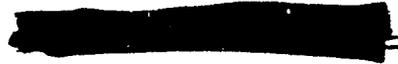


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MONTHLY PROGRESS REPORT

CHIEF OF PARTY

AGRO - INDUSTRIAL DEVELOPMENT UNIT

DECEMBER 5, 1964

11
MONTHLY PROGRESS REPORT

NOVEMBER 1984

A. MEETINGS

- (1) E.N. McKie, Chairman of AC Bank, Clive Edwards, Managing Director, D. Archibald, Director of Operations and S. Motta, Manager ADU/Projects met with Representatives of Tijule, North Clarendon, Fletcher Bowman, Island Dairy, and consultants. They all agreed that the next is to be with the Commercial Banks to resolve constraints.
- (2) Consultants met with Managing Director and Manager ADU/Projects for a review of the progress of the unit, and to develop strategy for success and progress.
- (3) I attended two (2) ADU meetings, a Department meeting and a Staff meeting.

B. FIELD CALLS

- (1) Called at Robert's Food with Mrs. Koshy and Mr. Osbourne. Toured the Plant and conferred with Mr. Evelyn, Managing Director.
- (2) Called on John Fletcher with Mrs. Koshy. I indicated to Mr. Fletcher that his Bank (NCB) may wish to ask AC Bank for a guarantee in connection with his loan request. Mr. Fletcher felt the guarantee might help and expressed gratitude.
- (3) Comfort Hall Farm tour with Royal Bank, Consultants, Osbourne and Morgan.
- (4) Travelled with Mr. James of Wood Products to Cremo. To meet with Mr. Ho to survey potential Ice-cream stik market.

C. CONSULTANTS

(1) Worked with Dr. Anson Wood of Agro-21 on a local consulting firm, in connection with Comfort Hall Farms. Also visited with, in connection with various Enterprises, the following:-

Richard Rogers	- Agro-21 (Agro Business)
Vernon Morris	- Agro-21 - Manager, Agro Processing
Tony Gomez	- Connell export
Gordon Thompson	- Consultant, Ministry of Finance
Henry Kutzler	- Consultant, FIDCO

D. ADMINISTRATION

Forwarded final Draft of addendum (Credit manual) to Operations manual. Final printing and distribution delayed till conclusion of meeting with Commercial Banks, as there may be imminent changes.

E. PROMOTION

Contact and discussion about the ADU and AC Bank was made with the following:-

Melvin Cary	- Managing Director, Pan Caribbean Bank
Selvin Campbell	- Managing Director, Jamaica Frozen Foods
Mr. Ho	- Partner, Cremo Products
Luis Darby	- Owner, Pork Products Inc.

F. PROGRESS

Grays Pepper draw down of One Hundred and Forty three Thousand Dollars (US\$143,000[±]). Tijule draw down of Thirty Five Thousand Dollars (US\$35,000[±]). Island Dairy has portion of Equipment on Dock, in Kingston, balance to come December 14, 1984. Comfort Hall Farms

application for Thirty Five Thousand Dollars (US\$35,000) and Three Hundred Thousand Dollars (J\$300,000) received from Royal Bank. North Clarendon, Fletcher Bowman and Hill Top Farms for combined Four Hundred and Twenty Eight Thousand Dollars (US\$428,000) and Five Hundred and Fifty Thousand Dollars (J\$550,000), have more than 60% chances of finalizing applications.

G. CHALLENGES

Resolve any constraints with Commercial Banks to allow orderly flow of loans to Agro-Industrial Sub-borrowers.

H. IMPLEMENTATION FOR DECEMBER

- (1) Attend Commercial Banks, USAID and AC Bank's meetings to improve working relationship and loan volume with Commercial Banks.
- (2) Work with Hugh Garmany, Procurement Specialist, to provide training to ADU and selected Commercial Banks personnel in all areas of procurement involving USAID.

I. REPORT ON NOVEMBER IMPLEMENTATIONS

- (1) Drawdown effected on Grays, Tijule and Island Dairy.
- (2) Contact with Commercial Banks continues.
- (3) Final draft of addendum to operations manual (ADU Credit Manual) forwarded to Managing Director for future copying and distribution.
- (4) Launch Party changed to "handover" ceremony.
- (5) North Clarendon still in Commercial Bank.

J. RECOMMENDATIONS

- (1) Continue vigorous pursuit of Commercial Bank. Managing Director to resolve concern and constraint in connection with ADU Type loans.

REPORT ON ACTIVITIES FOR THE MONTH OF NOVEMBER 1984

BY

S.R. MORGAN, PRODUCTION/PROCESSING SPECIALIST

TO - PROJECT MANAGER, AGRICULTURAL CREDIT BANK

OF JAMAICA LIMITED

1. TECHNICAL ASSISTANCE AND ASSESSMENT OF PROJECTS

Activity:

Field Trips.	3
Meetings with potential sub-borrowers.	7
Meetings with new potential sub-borrowers.	3
Communication with suppliers re equipment.	12
Examination/Recommendation re packaging line.	2

2. NEW POTENTIAL CLIENTS

Mr. Randall Thompson - Preparation and packaging spices. This project will be co-ordinated by Mrs. Koshy. Collateral appears to be negative and will be examined.

Mr. Leslie James - Wood products (crates for Citrus, Yam exports. Crates for marketing chickens. Again collateral is the limiting factor. We continue to pursue the proposal, because of favourable value as a production entity and needed enterprise.

The idea of 700,000 - 800,000 ^{wood} Wood/river crates to be utilized annually, is an important consideration.

Mr. Stanford James - Saw-mill - Wood products. Because of a very poor collateral position, changes to move on this proposal appears negative at this point in time. ^c

Comfort Hall Farms Ltd. - and Roberts Products: (See attachment).

3. ASSISTANCE PROVIDED TO COMING ON STREAM SUB-BORROWERS -

For Grays Pepper Products.

Obtained and distributed description/pricing for 3 oz and 5 oz glass containers from three (3) manufacturers.

Servicing ^{right} ~~right~~ unit filler for hot sauce.

For Island Diaries.

Obtained and distributed pricing for milk and drink cartons.

A total of four (4) sources and prices has been provided to Mr. Nam.

Roberts Products Limited and Comfort Hall Farms Limited - Refer to attachment.

4. REQUEST -

A co-operating request was made from Agro 21 to provide equipment requirement/prices for Tomato Products processing.

- cost inputs for 20,000 MT/season of raw produce. Paste, packed and crushed product (finished and canned).

- possibility of producing 10,000 tons of finished paste.

Communication initiated with three (3) equipment manufacturers and suppliers of tomato processing units.

Provided pricing for glass, 3 oz and 5 oz containers.

5. OTHERS -

(1) Awaiting cost inputs from Jamaica Carbonics Ltd. Use of material/price outlay for Irish Potatoes.

- (2) From Sealand Inc., van load costs for four (4) product levels of handling. Refrigerated, dry, concentrated container variation.
- (3) Contact with Mr. Selvin Campbell (Jamaica Frozen Foods), Mr. Payne ("Cardi") Trinidad, Mr. Vernon Morris (Agro 21). Peanuts products processing.

S.R. MORGAN
5TH DECEMBER, 1984

S.R. Morgan

ATTACHMENT I

ROBERTS PRODUCTS CO. LTD. -

For some time we have developed a file dealing with discussions on behalf of Mr. Robert Evelyn's proposal to modernize his processing facility.

Objective:

Double output capacity and manufacture a range of processed foods.

The company has been producing varied products for some twenty-four (24) years.

1. JUICES

Pineapple, orange, grapefruit, fruit punch, which are currently produced for the major part from concentrates.

Mango Nectar:

Mango

Carrot juice:

Carrot

The above equipment is rated at forty (40) cans per minute (cpm), but this is doubtful, because of inefficient movement and cooling procedures (current est. 350 epm).

Target:

Upgrade production line in order to produce seven hundred (700) cases for day shift. *per*

2. LOW ACID FOODS

Ackee, Callaloo, Breadfruit.

Repackaging of exhausters, seamers, and retort controllers is a priority requirement. Current estimated output is only one hundred (100) cases 24 x 20 oz. per day shift.

Target

3. JAMS/JELLIES

Guava Jelly:

Guava juice boiled out of fruit.

Much of the operation can be improved by upgrading the filling, capping and cooling steps.

Current estimate output rated at two hundred (200) cases 24 x 12 oz. jars per day shift. Post improvement output target, three hundred and fifty (350) cases per day.

4. Five additionally, two (2) small "lines" with low output are used time to time to produce Sauces, Ketchup, Butter Beans, Pina Colada.

Currently a new line is planned to produce their own concentrates -

Initial equipment consideration was as follows:-

Fruit Juice concentration (50 gallon/hour capacity).

- Hamilton Vacuum pan.
- Hamilton double motion mixer/agitator kettle
- CRCO pre heater pasteurizer.
- Simplex filler.

The loan proposal would probably include the following equipment for present operations:

- Labelling machine @ 3,000 cans/hr. A2 container.
- Casing machine, (25 cartons/hr. A2 container.
- Labelling machine (spot label) 1500 12 oz. jars/hr.
- 50 gal. "VT" vacuum cooper with a single motion agitator and hydraulic lift for tilting jam/jelly product.

The original discussion indicated of sum of Four Hundred Thousand Dollars (J\$400,000) required. Due to devaluation, and consideration for additional equipment, Five Hundred Thousand Dollars (J\$500,00) plus will most probably be required. Additional cost will need be advanced, if a standby generator and cooling tower is included. For the moment, Mr. Evelyn is working with the assistance of an I.E.S.C Engineer to develop cost and lay out efficiency.

S.R. MORGAN

S.R.M

Roberts Products Ltd. - 7 Norwich Avenue, Kingston.

Mr. Robert Evelyn, Managing Director

Present annual turnover is J\$3,500,000. With proposed upgrading, the Company expects to increase turnover for the first two years to J\$5,250,000 and a further down the line target of J\$7,000,000.

Present sales local and export mix is 50%/50%, with improvement of facilities, export target is 65%.

The Company supports employment for some 50 persons

ATTACHMENT II

COMFORT HALL FARMS LTD.

A. Equipment/packing line layout:

The loan request for the packing line appears to be low.

(1) A recommendation is made that Comfort Hall Farms should examine a water dump tank as a substitute for a dry fruit dump.

- Reduce Bruising fruit.

Fruit dropped on any hard surface will encounter levels of Bruising.

Height of drop, maturity levels of fruit.

It is the unseen damage that shows up at the marketing point.

Considerable reduction of bruising can be achieved in the use of foam rubber, cushioning on a dump unit.

- An initial dump wash will aid in the removal of surface dirt and provide for a pre soak surface, when the fruit enters the soaping treatment.

(2) Frame work and metal screening should be included for the motor/chain drives for safety.

(3) Wood platforms will be needed at proper height for sorters.

(4) Packing table will be required adjacent to the pack out distribution line.

(5) Cost of supplies not indicated in the proposal (^{Wax} Wax and Detergent).

(6) Cost of standby unit for electricity.

B. Operating Cost:

As reported in the proposal, should be completely and accurately revamped.

Proper accounting must be assigned for Form operations.

Harvesting, Packaging, transport and management.

It was our understanding that Agrocon Ltd. Consultants wants to provide this breakdown for Royal Bank.

C. Recommendations:

- (1) Install an organized and monitored Farm operation programme for increasing fruit quality for exportation.
 - pruning
 - spraying
 - drainage
 - replacement
 - fertilizer
 - need control
 - mechanical inputs
 - security
 - supervision/accounting
- (2) Immediate arrangement for timely/adequate transport and export movement.
- (3) What is needed is an *handson*, on site, over-all operations manager that understands Horticulture, drainage, pest control, fertilization, harvesting and packing.
- (4) The potential exists, but the requirement will be positive dedication.

S.R. MORGAN

SRM

Comfort Hall Farms Ltd.- near Evergreen, Manchester. Currently the largest Ortanique flanking in Jamaica. (Approximately 485 acres). *Tree* population estimate: 42,360. *Planting* Orchard established by the United Fruit company, 1964 - 66.

The present owner, Mr. John Sharp, purchased the property in 1977.

Target: Install packing shed and packing line equipment for exporting citrus.

Objective: Improve farm and install facilities in order to export 65% of the crop.