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THE LAST WORD

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Designers hear the call for making a fair-trade smartphone

By Sarah Mishkin



A Dutch start-up is trying to do what no smartphone maker has done yet - make a "fair-trade" version of a mobile handset.

The seven-strong team at FairPhone wants to find suppliers committed to improved working conditions, and will then publish details on everything that went into the phone, from the source of minerals used to information on the Chinese factories assembling it.

"We started this project to be able to improve the supply chain," says founder Bas van Abel, of his ambitious project.

The supply chain for the electronics industry stretches worldwide. Thanks to factors such as the dangers inherent in mining and manufacturing or brand owners' interest in keeping their technology secret, the supply chain is often criticised as sometimes polluting, occasionally exploitative and nearly always complex and concealed at least partially from outsiders.

Based in Amsterdam, Mr van Abel's work as a product designer centres on asking people to think about how things they use are made. Three years ago he decided that the best way to bring that change to electronics would be to start a manufacturing company. "We chose to be inside the system to be able to drive change by being part of that system," he says. Consumers rarely "understand the whole complexity," he adds. "We can tell the story."

With help from a specialist incubator, Bethnal Green Ventures in London, and €400,000 from a private backer, the team – whose backgrounds range from manufacturing and marketing to sustainable development – has come up with a concept phone (above) and will launch the actual phone this year. It will retail at €325 pre-tax. Most will be sold through its website, but Mr van Abel says Dutch telecoms group KPN has signed up to buy part of the first run of 20,000 Android phones and other leading operators have expressed interest.

FairPhone's ethos comes from the fair-trade movement that gave consumers the chance to buy goods such as coffee from suppliers meeting high standards for labour rights and sustainability.

For instance, the phone is designed to be easily recyclable or mended, and can take two Sim cards so users with more than one number can make do with a single handset.

Spurred largely by publicity over a string of suicides among workers at Apple's main supplier, Foxconn, consumers are pushing tech companies to make their supply chains more transparent. Apple made public its major suppliers, and has begun publishing audits of some Foxconn sites to show whether they meet certain standards on labour and sustainability.

But electronics brands still struggle to oversee their supply chains.

Boy Lüthje, a visiting professor at Sun Yat-sen University in Guangzhou, who has studied Chinese manufacturing, points out that each gadget uses hundreds of small parts, all made of different materials processed in factories around the globe.

Because of that, so far, he says, "there is no such thing as fair trade or fair manufacturing in electronics".

As for the phone, Mr van Abel admits that the complexity of the supply chain means "it's not going to be a 100 per cent 'fair' phone". The point of getting involved, even in a small way, sourcing minerals from Africa and assembling the handset in China, is to show suppliers that there is a market for fairly produced electronics components.

FairPhone is also trying to rethink how it works with suppliers, says Sean Ansett, a former director of corporate responsibility for Burberry, who is working on FairPhone's manufacturing operation.

FairPhone wants to avoid changing suppliers frequently or tweaking orders mid-production, which, although common in contract manufacturing, puts pressure on workers and dissuades companies from investing to improve the factory floor, he says.

The start-up, Mr van Abel acknowledges, can do this in part because it is not under pressure from shareholders and is so small that it can rely on fewer factories.

Eventually, however, it hopes its model will be an example for others. Fair-trade electronics, he says, "is a movement instead of something that's finished".

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