like the PPE and masks [work] came to us. But we'd already had some connections to those organizations.

Terry: Can you then set up both Jack and Tim and yourself to talk about some of the services provided that you're outlining in your timeline.

Marie: For sure. So I think we would have Jack, who oversees and brings beautiful and institutional knowledge around just the making of producing things and so on. So you can tell the story of masks. Tim worked every angle and resource they could to figure out how

to get PPE from across the world. And then I can tell more of the story about Good Shepherd Food Bank. So Jack, I think we're handing it over to you.

Jack: As Marie said, I was involved in most of those meetings Marie was talking about when we were working with our development group that's on-site in manufacturing in Brunswick. And we started looking at different styles of masks. You have to remember, we're used to dealing with leather and heavy canvases because we make boat and tote bags and we make boots. So a lot of our equipment is not set up for stitching fine delicates like the masks. And we also had to make sure the place was cleaned and set up for an environment that would be conducive to making masks. So there was a lot they had to go into the thinking and learning. So we were online looking at a lot of other places. I guess I would say we were copying as many other good ideas as we could. And we basically came up with some designs and we put some equipment in place and we were making them manually, as Marie said, we were making masks and we actually make face shields while we partnered with a company called Flowfold. And we decided that we would do it all manually. Well, as time went on, within a few days, we were automating the process. And so we put automated stitches in place and automated cutters and we were producing to 5000 to 6000 a day per shift. And so we were running two shifts and we were producing 10,000-12,000 face coverings a day. And we've been producing around 15 to 20 thousand face shields per week. So we've been very busy making PPE and we set aside making boots and tote bags.

Terry: Reminds me of what I knew when I worked cataloging records with incredible capability for process engineering and efficiency. And if I listen to what Jack is saying those are, that's what comes out to me is that capability was just, you know, pivoted and turned on to a whole new product within really record time. I mean, can you speak to that a little bit, Jack? Because it takes a long time to change product lines. You know, that's a big long process, especially if you are producing them yourselves. And it sounds like you really accelerated that process.

Jack: Well, as Marie described, it sounded like it was about a five to seven day processed. But for us, when we actually started from the time of patent to the time of actually manufacturing. We were two days, we're up and running in two full days making masks. And they were fitting while they were they were being tested. We were sending them with partners to Jackson Labs into a few other places to make sure the testing was right. It was all new to us. So we were good at reacting to the moment.

Terry: What impact did you see to employee engagement and morale when you're able to do that kind of thing?

Jack: Well, first of all, the employees were volunteers to come back. We had shut down our facility, the social distancing was new. We were learning, understanding what that meant. And so we basically shut our facility down so that we could assess what it was going to take to accommodate the social distancing. This required a lot less people. But at the same time, we put out a call for support. And we were overwhelmed with employees volunteering to help make mass face shields and support the Good Shepherd Food Bank to the point where we actually had to say, we have too many. That was great.

Terry: That's a great problem to have. Alright. Tim, can you tell us a little bit about your sourcing efforts to procure PPE?

Tim: Sure. My timeline is a little different from Marie's. Now I'm responsible for identifying, evaluating, and managing the suppliers that make products for us, those that Jack doesn't make up in Brunswick. My team has an office in Hong Kong and we had 40 employees that work in that office. And back in January when Covid-19 broke out in China, there was a lot of concern in Hong Kong that the epidemic would come there. And if you've ever been to Asia since the 2002 SARS outbreak, it is very commonplace for people to wear masks as it's becoming here, but it was already well-established. They're a very important piece of equipment for them when they're dealing with flu season. So they started running out of masks over there in late January and early February. And I got a call in early February from my office manager there and she was in a panic. There had been a run on masks in Hong Kong. They couldn't get any and they wanted to know if we could help get masks here in the U.S. So ironically, my PPE journey started trying to get mass here in the US to send back to our staff in Asia. And that effort was kind of interesting here because back early on in the outbreak, there was a strong feeling here in the US that masks didn't help. In fact, they were detrimental. And so we ran into some resistance, but found through some of our procurement resources within the company, got the support of senior management, was able to find some masks and send them back to our staff in Asia. And early on when things started to pick up here, and Marie talks about that time, the conversations with MaineHealth. And I know Steve Smith [the CEO of LL Bean] was involved in that very quickly. We got a call from them after your conversations with MaineHealth that said, hey, they needed some help, can you connect them with some of the contacts you've had? So we were more than happy to do that and thought, quite frankly, we were going to try and

share some leads, have some information on where they could go and get these things. Kind of point them in the right direction, at least based on our experience. In those conversations, it became very clear very quickly that they were in a tough spot, that they had to purchase these goods from distributors here in the US. Those distributors didn't have inventory available and they needed to get closer to the source and they didn't really have that experience. So that's what we do. [We are] very comfortable and confident going out and finding things out in the world and getting them back here and all the things that entails. But we have no experience with medical protective equipment. And we got the support again of senior management and Marie and Steve Smith to put some time in to get our staff working on it. So we started prospecting, looking for suppliers. The ones we had experience with quickly informed us they didn't have the capacity or any inventory to share. So we started prospecting with new contacts and we found one. We had never done business with this company before. And I just want to tell you that as part of our responsibility at LLBean when we start up with a new provider, somebody who's going to build products for us. I mean, if it's something as simple as a sock, we do extensive social responsibility audits. We go into their facilities to observe how they do manufacturing. For the production startups, we'd have Q/A people onsite there to oversee, to ensure the quality of product. We would negotiate payment terms that would put us in possession of the goods before we paid, to ensure that those products met specification. All of this vetting is done on a routine basis and we were in a situation where we couldn't do any of it. So my most tangible experience from this was terror. The trust that we got from the folks at MaineHealth and InterMed to help them with this, and the support we got from the company to take the risk of engaging somebody we didn't do business with before, that we couldn't be onsite. We couldn't travel, we couldn't send people to their locations, we had to send them the money in advance of getting the product. It violated every best practice we have. But the support was there. And there are a couple of people to call out in this thinking of community and support and people's willingness to step up, and the MaineHealth group and InterMed entrusting us to help them with this work. The senior management at LL Bean supporting us to dedicate the time and energy. That contact, Joey, from Hen Ron, this woman that we had never met. She took our money and she filled those orders. And they came in. The atmosphere at the time, there were no planes flying, it was very limited, the air freight was very difficult to secure. Our relationships with UPS were prominent in getting that product here. But there was about a week between the time we paid that first

payment. We received those first orders and I thought there might be confetti in those boxes and we were scared to death. And they delivered the product. And over the course of April, we had a shipment arrive almost every day. We got video evidence every night from the manufacturer of the product going through the line and in all of the information that we requested, we were up every night looking at those, ensuring those and OK'ing them before they moved. That company could have taken advantage of us and they didn't. There are tons of stories out there where people were in a tough spot there, so we're very fortunate. And I make a point of thanking, if I ever get back to Asia, I will find Joey and I'll thank her in person because she did a great job helping us there. Overall, an interesting experience and I'm proud of the work that LL Bean did and the team did. We delivered over 2 million masks to MaineHealth.

Marie: A little bit on Tim's behalf, we had weekly, sorry, daily PPE meetings at that time. And you could tell, Tim's a straight shooter, he was holding his breath and you are worried like there were 200,000 of something coming.

Time: People kept saying thank you and I kept saying we haven't done anything yet. Wait til something arrives.

Terry: So, you know, as a company, that's a real change and in risk tolerance to undergo that type of an effort to take that on, to be so uncertain about how it's going to play out. Do you want to say anything about how that happens? Two things: how did that change in the moment? Because that's a pretty big swing from relatively low risk tolerance to wow. And then do you think that's changed the company going forward in any way?

Marie: I can start just a little bit with, I would say our culture, our corporate culture has evolved quite a bit in the last handful of years. And but the fact that you have stakeholder underpinning, I mean, one of the things that I actually can get a little choked up about is there was a pop-in conversation with our CEO and with our Chairman about whether we should support these efforts, which I recognize is a huge luxury that a lot of people that work for companies where that would not have been a slam dunk discussion, so that it was sort of the beginning for me. But then what Tim and Jack were trying to execute becomes something altogether different.

Jack: Yeah, I would just say, you know, things like Good Shepherd Food Bank, us filling orders and supporting the pantries. There wasn't even a hesitation. I can't even begin to tell you how quick that happened. We had the discussion one evening. The next morning, Good Shepherd Food Bank was here looking at our facility. Can we do it? I think they were a little



blown away by the fact that we could probably do what they do in a day in a couple of hours. Our size is a little bit larger. And it was just a rewarding experience to see us being able to just step up and help somebody and help another Maine company, you know, it's great. It's just we're very supportive of it and our executive team didn't even hesitate. It was just very quick, quick decisions.

Marie: Terry, just a fun fact on that in the Good Shepherd conversation. When they told us, "We need a lot of boxes. You're going to have to pack a lot of boxes." And they came back with a number, it was like 17,000. And Jack and I are like, "that's like two hours at Christmas". You realize what is a little bit for us goes a long way for somebody else.

Tim: I would just point out the willingness to expedite what we were doing. We were given permission by senior management to enter the goods under LL Bean's bond from a customs perspective, to pay all the duties and taxes and transportation fees up front so that we could streamline and move things as fast as possible. There was never even a question about spending that money, and MaineHealth and an InterMed made good and reimbursed us for that money. But in the moment to say, hey, we need to make this happen, let's just do it, do it, worry about that later. And that was really encouraging and impressive to see that.

Terry: Yeah, it sounds like it was just a really rewarding experience for all involved.

Marie, Terry, for part two of your question about how does that change what we do and risk going forth, I would name these examples and I sort of feel like just everything we are trying to do right now, and I don't think this is unique to LL Bean has just, boy, like we are changing policies on the fly. Everything it's taken to just create a safe work environment for people here. It just, it's, you just have to figure out how to operationalize really quickly and you're doing your best and we have made mistakes. We've gotten some stuff right and some stuff wrong. But I sort of feel like a whole business landscape change for us and everybody else over these last couple of months.

Terry: Right, it seems like people, companies, organizations have gotten this, this sort of forced shot of entrepreneurialism because you have to, right? It's that whole "fail fast" kind of notion. Try some things. Not everything's going to work and learn from it and move on. From your stories, I can hear that over and over again. You know, one of the things I wanted to ask about is, your response was assisted in some ways by the close kind of relationships that we have in the State of Maine, right? It's a pretty close community. A lot of people are

connected in many different ways to each other. Can you can you talk a little bit about how being here in Maine helped with these efforts?

Marie: Yeah, I can start and then I know Tim and Jack will add pieces too. I thought a lot about these last couple of months were just uniquely Maine. That people knew one another, had been on boards together, somebody's neighbors with somebody, somebody has kids in somebody's school system and so on. So going into different discussions and calls, you already know this isn't a fly by night person. You have some degree of relationship with them. And that Saturday night call, which I will forever love, we were doing one of these calls on a Saturday night, I'm in my daughter's bedroom taking notes as we're calling through on this. There were something like – Jack and Tim were both on that call – like 20 people on the call. The titles of the people on the call alone were just fascinating. Like everything from industrial engineers to the chief executive officer of Jackson Labs to the assistant chief medical officer at Maine Medical Center, like just this array of people. And all we were trying to ask that night was what fabric do we need to use to make these masks? Because we have these dog bed liners and we think they might be the magic solution, but we don't know. And then how do we know? So it was one really basic question, but it was such a wide array of people that would never come together for any reason. But already on the call, we had people who knew one another across the different organizations, which you learned as you got into it. And there was just nothing weird about it, which you would have thought it just would have been strange. Like, why is this mad cap group of people together? And they were just people who came together with a common goal. And it was actually just handy, you know people, you recognise the voice, it was just enough to bring some kind of connectivity.

Jack: Terry, I would just add, the one thing that stood out for me was once people realize that we were making masks, the demand was so high our phone was ringing off the hook. And quite frankly, I mean, after being in the industry for 40 years, I have quite a few connections in Maine, so people were calling any way they could to try to find out how they could get masks. And we actually set up a good process so that we can go through. But we had some real good help with some partners in Maine. Manufacturers Association of Maine stepped up. I'm on the board for that and they actually helped us coordinate going to other manufacturers in Maine, not just LL Bean, because we couldn't keep up with it all. There are other people around the state that just stepped up just like we did and did a great job

making PPE for other places and it's just nice to partner with other manufacturers. It's not a competitive environment at all. Maine's great in that way.

Terry: Did you can get any help from any academic institutions to help that process?

Jack: We did actually, we work really well with University of Maine and their engineering program. A lot of our equipment and automation and stuff. They do a lot of beta testing and we work back and forth a lot with them, but they actually put us in touch with some of their laboratory testing and things for our mask. And they helped do some filtration tests and things. They're not certified so they weren't necessarily [the final say], but it gave us the right direction and where to head. So now we have our face covering sent out to be tested by Nielsen labs and things like that. But yeah, it was a great partnership. We always have a good relationship with University of Maine.

Terry: That's great, great to hear.

Marie: Another thing that's kind of neat too, Terry, is we'd done some collaborative product with Flowfold and New Balance too. And Jack, it sounds like you had some of your people and engineers connecting with their peers there.

Jack: That's right. Yep, absolutely. New Balance stepped up and was making masks? And we partnered with, well, actually just shared information back and forth as much as we could. And again, Strainrite in Lewiston/Auburn, we actually, we partnered with them on a few things and some brainstorming. A lot of it was just discussion. Who's doing what? You know, if we're all making the same thing, there's gonna be somebody missing out on something they needed. So we all kind of looked at who's making face coverings, who's making shields, who's making gowns. And it really, I gotta tell you, it was great. It was absolutely fantastic.

Terry: I have this image of a moonshot type of an activity like Apollo 13 when they all have to put all the hoses and the cardboard and all that together to make something. If that's what it sounds like to me. It's like everybody just sort of came to the table with what they knew how to do and put it together.

Jack: Failure wasn't an option.

Terry: Is there is there anything that you would advise other companies about? As a takeaway, as a lessons learned? How this worked in your culture and with the external partners? Is there a key takeaway other companies should be thinking about? You know, one thing we talked about, I think as we were preparing for this was having an inventory of your capabilities, but thinking about it in a different way. If you have to deploy those

capabilities. I think about Tim and that incredible logistics and sourcing expertise that the rest of the state probably isn't even aware of, because it's under the covers, products get made and shipped and delivered. And people don't really think about all that goes into that. And to understand that we've got this machine really, that LL Bean has this machine that can execute on that. I'm just wondering if there are other takeaways you might advise employers or other entities.

Marie: I can start and then... Tim, you look like you might have a thought – go ahead.

Tim: My thought was some of the work that we did with the state of Maine. On both sides of this operation, we kind of started working with the state of Maine to help them where we could and and they were kind of characterizing to pass, there was a path of what manufacturing capabilities that we have in the state that can create PPE. And Jack and his team are really tied into that group. And then they were trying to create a another path with what procurement logistics expertise is there in the state that can help us support the things that we can't manufacture in the state, how did we get those? How do we do that? And that really seemed like it made some sense. And I know they've continued that work. And in fact, there is now one of our retired supply chain professionals has gone to work on a temporary basis for the state to help them with that work, but to think that in the future there could be a reserve of, of people or an understanding of the capabilities like you were describing that could be called upon? Because in my experience, this is the first time I've experienced this almost the equivalent of a severe natural disaster or something that called people in to contribute this way. And it worked. It was difficult to get started because it was unfamiliar but the opportunity to improve on that is there.

Terry: Marie, did you want to add to that>

Marie: I was just thinking some of the same about your point about different capabilities. Tim referenced Steve Smith, our CEO. He has [has talked with other CEO's]. They've done a phenomenal job of sharing and I would say we probably have shared more across other organizations in Maine over the last couple months than we ever have. Because everybody's in the same situation of "how do you work from home? How do you return to work?" Everyone in the industry is dealing with the same stuff. So that depth of partnership, but then also having the vision to notice some of the capabilities you have. And I'm so struck by a lot of folks at Bean, again back to stakeholder, it's not a requirement that you participate on boards or are involved in your community, but most people feel a sense of responsibility to it, especially as we're in more senior roles. And so you start to realize

the littlest thing that might be a small capability of ours can be a big deal for somebody else, like a ten-page deck for us might be six months worth of time saved for a non-profit, for example. So right now, seeing those capabilities, I think is very true. And, and the community emphasis that and, and also just the relationships across the organization and the nature of our culture is we don't have a lot of high turnover. Most people have relatively nice connections so it wasn't like Jack and Tim and I or anybody are meeting each other for the first time.

Terry: Right. The tightness of the community. I have a few questions coming in so if you don't mind, I think I'll shift to the Q&A. So one of the questions is, did you have to make changes in your logistics and supply chain to absorb the disruptive effects of the pandemic on the rest of LL Bean's usual products, not face masks or face coverings? And is LL Bean working on any efforts to further localize their products supply chain?

Tim: So I guess that one's for me, the answer to that is yes, and it is dynamic and still fully in play. So our initial response to dealing with, well, initially it was a supply side issue. It was, China was experiencing the pandemic and, and the impact that was having on global supply of product. And then it shifted around when it came to the United States where it became a demand issue. And we had to look at our business, it was almost practically shut down. So we had to delay all these orders. So we were working back and forth with our suppliers, initially holding up orders and now business is coming back so we're trying to manage through their experience and in the pandemic, a lot of them have had factory shutdowns or they're still experiencing the impacts of Covid. So we're having to collaborate and work with them very closely. And we're putting this in sort of an Act of God category that nobody's responsible for this, it's more of how do we work together to navigate around the challenges that they're facing? How can we use best practice information? Our social responsibility group had been gathering best practice around all of the protocols and managing in a covid environment to reduce the infection rates and sharing that with our suppliers. There are certain areas that we're concerned that are going to take longer to recover. And how that ties back to our global supply chain strategy and preferring to source closer to where we are, that would be our preference. You can respond from a lead time perspective. The challenges have been for a lot of our products, there aren't capabilities localized or there haven't been. It's getting better. Automation is helping with that. And we continue to look for those opportunities. And in longer term, the strategic nature of being

able to have multiple points of origin for manufacturing because of things like this helps to mitigate the risks. If we could make it all in Brunswick, that'll be awesome.

Jack: Unfortunately, the raw material supply chain is not supportive of that. We've turned all of the textile facilities in the country either into restaurants or apartments buildings.

Terry: Do you know, maybe this is a question, well, it's a question for everybody. Do you think that mask production is going to be a product? Do you think it's going to be an ongoing product that you will carry or other outdoor brands might carry on an ongoing basis. I'm thinking about, you know, in particular. So this question is directly about that. But you know, Tim was talking about Hong Kong where wearing masks is a much more regular practice. What do you think about that?

Marie: One thing I chuckle about as the CEO of Jackson [Labs], kept saying to us, he sent us multiple emails back in like March and April saying you need to understand everybody's gonna wear masks all the time. It's going to be like Asia. And he was right. And he was really encouraging us, almost like, you should get into this business. There's a business here. So we also, you can see with just the purchasing habits of our customers over these last several months, you can see how things have shifted. So all our slippers and cozy homewear like, you know, jammies when really fast and that it's switched over to like outdoor equipment and things like that. Well, and maybe you're losing your mind and you're trying to entertain yourself in your backyard so they're ordering like the toys and games and things like that. The buffs, any kind of face covering type things that we had, I think Tim sold through months back. So you could see the purchasing habits. We already sell some items like that. And we are talking about, you know, do we have the potential for something that can be more of a consumer-facing [product]? I don't know that it would be, you know, I don't think it's going to be the boat and the tote business or the boot business necessarily. But like it's I think we think it's here to stay. I mean, it is in other parts of the world.

Terry: Right. And then this question I think is maybe maybe more directly to Marie, has LL Bean discovered any unexpected or new best practices around work from home or other remote work as a result of this current situation?

Marie: Yeah. And I would say Tim and others answer that too. We keep experiencing, we've been benchmarking with a lot of other businesses about what they're experiencing. And we have a lot of employees that really like it. And even there are strange elements like emotionally, this is hard to spend all day where the one difference is you're just clicking your screen to go from one meeting to the next. It's hard to even remember who was even

in a meeting because every meeting feels the same. So that's definitely hard for people to manage emotionally. But the efficiency of it and the ease, it's been amazing how fast we've adopted this. I saw some funny meme or something that had the adoption rate, which Terry, you would appreciate in your history of something like SAP and then you have Covid, like the fastest systems transformation ever. We weren't really using [Microsoft] Teams like this the days before it started. So technological efficiency picked up considerably. And obviously in this time period were lots of folks with just childcare issues and things. It's hard to even know how you would manage this if you, if you couldn't manage through the technological pieces. So we've definitely picked up a lot of efficiency. And this time period is so stressed and strained. That's just it. Boy, your focus becomes the laser sharp. Just run a healthy business, do what's right by your communities, take care of your employees. But safety first, those sorts of things have helped. But definitely lots of learnings. The work from home element we hear too about this from others. Everybody's got their own cobbled together workstation. So like injury and ergonomics support and all those sorts of things are hopping. Will businesses increasingly think of having home equipment available there as well as at work? We've got a couple of local employers, we're one of them too, that are investing big dollars to renovate corporate offices. We're in the middle of that process and kind of doing a bit of well, OK, what's that now? Ok, we haven't, we haven't programmed this whole thing. Let's think about what this is going to look like because it's changing rapidly.

Terry: I was thinking about that in terms of even so now I'm on the academic side. You know, the academic world has had a real hurricane blow through and trying to figure out what does that mean when students come back? And how do you do that safely? And how much can you do with remote learning? And yeah, there's just this, I think that, personally to your point about it is it's emotionally exhausting to be on zoom all day long. And there's something about it because you can't, you're not picking up on a subtle social cues, you don't have time between meetings to stop in the bathroom. Or get a drink of water. I mean, it's really like you have to really plan it differently and build in breaks, I think, so that you don't just get zoomed in and just sort of lose focus. And I love your point about sometimes you forget who was in a meeting. Because it's just Hollywood Squares. And one meeting to the next.

Marie: You don't have that image of, oh, Jack was wearing a blue shirt, and he was to my left in whatever conference room – it's just like exactly the same meeting. So it's hard to differentiate.

Tim: I'm really curious to see when we get to that stage where it's safe to go back, does everybody go back? And what's it like managing half in and half out? Because right now I know everybody's home, well, for the most part, except for Marie and Jack. But most people are home there, you get them through their screen. But as you transition back, what does that look like and how do we manage half in and half out?

Jack: I would predict that's exactly what it will be, partially in, partial out. We're fighting some of our employees that are analysts and that are very focused on the day to day in front of their computer. They said they're more productive, there are less interruptions. You know, they do miss the social piece, but they are very productive.

Marie: To your point, Terry, we've heard some of these stories and I know from other companies we've heard it too, it's like it just almost dangerously becomes just a continuous flow. Like I'm in my bed in my jammies. I maybe grab my laptop and start doing my work immediately. Like I just that it's so easy for that to flow and you could lose track of that a little bit. We've had a lot of people who haven't been taking that much vacation time because that's, what is there to do on vacation. And we've really needed all hands on deck. So now we're kind of doing it, but we need to get back to some degree of normalcy. Like you need to take some breaks, otherwise you're really going to crush yourself.

Terry: I feel that personally myself, I can imagine. Marie, you said at one point, you got choked up. I'm going way back to the beginning of the story, where you're talking about the timeline and the all hands on deck. And I just liked the image of that. Like when you were telling me that I was getting like goosebumps. So has that been like a widespread reaction in the company where people felt like, wow, this was just something so special.

Marie: I think so. And in particular for people who've been here for a handful of years too. I mean, you know what the company's about. You know what we stand for and you feel it reinforced day in and day out. But the community actions that we took, I think it just.... I had somebody say to me a few weeks ago, "I fell in love with Bean all over again". And it's a person who's been here for 20 years. And I feel like I heard that sentiment repeatedly. Just the degree of pride that people have. Like, you know, that's what we do. And then we did make other offers. We made offers to our services like our contact centers. So we just did what we did, which is reaching out. But one of the things we did is we gave our own masks



to our LL Bean employees. And you had to drive in for a socially distanced drop off to pick them up. But we encouraged people to donate food to Good Shepherd [Food Bank]. Like people donated crates of stuff and just showed up and showed support and just everybody working from home and not just doing it, like just being helpful that way. And that's totally inspiring. And again, I mean, it's a gift. Like a lot of people don't have that experience in their companies.

Jack: I was just going to say just a quick story. One of the things that, it chokes me up a little bit so I gotta be careful here. But, you know, the day that, I mean, my group is mostly on-site. It's pretty hard to ship brown boxes in green bags from home. So my group is here. We're doing social distancing and it's going really well. But we had the CS group, our customer service group, the marketing group, all come up and they lined the whole street, AHEM, the road, up the road. And, you know, they had noise makers and signs and just supporting us.

Terry: That's awesome.

Marie: So moving, just incredible. I love your story too Jack. Sometimes the leaders here within fulfillment, they'll say, if they're kind of having sort of a down day like, you know, these are long days. Is this stressful, this whole time period is so anxiety-creating for everybody. They'll say, they'll walk down by the Good Shepherd area just to kinda be reminded as to what we're all about.

Jack: Absolutely. Just a feel good walk.

Marie: One of the things I'm most proud of when it comes to this team and fulfillment manufacturing, the people on site, it's been true for the retail store too, is that they were having to make it up on the fly: stand six feet back, tape on the floor, you know, then people were still kinda close. They brought out two-by-fours that were six feet long to remind people, six feet is longer than you think it's going to be. And then just mask adaptation took a little bit, but just that like that's just care and support, so fantastic. And it's just employees caring, leaders caring for employees, employees caring for employees. So great.

Terry: Yeah. And it really just speaks to the culture, right? I mean, sometimes you can lose track of it because you're in the day-to-day grind of selling pants and shirts and socks and kayaks, that becomes the focus. But then when you kind of peel it back and you have to step up and do something like this, the culture that's been there all along just becomes, you know, it just helps the whole thing rise up. It's just great. Great. Really congratulations to all

of you for what you've pulled off and continue to do. So I think with that, we will start to wind it down unless there's any other last messages any of the Bean team would like to have heard by our audience.

Marie: I guess I just would say that, you know, if you're listening, you're thinking, I've thought this over the years and I bet I'm not alone with everybody on this call that I feel like I got really fortunate, fell in to a company that has a stakeholder framework underneath that. And it is a gift. It is such a privilege in life to grow up in an organization that cares about, it's what gets referred to as B Corps and the deeper social responsibility. But that's what Bean has been about. And then it was, it was Leon Gorman who introduced in the 1980s timeframe of the stakeholder philosophy. And it is just that if you're thinking about getting into business or if you're involved in business, you're trying to make something more meaningful of what you do, it's such a North Star for us to operate as a business, but also just for us as people. I feel like we and that philosophy allows people to try and be their best.

Terry: So I totally agree. I treasure the time I spent working with Leon on corporate strategy and the values statement. And I was thinking about that when we were preparing for this and I thought, Leon would be proud. He'd be more than proud. So congratulations.

Marie: Thank you.

Terry: Alright. I'm getting choked up, so I'm just going to switch to closing out now if you guys are all okay with that. Okay, so I want to thank our audience. Well, I want to thank you for helping us put this together and for volunteering your time and your stories and your wisdom. It's been, been terrific, and I want to thank the audience for joining us today. This webinar will be recorded and available to view and share on our website, [www.umainecenter.org](http://www.umainecenter.org). And if you're a podcast lover, we'll also be converting this conversation into a podcast as well. And I hope you can all join us for our next Greater Good webinar. We are focusing on implications of Covid-19 on rural health and economic development in Maine. So be sure to subscribe to the Greater Good podcast on Apple Podcasts, Spotify, or wherever you listen to your favorite podcasts. So thank you very much. And with that, we will say, have a good afternoon.

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