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YPO/U.S.AID
ECONOMIC DEVELOPMENT MISSION
TO
THE DOMINICAN REPUBLIC
26 APRIL - 2 MAY 1987

Submitted by:
David Wechsler
15 February 1988

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PREFACE

The YPO/U.S.AID Mission to The Dominican Republic, of 26 April - 2 May 1987, was a well planned, well supported, and well executed mission. The Reconnaissance Mission was completed well in advance, eager and able cooperation existed in Santo Domingo, and the YPO team was carefully selected.

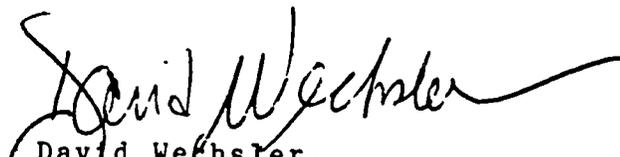
As a direct result of this Mission, there are numerous on-going projects by the YPO team members; the activities have certainly proved the wisdom of this type of U.S.AID-sponsored mission. In polling all of the participants, it would appear that new exports from the Dominican Republic, to the U.S., as a direct result of this mission, will probably be:

1988	\$4.6 million
1989	\$8.8 million
1990	\$11.0 million

These exports alone would justify this type of a progressive economic mission. Concurrently, there will be millions of dollars of U.S. investment in the Dominican Republic plus technology transfer. Finally and probably more important than any other result, there are now nine (9) corporate presidents in the U.S. who have established practical ties to the Dominican Republic from which they, their companies and their networks will be able to utilize in the future.

As corporate presidents, we are all more enlightened by this experience and we all thank our colleagues in The Dominican Republic for the warmth and enthusiasm with which they accepted us. We gratefully thank U.S.AID for it's far-sightedness in finding such a project, and we thank the YPO staff for supporting us whenever we needed their help.

Sincerely,


David Wechsler,
for The YPO Mission

DW/jb

FROM: David Wechsler August 28, 1987
TO: YPO Caribbean Missions
RE: U.S. AID/YPO Dominican Republic Mission

1. RECONNAISSANCE MISSION.

The Recon Mission by YPO members Gwinn, Schultz, and Wechsler, during the interim 8-11 February, turned out to be highly successful for the following reasons:

- a) All three (3) YPO/U.S.AID Mission leaders were "experienced"; each had been on at least one previous YPO/U.S.AID Mission and each had been involved in international business for many years. Sending inexperienced Recon Leaders is a waste of time and dollars.
- b) Contact with U.S./AID's Ken Lanza, with IPC's Arelis Rodriguez, with a large number of local businessmen, through the tremendous help of Jose Turell, and with Government officials, helped to lay the groundwork for the Mission. It was apparent which individuals and departments were interested in the success of this program. In each country, specific individuals are able to perceive how YPO can be beneficial; others, those to be circumvented, either distrust U.S./AID staff intrusions from Washington or don't comprehend how a YPO Mission would/might be different from the typical trade group from Podunk, USA.
- c) Sector Targeting: The YPO Recon team was educated as to the relevant target sectors in the Dominican Republic. A great deal of time was spent in clarifying the areas in which industries joint ventures might be achieved. By listening to the specific needs of the country, a great deal of wasted energy and dollars can be avoided.
- d) YPO Explanation: The Recon Mission took time to explain how YPO was structured and what the YPO members hoped to accomplish on the Mission. Exhibit I, which is attached, was passed out to the various governmental agencies in Santo Domingo. The distribution of this information during the Recon Mission was very helpful; on previous missions, there had been some confusion as to who YPO was and what its objectives were. As we all know, in-country governmental agencies are visited often by audit teams, evaluation groups, and Congressional delegations; they are understandably gun-shy about any hidden agendas of new visiting groups.

- e) Timing: Enough time was allowed between the Recon and the Mission to select our YPO team and to coordinate a healthy agenda. Ten (10) weeks is a minimal recommended gap between a Recon visit and the Mission itself.
- f) Objectives: Seven (7) specific objectives were established. These were short and clear and written - a copy of these objectives is attached; see Exhibit II.

OVERALL EVALUATION OF RECON: EXCELLENT

2. Y.P.O. PARTICIPANTS.

YPO members were specifically recruited for three (3) major target areas which were established by the U.S.AID Mission in the Dominican Republic and IPC: Agribusiness, Tourism, and Light Industry. The YPO participants which were recruited and selected are listed on the attached sheet; See Exhibit III. A great deal of effort was spent in PRE-SCREENING of participants; about a dozen YPO members who wanted to join this mission were turned away. They were rejected because they did not meet the criteria set by the U.S.AID Mission and the YPO leaders during the Reconnaissance trip. There was an effort to recruit only bi-lingual YPO members - this attempt failed. The cooperation between YPO members was extraordinary; they were helpful to one another and helped to introduce each other to business people and government support personnel during the entire visit. This team was enthusiastic, energetic, ready to work, and ready to learn.

OVERALL EVALUATION OF PARTICIPANTS: EXCELLENT

3. U.S.AID/DOMINICAN REPUBLIC SUPPORT.

The support from U.S.AID, through Mr. Ken Lanza, and from IPC, mainly from Ms. Arelis Rodriguez, was excellent. Their talents and energies helped to make this Mission a huge success; they went out of their way to assure that events progressed smoothly. Others, such as Eileen Pou made sure that the logistics of getting each of our group to designated appointments was carried out. There were numerous others who participated in the planning stages of this Mission, each of whom made things run smoothly. The fact that we started right off on Sunday with cultural lectures from the leading Dominican Republican historian and, early on Monday morning, we were meeting with the U.S. Ambassador are indications of the high level of interest and support from the Dominican Republic support structure which developed. During the week, individuals would step forward to make sure our schedules were met; this report would not be complete if we did not mention Jacinto Peynado's assistance when he provided his aircraft and helicopters to get our group around the Dominican Republic on time.

4. MISSION SCHEDULE.

The schedule in the Dominican Republic is attached, Exhibit IV. This schedule was well-planned and quite varied; we purposely scheduled visits with private and public sector individuals and consciously moved the group out of Santo Domingo to see, for themselves, the different agricultural regions. The YPO Mission members and the Dominican Republic staff did not sleep very much during this event-filled week.

DAY 1. SUNDAY, APRIL 26TH, 1987.

The first day concentrated on offering the YPO team education in historic, social, and cultural aspects of the Dominican Republic. The team was given an excellent historic overview and permitted to see both the affluence and the poverty of Santo Domingo. We rushed back to the hotel to head off for a cultural, historic, and political evening. This day also offered both the local businessmen and governmental figures, who had done most of the ground work, and the YPO team a chance to get to know each other better. We used Sunday, our day of "rest", quite well!

DAY 2. MONDAY, APRIL 27TH.

Ambassador Lowell Kilday spent a long morning with us, finally dragged away by his staff to a high level meeting in Santo Domingo. We were also delighted to meet Ambassador Kilday's charming and energetic wife. We are sure that Ambassador Kilday's enthusiasm with us and our YPO Mission was contagious with his staff through the week's activities. We continued from the Ambassador's residence to several meetings with the various leaders of several important development organizations in the Dominican Republic. Roberto Velado of JAAC/DR and Eduardo Fernandez of CBPC had been working hard on the success of this Mission since February; as usual, they delivered very enthusiastic descriptions of the numerous projects which were currently under way. Antonio Caceres, of IPC, described, for the group, the many services which were provided by IPC. IPC had assigned Arelis Rodriguez to the YPO/U.S.AID Mission; with her efforts exemplifying what IPC could do for visiting businessmen, our team's enthusiasm for investing in the Dominican Republic increased.

The luncheon that day attracted many Dominican Republic business people, lawyers, politicians and financiers; several prospective YPO members also attended. This was a lively lunch featuring a stimulating speech by Melvin Manon. From what we understood, Mr. Manon has often been willing to address controversial issues and, as usual, he left the luncheon buzzing. The group departed lunch and was given a thorough tour of the Itabo Free Zone. Several factories were visited and the numerous merits of being located in various Free Zones in the Dominican Republic were discussed in detail.

The evening cocktail party started at 6 P.M. and lasted nearly to midnight. This was a major event, with over 200 in attendance. The Vice President of the Dominican Republic, Carlos Morales Troncoso, attended as well as many of his ministers; Senator Jacinto Peynado, who represents the 2 million residents of Santo Domingo, attended with many of his staff and managers. U.S. Ambassador Kilday was in attendance along with most of his embassy personnel and nearly all of the U.S./AID Mission. This cocktail party was covered by the press as described in the next day's edition of LISTEN DIARIO; see Exhibit V. There were numerous other activities in the newspapers and, perhaps, we can obtain more copies from IPC.

DAY 3. TUESDAY, APRIL 28TH.

The brochure from the Seminar is attached; see Exhibit VI. Despite less attendance than expected, the seminar went extremely well. Both the U.S. and Dominican Republic groups received excellent ideas and were enlightened about how to facilitate joint ventures with the others. The case study, "Juan Díaz Velasco E. Hijos, S.A.", was written by some of the YPO team (D. Wechsler and J. Schultz) and directly addressed many of the problems facing political joint ventures. A copy of the case with a Spanish translation are attached. Exhibits VII and VIIa. This case study went very well and the smaller groups actually facilitated a healthy exchange.

In the afternoon, the YPO team broke up for individual plant visits and business sessions. Most were picked up to be whisked off to see manufacturing facilities within one hour of Santo Domingo.

DAY 4. WEDNESDAY, APRIL 29TH.

Our group departed Santo Domingo promptly at 5:30 A.M. in two vans. This day was solidly packed by even more than appeared on the schedule. At 7 A.M., we were standing in the Frudoca Project fields watching pineapples being harvested. This project, one of converting sugar cane fields to pineapples, is extremely impressive and demonstrated to our group how major agribusiness projects can be completed in the Dominican Republic.

After the pineapple fields and a walk through a magnificent fresh flower project, we made one of several extra visits - this one to a slaughter house in La Vega. Team member Marv Walter had initiated discussions with the owners of this plant and we stopped off for another interesting visit - this plant is mentioned in Marv's report and offers real opportunities for jobs in and exports from the Dominican Republic.

At the Santiago Industrial Free Zone, the group divided up and visited those companies which were individually appealing. Some visited garment manufacturing, some into electronic component assembly, etc. We were impressed by the large size of this Zone, the quality of the labor force, and the enthusiasm of the managers. We were blessed by several boxes of cigars after a tour which half the group enjoyed. Numerous business discussions continued into dinner and we were joined by developers interested in growing orchids in the Puerto Plata area.

DAY 5. THURSDAY, APRIL 30TH.

This day was much fuller than the initial schedule due to the fact that May 1st is a Dominican Republic holiday. We packed in the Puerto Plata segment of the day in the morning; this included a review of the overall development of the tourism industry in Puerto Plata as well as visits to jewelry and fur coat manufacturing in the Local Free Trade Zone. We flew to Santo Domingo in the mid-afternoon, had a review and critique of the week's activities in the late afternoon with IPC and U.S.AID representatives, and moved our final dinner to Thursday evening. Jacinto Peynado facilitated this acceleration of our schedule by providing our group with two private jets from his fleet; this type of cooperation helped to make this Mission go very smoothly.

DAY 6. FRIDAY, MAY 1ST.

At 8 A.M., Jacinto Peynado had two of his private helicopters fly our group to the northeastern part of the Dominican Republic to visit a large orange concentration project. His company is planting huge acreages of orange groves. We were joined at the farm/ranch by several key U.S. government and Dominican Republic officials; there were about 40 guests. An informal barbecue, including a double pig roast, with all traditional Dominican Republic foods, was the perfect atmosphere to delve much deeper into many of the questions our group had pondered during the week. After lunch, in mid-afternoon, the two private helicopters flew us south to visit the resort areas and to meet more Dominican Republic business people. At about dusk, we divided into two groups - the early Saturday departures flew back in one of the helicopters and the latter group was driven to Santo Domingo.

DAY 7. SATURDAY, MAY 2ND.

As efficiently as they had operated all week, IPC made sure that our group made all of the flights on time. We departed on another beautiful day - having completed a superb week in the Dominican Republic.

5. FOLLOW-UP BY YPO TEAM MEMBERS.

Each team member was requested to write a critique on his initial feelings about the Mission: whether or not business and personal expectations were met; anticipated follow-up; and whether there was interest in future YPO/U.S.AID type missions. As they departed, each team member was given a reminder sheet, Exhibit VIII. Some of the YPO letters are attached; see Exhibits IX A- IX. YPO members tend to be tough critics - therefore, we are pleased to report their positive attitudes and enthusiasm about this experience.

The interesting aspects of these reports is that there is on-gong activity in developing exports from the Dominican Republic, along with investments, and personal development. In polling all of the participants, a conservative estimate of Dominican Republic exports to the U.S., as a direct result of this mission, will be:

1988	\$4.6 million
1989	\$8.8 million
1990	\$ 11.0 million

We achieved tremendous successes in business development; more important, the personal development of each individual corporate president has been exceptional.

EXHIBIT I

YPO/U.S. AID/DOMINICAN REPUBLIC ECONOMIC MISSION:

1. What is Young Presidents' Organization (YPO)?

YPO is a worldwide organization in excess of 5,000 corporate presidents. In order to qualify as a "Young" President, a member must have become the president of a substantial corporation before the age of 40.

The Young Presidents Organization has many objectives centered around a common theme of helping its members to become better chief executive officers. YPO conducts a wide range of educational seminars within city or regional chapters as well as on an international level. During the past two years, symposiums have been held in Bangkok, Mexico City, Paris, and New York.

In the Dominican Republic, there are 4 members; Jacinto Penyado, Jose Turull, Marcelino San Miguel, and Roberto Bonetti. There are 11 members in Haiti, 26 in Puerto Rico, and 8 in Jamaica.

2. What is the Connection Between YPO and U.S. AID?

U.S. AID, a part of the U.S. State Department, awarded a grant to YPO three years ago to work with specific countries or regions. The YPO efforts, which are closely coordinated with U.S. AID, have varied from country to country according to the specific needs. For example, in Indonesia, there was a need to teach entrepreneurial skills to local business people who were starting new ventures. In Kenya, because of a need to develop agri-business and tourism, the YPO team was assembled around those talents. In Sri Lanka, there was a need to discuss large public works projects along with light manufacturing; in that country, overcoming the negative impact of the Tamil-Sinhalese conflict on foreign investment was also a topic.

In all of the countries, a combination of seminars and joint venture evaluations was a common theme. YPO members are qualified to evaluate joint venture opportunities, many of which have been presented to U.S. AID, OPIC (Overseas Private Investment Corporation), or other U.S. agencies. Just as important, the YPO team, unlike most consulting groups, are willing and able to invest in projects, normally much faster than most large multi-nationals.

3. When Will the YPO/U.S. AID Mission Take Place and What Can We Expect?

The YPO/U.S. AID Mission to the Dominican Republic will probably be scheduled for late March or April. The visit will be scheduled after consulting with as many interest groups as possible during the preliminary visit of 3 YPO members on February 8 - 11.

The objectives of this Mission will probably have some variety: (1.) YPO members could be ready to discuss specific business topics with local business associates and business schools (e.g. Entrepreneurship; Joint Venture Criteria; Marketing D.R. products in the U.S., etc.); (2.) Evaluating joint venture projects; (3.) Discussing the marketing, in the U.S., of specific agriculture, tourism, or light manufacturing projects; and (4.) New ideas generated during the February 8 - 11 visit. The YPO Missions are flexible; NOTHING IS CAST IN CONCRETE! You can expect a strong YPO team of from 7 to 10 corporate presidents who will be highly motivated to contribute to the economic development of the Dominican Republic. We hope that the team will be well prepared by permitting them to study specific joint venture proposals prior to their arrival. We also expect that the YPO members selected will be carefully chosen to fit the specific goals determined during the preliminary discussions. Finally, you can expect corporate executives who are open to new investment and joint venture opportunities.

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

EXHIBIT II

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 459-5200
TWX/TELEX 710-760-0100 Cable: INTERCOM

To: The YPO/State Department/U.S. AID Economic Mission Team

S. WECKSLER
8 April 1987

1. U.S. YPO Team. At this time, we have 8 definite team members and several maybes. The eight (8) definites are listed on a separate page with addresses and telephone numbers. FEEL FREE TO CONTACT ONE ANOTHER TO EXCHANGE INFORMATION BEFORE THE TRIP.
2. SCHEDULE. Our one week schedule has been roughed out and is SUPERB. A copy is enclosed for your review. From a timing point of view, you should arrive no later than Saturday night, April 25th, and you are free to fly out on Saturday, May 2nd. We will meet for breakfast at 8 A.M. on Sunday.
3. AIR/HOTELS. Make your own and most economic air arrangements to Santo Domingo. U.S. AID reimburses economy level fares; however, if you deal with a savvy travel agent, you should be able to do better. (Dick Gwinn, Donald Sink, and I are using Empress Travel, Mr. Sid Keith, at 215+293-1355; he is doing a good job at finding the low cost super savers.) We are now scheduled for the Hotel Santo Domingo in that city and the Eurotel in Puerto Plata. Their telephones and telex number are written on the schedule.
4. Local Dominican/U.S. AID Team. We have a SUPER team in the Dominican Republic working to set up our schedule and introduce us to potential joint ventures and new opportunities. A tentative list is attached. Three active members are:
 - (a.) Arelis Rodriguez. Arelis works with the Investment Promotion Corporation (IPC), a Dominican agency funded by U.S. AID. Arelis is very efficient and very bright. You can call her directly about any questions at 809+532-3281;
 - (b.) Ken Lanza. Ken is an experienced U.S. AID officer who has also had extensive experience in the private sector. He speaks both languages: governmentese and businessese. He has had extensive international experience. You can also contact him at the Private Sector Office/U.S. AID: 809+682-2171; and
 - (c.) Eduardo Fernandez. Eduardo is a very active Dominican businessman who is involved in so many interesting things he will have to explain himself directly to you. He is officially the Director of the Caribbean Basin Promotion Center (809+565-9588).
5. Preparation. Lawrence Andrews either sent you or will be sending you a book entitled Dominican Republic and other background info on the Dominican Republic. Under separate cover, you will receive the Dominican Republic Investors Handbook. The first book is the best book Ken Lanza could recommend and it is a good one. We would also recommend that you start listening to your Spanish tapes.

Page #2.

5. Homework. You might be asked to do some research on some specific joint venture opportunities in the D.R. We'll let you know. In the meantime, just get caught up on your work, spend a little more time with your families, and read as much as you can about Hispaniola!

7. Requirements:

- (a.) Current Passport - No visa;
- (b.) No shots;
- (c.) Light rough clothes for field trips;
- (d.) One dark suit for the seminar day;
- (e.) A blazer and tie for some of the socials;
- (f.) Otherwise, open collar short sleeved shirts all day... and good sneakers are the dress of the day;
- (g.) Patience and a good sense of humor; and
- (h.) Plenty of film and a diary for notes.

8. Personal Description. Both the U.S. AID Mission and the Dominican Business people are VERY interested in who we are and what we would be interested in. Please write me a one page letter which gives:

- (a.) One paragraph on WHO YOU ARE: your education, positions you have held, awards, your family, what you like to do as hobbies, avocations; what makes you tick? etc.:
- (b.) One paragraph on WHO YOUR COMPANY(IES) IS (ARE): What they do, the number of employees, the sales volumes, and markets. What makes them tick? If you are involved internationally, state what you are doing.
- (c.) The last paragraph on WHAT YOU HOPE TO ACCOMPLISH BUSINESSWISE in the D.R.: Joint ventures you might seek, businessmen you might want to meet, government officials (either U.S. or Dominican) you might want to be introduced to, financial people you'd like to meet, etc.

KEEP THIS LETTER ON ONE PAGE AND WRITE IT AS A MEMO FROM YOU TO ME AS MISSION LEADER. THE SOONER THE BETTER!

Many thanks.

Sincerely,

David Wechsler

enc.

8 April 1987

(A)

DAILY DOMINICAN REPUBLIC LOG

YPO/U.S. AID RECONNAISSANCE MISSION: 8 - 11 FEBRUARY 1987

Sunday, February 8th (Day #1)

7:30 - 11 P.M. Messrs. Gwinn, Schultz, and Wechsler of YPO have business dinner with local businessmen and U.S. AID officers: Erhardt Rupprecht and Ken Lanza of U.S. AID; Messrs. Frank Ranieri, Jose Turull and Marcelleno San Miguel. The latter two are local D.R. YPO members.

Monday, February 9th (Day #2)

9 - 10:30 A.M. Meetings at PRE Division of U.S. AID with K. Lanza, Erhardt Rupprecht, and Toni-Christiansen Wagner. Discussions of various U.S. AID Programs, local agencies being funded by U.S. AID, and the objectives of the various programs. Also, there was a briefing on how the U.S. AID/YPO Mission could dove-tail with the objectives of the U.S. AID programs.

10:30 - 11:15 A.M. Meeting with Senior Foreign Commercial Officer, Lawrence Eisenberg, at the U.S. Embassy. Discussion of opportunities for YPO members and how to best utilize the time during the mission.

11:30 A.M. - 1 P.M. At the Investment Promotion Council with Jose Ceron, Arelis Rodriguez, Robert Brown, and Eileen Pou. Discussions of the I.P.C. projects and successes and how the YPO Mission could work synergistically toward I.P.C.'s objectives.

2 - 4 P.M. Meetings at the Joint Agricultural Consultative Committee (JACC) with Vince Morabito, Alberto Veloz, Roberto Velado, and Juan Nunez. Review of the numerous JACC projects and how the YPO Mission could successfully interface with JACC's goals.

4 - 7:30 P.M. Review by Messrs. Gwinn, Schultz and Wechsler of day's input.

Tuesday, February 10th (Day #3)

10 A.M. - 3 P.M. Large businessmen's meeting and luncheon at the Business Executives' Club. Review of YPO and various YPO programs followed by a review of the opportunities and risks in doing business with D.R. partners. A consensus of some of the potential areas of concentration was crystalized during these sessions. Those local businessmen present included:

1. Ing. Luis Ml. Pellerano; Banaco
2. Ing. Mendel Mainster G.; Agroindustria del Valle, S.A.
3. Ing. Cesar Nicolas Penson; Chinolas y Aceros Dominicanos
4. Ing. Ernesto Vilalta; Tejidos de Punto
5. Sr. Francisco Garcia; Industriales Nacionales, S.A.

6. Sr. Fernando Gardin; Ferreteria Americana
7. Ing. Juan I. Bernal; Nacional de Construcciones
8. Marcelleno San Miguel; La Antillana Commercial
9. Jose A. Turull D.; Agro Industria del Valle
10. S. Ramon Menendez; Central Romana Corp.
11. Jose Gomez Baz; CAEI
12. Jose Luis Cabral; CAEI
13. Amando Di'z Soto; Furlani, S.A.
14. Dr. Luis A. Ginebra; Camaronera Dominicana
15. Sr. Marino Ginebra; Camaronera Dominicana
16. Mario Cabrera Mansfield; Industrias Lavador
17. Juan Barcelo
18. Alvaro A. Roman; Agrodelta
19. Fernando Villanueva
20. Manuel E. Tavares
21. Guillermo Amore
22. Jaime Bonetti

3:30 - 5 P.M. Tour of Duty Free Zone, an Industrial Park, and a Syringe/Plastics factory, escorted by Arelis Rodriguez of I.P.C.

7 - 10 P.M. Reception at the home of Ken Lanza with large U.S. Embassy/ U.S. AID turnout including U. S. Ambassador Kilday. About 50 attended. Large turnout of local businessmen and women. Several discussions relating to the clarification of the objectives of the YPO Mission as well as the ideal composition of the anticipated YPO team.

Wednesday, February 11th (Day #4)

8:30 A.M. Departure of YPO team on Eastern Airlines.

10:30 - 12:30 Meeting in the Miami Airport between flights. Review by YPO team of the 3 day Mission, a focus on the objectives, and a summary of the ideal composition of the YPO team.

David Webster
2/17/87

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 388-1701
TELEX 846279INTL COMM Cable: INTERCOM

February 13th, 1987

U.S. AID/D.R.
C/O American Embassy
Santo Domingo - Dominican Republic
APO Miami 34041-0008

Attention: Mr. Kenneth Lanza
Private Sector Officer

Dear Ken:

Enclosed are the following roughs:

1. A Preliminary Ad Hoc Liaison committee for the U.S. AID/YPO mission;
2. A tentative list of 7 objectives of the U.S. AID/YPO mission;
3. A tentative one week agenda for the mission. Sites #2, #3, and #4 might be places like Jarabacoa and Constanza with overnights in Santiago and Puerto Plata. We can drive or fly whatever it takes. If we can fly to Samana or La Romana to see something special or stay somewhere special, we have no problem in getting up early and going to sleep late. Obviously, the more of the country to which we can expose our group the better.

Let me have some feedback as soon as possible, a rough feedback would be fine.

Sincerely yours,

INTERNATIONAL COMMODITIES, INC.


David Wechsler
President

DW/jb
Enc.

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 388-1701
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OBJECTIVES OF D.R.YPO/U.S. AID MISSION

1. Run a Seminar on:
"How to Pick a Joint Venture Partner in order to Market
D.R. Products in the U.S."
Include: Trust? Profit Splitting.
1/2 day and lunch. (Mario & tomatoes)
"Communication" Roundtable: Mistakes made-to avoid.
2. Bring Special Team focused on Agriculture and Light
Manufacturing/Electronics. Match up with specific projects.
3. Telegraph Sheet Specific Interest of YPO group members so
that they can be matched with D.R. business groups and
companies able to accommodate.
4. Educate YPO Team about D.R.'s culture, economy, politics,
and geography.
5. Understand Local Government and/U.S. AID/U.S. Government
Liaisons/ opportunities.
6. Encourage Long Range Cooperation between U.S. Government
organizations and local business people.
7. Establish Ties from which Continued Ventures Can Be Staged.

TENTATIVE

DOMINICAN REPUBLIC AD HOC LIAISON COMMITTEE

FOR YPO MISSION

- | | | |
|-------|-------------------------|-------------------------------------|
| 1. | Hank Bassford | U.S. AID |
| 2. | Mario Cabrera Mansfield | Private Sector, Industrias Lavedor |
| 3. | Jose Ceron | I P C |
| * 4. | Ken Lanza | U.S. AID 809+682-2171 x 386 |
| 5. | Vince Morabito | JACC/U.S. AID |
| * 6. | Jacinto Peynado | <u>YPO/R.D.</u> Senate 809+565-4421 |
| 7. | Frank Ranieri | President, American Chamber |
| * 8. | Arelis Rodriguez | I P C |
| * 9. | Jose A. Turuli D. | <u>Local YPO/IPC/JACC</u> |
| 10. | Roberto Velado | JACC |
| * 11. | Eduardo Fernandez | 809+565-9588/9544 |

YPO TEAM: INITIAL MAKE-UP & NEEDS

1. ♦ David Wechsler
% INTERNATIONAL COMMODITIES
Steel & Aluminum processing; Metals Trading; Electronics, electrical & communications components. Trading company. Representation in U.S. markets.
2. Jack Schultz
Schultz Feed Co.
Seed manufacture and sales.
3. Richard Ginn
Abbotts Dairies
Dairy; fruit juices; grain production; beer.
4. Dean Cortopassi
California
Fruit and Vegetable Growing
5. Woody Atkins
Beef processing and sales
6. Agribusiness #1
Entrepreneur in the wholesale/retail channel.
7. Agribusiness #2
Entrepreneur in irrigation/package in some related area.
8. Electronics Mfg. #1.
Entrepreneur who is looking for offshore component sourcing/manufacture.
9. Light Mfg. #1
Another entrepreneur who has a labor intensive business looking for off-shore sourcing

JOINT U.S. AID/YPO ECONOMIC MISSION TO THE DOMINICAN REPUBLIC

Saturday Day #1	Sunday Day #2	Monday Day #3	Tuesday Day #4	Wednesday Day #5	Thursday Day #6	Friday Day #7	Saturday Day #8
<p>YPO Arrivals into Santo Domingo</p> <p>Rooms on 3rd Floor Santo Domingo Hotel</p>	<p>YPO Late Arrivals</p> <p>.Tour of Old City: Santo Domingo</p> <p>.Cultural Lecture</p> <p>.Cocktails & dinner: YPO Team & Local Committee</p>	<p>Breakfast Briefing</p> <p><u>.U.S. AID</u> .Economic .Political Briefings by:</p> <p><u>JACC</u> <u>IPC</u></p> <p>.Comments from local U.S. Businessmen</p> <p>.1 hour round-table with Ambassador Kilday</p> <p>.Luncheon with local business people</p> <p>.P.M. Visit to a Free Trade Zone and some factories [electronics; light manufacturing]</p> <p>.Cocktails & dinner with local business people</p>	<p><u>.1/2 DAY SEMINAR</u> jointly sponsored by U.S.AID; American Chamber; JACC, IPC; YPO and other local associations:</p> <p>TOPICS: Panel & case study: "How to Evaluate Joint Venture Partners for Marketing Into the U.S.?" or "How Do You Slice Up the Profits Pie?" & "Whom Can You Trust?"</p> <p>Large luncheon with participants.</p> <p>.P.M. Individual discussions of business opportunities.</p> <p>.Late P.M. Travel to vegetable/fruit growing area.</p> <p>.Overnight at Site #2.</p>	<p>.Site #2</p> <p>.Field trip to vegetable/fruit growing areas.</p> <p>.Individual project evaluations.</p> <p>Travel to Site #3.</p> <p>Overnight at Site #3 (near Santiago?)</p>	<p>.Site #3</p> <p>.Field trip to vegetable fruit growing areas.</p> <p>.Individual project evaluations.</p> <p>.Overnight at Site #3 or Site #4</p>	<p>From Site #3 or Site #4</p> <p>.Return to Santo Domingo</p> <p>.A.M. Continued individual project evaluations.</p> <p>12:30-2:30 .Joint lunch with Committee to Evaluate Results and Determine Follow-Up.</p> <p>.Final Dinner of YPO Team and Local Committee</p>	<p>Departure from Santo Domingo</p>

FIRST DRAFT
12 FEBRUARY 1987



DAIRY CENTER, INC.

501 OFFICE CENTER DRIVE — SUITE 118
FT. WASHINGTON, PA 19034

March 5, 1987

Mr. Eduardo Fernandez P.
Country Director
Caribbean Basin Promotion Center
Apartado Postal 288-2
Santo Domingo
Dominican Republic

Dear Mr. Fernandez:

Thank you for your letter of February 19, 1987.

As a participant in the Young President Organization in their dealings in Santo Domingo, I look forward to working with you in future joint ventures and investments, etc.

Sincerely,

Richard H. Gwinn, Chairman
Abbotts Dairy Products, Inc.

RHG:jp

cc: David Wechsler
Jack Schultz

CARIBBEAN BASIN PROMOTION CENTER

Apartado Postal 288-2
Santo Domingo,
Dominican Republic
Tel: (809) 565-9544
Tlx: 3264397 FERWHIP



CHICAGO ASSOCIATION OF
COMMERCE AND INDUSTRY

February 19, 1987

Mr. Richard H. Gwinn, Chairman
Abbotts Dairy Products, Inc.
501 Office Center Drive - Suite 118
Ft. Washington, PA 19034

Dear Mr. Gwinn:

It was a pleasure making your acquaintance at the cocktail party offered by our mutual good friend Mr. Kenneth Lanza, of the Private Sector Area of the USAID Mission in the Dominican Republic.

As briefly discussed with you, the Caribbean Basin Promotion Center of the Chicago Association of Commerce and Industry of which I am Country Director in the Dominican Republic, is very much interested in working closely with you in the programs that you develop at the Young President Organization regarding possible investments, joint ventures, etc., in this country.

I will appreciate it if you would keep me abreast of the development of the program and I am at your disposal here in Santo Domingo. Also you may feel free to contact the Manager of this program at Chicago, Mr. J. Richard Paullin, Jr. (312 580-6944). He will be delighted to offer you additional details as to the activities of the Caribbean Basin Promotion Center.

I trust your stay in the Dominican Republic was pleasant and useful and I look forward to hearing from you again.

Cordially yours,

A handwritten signature in dark ink, appearing to read 'Eduardo Fernández P.', is written over a horizontal line. Below the signature, the name and title are printed.
Eduardo Fernández P.
Country Director

EFP/rm

cc: Mr. Kenneth Lanza
Mr. J. Richard Paullin, Jr.

18

HEADQUARTERS
J. Richard Paullin, Jr.
200 North LaSalle Street
Chicago, Illinois 60601 U.S.A.
Tel: (312) 580-6900
Tlx: 280250 CACI CGO

COSTA RICA
Luis Diego Escalante V.
Apartado 4506-1000
San José, Costa Rica
Tel: (506) 24-00-22
Tlx: 3033093 CORPO CR

WASHINGTON, D.C.
Thomas J. Scanlon
3248 Prospect Street, N.W.
Washington, D.C. 20007 U.S.A.
Tel: (202) 965-3983

EXHIBIT III

The U.S. Team is composed of presidents of U.S. companies involved in service, manufacturing, financial, and marketing functions.

Robert CROSBY, President AIRLITE PLASTICS CO. Omaha, NEBRASCA	Manufactures plastic containers for food industries.
Gerald L. GITNER, President ATASCO, U.S.A. Ltd. New York City, NEW YORK	Buys sells, and leases aircraft. Maintenance and contract repairs of aircraft.
Richard GWINN, President ABBOTTS DAIRY PRODUCTS Philadelphia, PENNSYLVANIA	Dairy and fruit juice distribution. Involved with other food distribution and food service industries.
Andrew KAHN KAHN, LUCAS, LANCASTER New York NEW YORK	Textile manufacturing, marketing and distribution. Manufactures internationally.
John "Jack" SCHULTZ AGRACEL, INC. Effingham, ILLINOIS	Large-scale farming and marketing commercial seeds. Also involved in farm land development.
Richard L. PROCHNOW DIRECT SALES INTERNATIONAL Atlanta, GEORGIA	Large scale marketing to military worldwide. Manufacturing and key punch operations abroad. Tourism industry.
Donald F. SINK ATLANTIC ICE & REFRIGERATED WAREHOUSES, INC. Tampa, FLORIDA	Manufactures and distributes ice. Manufactures high tech electronic assemblies for U.S. government.
Marvin WALTER CARRIAGE HOUSE MEAT & PROVISION CO. Ames, IOWA	Processes, packages, and markets large quantities of specialty meat products. Involved with beef, lamb, and pork products.
David WECHSLER INTERNATIONAL COMMODITIES, INC. Chadds Ford, PENNSYLVANIA	Trading company representing non-U.S. companies in U.S. firms abroad. Bartering & counter trade. Electronic/electrical components. Natural gas drilling.

MISSION SCHEDULE

EXHIBIT IV

DRAFT YPO MISSION PROGRAM

APRIL 25, 1987

Saturday

Arrival Santo Domingo. Pick up at Inter-nacional de las Américas Airport and take to Hotel Santo Domingo. Coordinate time of arrival with David Wechsler.

APRIL 26, 1987

Sunday

9:00 a.m.

Colonial City Tour.

10:30 a.m.

Tour to marginal sector of Santo Domingo. (Slums)

11:30 a.m.

Tour to Cultural Center. Possible tour to Carol Morgan School, Universities, etc., and residential areas of the city.

1:00 p.m.

Lunch (open)

6:00 p.m.

Speech on Dominican Culture.
Orators: Frank Moya Pons (*) and Guillermo Amore (*).
Restaurant: Reina de España

7:00 p.m.

Cocktail and dinner at Reina de España Restaurant. Mission members and group coordinators will be present.

APRIL 27, 1987

Monday

9:00 a.m.

Meeting with AID and U.S. Ambassador.

10:30 a.m.

Meeting at IPC offices.
Subject: Define functions of JAAC/DR, also of CBPC and of IPC.
Orators: Robert Velado of JAAC/DR, Eduardo Fernández of CBPC and Antonio Cáceres of IPC.

APRIL 27, 1987 Monday (cont.)

12:30 p.m. Lunch with businessmen to give an overview on economic and political aspects of the country.
Orators: Bernardo Vega (*) and Melvin Mañón (*).

2:30 p.m. Visit to Itabo Free Zone.

6:00 p.m. Cocktail given by IPC
to at
10:00 p.m. Santo Domingo Hotel - Caonabo Saloon

Tele. 532-1511 ⁸⁰⁹⁺ (Premium Hotel Corp.)

APRIL 28, 1987

Tuesday

9:00 a.m. Seminar sponsored by AID, American Chamber of Commerce, JAAC/DR, IPC, YPO AND CBPC.
to
12:00 noon Subject: Evaluations of Joint Ventures, Cases and Experiences. Presente by: Luis Heredia Bonetti (*), Eduardo Fernández, Robert Velado (*), and an electronic expert such as TII or RE Phelon.

Individual session in afternoon

APRIL 29, 1987

Wednesday

5:30 a.m. Depart to the Vicini Project. *North of Santo Domingo*
9:00 a.m. Visit Frudoca Project. *Northwest - toward Santiago.*
11:30 a.m. Visit Jarabacoa flower project. *- North.*
1:30 p.m. Lunch at Pez Dorado Restaurant in Santiago.

3:00 p.m. Visit Santiago Industrial Free Zone.
Meeting with Mr. Víctor Espallat.
Visit includes:
- a cigar factory.
- a textile factory
- an electronics factory.

5:30 p.m. City tour of Santiago.

7:00 p.m. Depart to Puerto Plata. *on North West*

APRIL 30, 1987

Thursday

9:00 a.m. Meeting with a representative of INFRATUR.
Visit tourist projects.
Visit Sugar Diversification Project.
Monte Llano Sugar Mill *North West.*

12:30 p.m. Lunch (open) *→ Tourist*

3:00 p.m. Visit Puerto Plata Free Zone. Meet with
Mr. Ramón Gilbert. Visit includes:
- a jewelry factory.
- a mink coat factory.

AFTERNOON OPEN

Puerto Plata

MAY 1, 1987

Friday

8:00 a.m. Visit a cotton project and/or a Portella
tomato project.

12:00 noon Lunch (open) *Drive Back after visit.*

3:00 p.m. Meeting with organizers to evaluate results.

7:00 p.m. Cocktail and dinner at Santo Domingo Hotel-
El Alcazar Privado Saloon.

Final Dinner

MAY 2, 1987

Saturday

Departure.

(*) Mr. Eduardo Fernández will be in charge of making contacts to coordinate their participation.

IPC will arrange transport, hotel reservations and reservations of rooms for cocktails, dinners and conferences.

Make hotel reservations in Puerto Plata for Wednesday and Thursday.

We checked with Mr. Wechsler who confirmed that Mission members will be coming without spouses.

NOTE: Puerto reservations confirmed at Eurotel.

YPO MISSION MEMBERS

FRIDAY, MAY 1, 1987

9:30 a.m. - Herrera Airport - to be met by Mr. Jacinto Peynado

Visit citrus project

Lunch - arranged by Mr. Jacinto Peynado

P.M. - Casa de Campo, La Romana, accompanied by Mr.
Jacinto Peynado



AÑO XXVI

Listin Diario

(Fundado el 1 de Agosto de 1889)

SANTO DOMINGO, REPUBLICA DOMINICANA, MIÉRCOLES 29 DE ABRIL DE 1967

Empresarios de EU Invertirán en RD

Por Sadi Pimentel

El presidente del Consejo Promotor de Inversiones Extranjeras, arquitecto Antonio Cáceres Troncoso, expresó que empresarios norteamericanos pertenecientes a la entidad denominada Young Presidents Organization (YPQ) han mostrado interés en invertir en República Dominicana.

Expresó que las áreas en que harían la inversión son fundamentalmente las de zonas francas industriales, turismo, agroindustria y minería.

Cáceres Troncoso habló anteanoche durante un cóctel que el Consejo Promotor de Inversiones Extranjeras ofreció a diez de esos empresarios, quienes visitan el país en viaje de reconocimiento y observación.

El cóctel tuvo lugar en el salón Caonabo, del hotel Santo Domingo, con la asistencia del Vicepresidente Carlos Morales Troncoso y otras personalidades, entre ellas funcionarios gubernamentales y empresarios.

El grupo representante de la Young Presidents Organization (Jóvenes Presidentes de Empresas) llegó al país el sábado y permanecerá aquí hasta el dos de mayo sosteniendo contactos con representantes de diversos sectores económicos.

Cáceres Troncoso expresó que el Consejo Promotor de Inversiones Extranjeras está llamado a coordinar todos los esfuerzos para atraer inversiones foráneas a la República Dominicana y promover las exportaciones de nuestros productos hacia el exterior.

Indicó que el grupo de empresarios en cuyo honor se ofreció el cóctel reviste de una gran importancia

PARA LA PAGINA 10

Morales Informa CEA Aproxima a Meta Zafra

Por Sadi Pimentel

El vicepresidente de la República y secretario del Consejo Estatal del Azúcar (CEA), gobernador Carlos Morales Troncoso, dijo que a pesar de las dificultades que ha encontrado este organismo en la tarea de cumplir su deber de producir 300 mil toneladas de azúcar en la actual zafra.

Expresó que ya comenzaron los preparativos para la zafra del año próximo la cual se iniciará sobre el nivel de zafra.

Morales Troncoso fue entrevistado por el periodista Sadi Pimentel que el Consejo Promotor de Inversiones Extranjeras ofreció a un grupo de empresarios norteamericanos que se reúnen en el país en vista de observaciones hechas que últimamente se han presentado nuevas dificultades que impiden el desarrollo de la actual zafra.

Entre estas está la falta que han sufrido los sembrados cañaverales y la interrupción del agua y la falta de los nutrientes.

Indicó que la meta de producir 300 mil toneladas se logrará gracias a las medidas que han sido adoptadas, y que incluye entre ellas: la aplicación de la planta física de los ingenios y la preparación de los campos de zafra.



Carlos Morales Troncoso

"Como están ahora, no estamos todos los campos sembrados, y se están haciendo esfuerzos principalmente ahora, que el clima no nos está ayudando que está llevando un mal momento a la zafra."

Gobierno Decide Estudiar Situación

Inquieta Gravedad Problemas

Por R. Rodríguez

En una nueva iniciativa para solucionar los graves problemas de la distribución de energía eléctrica a cargo de la Corporación Dominicana de Electricidad el Gobierno está estudiando la posibilidad de que se encargue de la situación que afecta a esa entidad.

El Presidente Joaquín Balaguer tiene entendido que la COE viene con afectación al servicio de suministro de energía eléctrica que debe producir, como toda empresa del desarrollo nacional.

La comisión, conformada por el doctor Roberto Silio de secretario de Finanzas y el presidente Oscar Lombardi secretario de la Comisión de Política Energética que se actuó como secretario y por los señores licenciados Luis Casado administrador



WOLF CREEK, Montaña. Paradero y no se permite de libre tránsito hasta un cambio nuevo. Hay de donde sean cuatro transportadores con brazos para llevar el café (AP-Las fotos).

Científicos Fijan Estrategia Prevenir Extensión de

Jorge Blanco Exige Entrega Expediente



El vicepresidente Carlos Morales Troncoso, el asesor económico del Poder Ejecutivo Juan José Arteaga y el empresario Máximo Pellerano durante un cóctel que el Consejo Promotor de Inversiones Extranjeras ofreció anteanoche a empresarios norteamericanos que visitan el país.



El presidente del Consejo Promotor de Inversiones Extranjeras, Antonio Cáceres Troncoso (derecha), conversa con el señor Alfredo Bergés.

Empresarios...

que representa a una organización pujante, de extraordinario prestigio en los Estados Unidos.

Manifestó que ellos están "muy seriamente" investigando las posibilidades de inversión en nuestro país.

"De ahí que el Consejo Promotor de Inversiones Extranjeras ha conferido enorme importancia a su visita", destacó.

Panorama Halagador

A su juicio, es "muy halagüeño" el panorama de las inversiones extranjeras en nuestro país.

Declaró que República Dominicana está ahora mismo jugando el papel de "país líder del área del Caribe y Centroamérica en lo que a atracción de inversiones extranjeras se refiere".

"Por razones obvias, las facilidades que está otorgando el actual gobierno del doctor Balaguer y la actitud del empresariado han hecho posible ese liderazgo", dijo.

Cáceres Troncoso elogió la actitud que ha mostrado



Parte de los asistentes al cóctel que ofreció anteanoche el Consejo de Inversiones Extranjeras en el hotel Santo Domingo. Figuran, entre otros, el senador Miguel Ángel Jiménez Pons, José Manuel Paliza, Carlos Despradel, Milton Messina y Jacinto Peinado.

también el pueblo dominicano en favor de las inversiones, con una creciente conciencia de que con ellas podríamos crear mercados de exportación que generen divisas para adquirir todos los bienes de consumo que

necesitamos.

Asistentes

En el cóctel estuvieron, entre otros, el asesor económico del Poder Ejecutivo, licenciado Juan

José Arteaga; el director del Instituto Dominicano de Seguros Sociales, doctor Rafael Gautreaux; el senador del Distrito Nacional, Jacinto Peinado; el embajador de Estados Unidos, Lowey Kilday; el

historiador Frank Moya Pons y los empresarios Juan Bautista Vicini, José Luis Cabral, Luis Manuel Pellerano, Luis Manuel Tejeda, Merlo Rodríguez Mansiel y el ingeniero Pérez Berzal, entre otros.

Gobierno...

Antonio Vanderhorst, ingeniero Alvaro Álvarez, ingeniero Klaus Wörbrück, ingeniero Felipe Maldonado, licenciado Aristides Martínez, licenciado Ney Díaz Newman y el diputado Fernando Guante.

Esta comisión deberá rendir un informe lo más exhaustivo que fuere posible, con sus recomendaciones al Presidente de la República, en un plazo de treinta días a contar de la fecha de su toma de posesión, actuando con el sentido de urgencia que las circunstancias requieran.

servicio que debe rendir, "CONSIDERANDO que las medidas que deben ser adoptadas, tienen carácter urgente."

El Decreto

Artículo 1.— Se crea una Comisión Especial que tendrá a su cargo realizar un estudio pormenorizado de la situación que afecta la capacidad de la Corporación de Electricidad (CDE), para rendir con eficiencia el servicio de suministro de energía

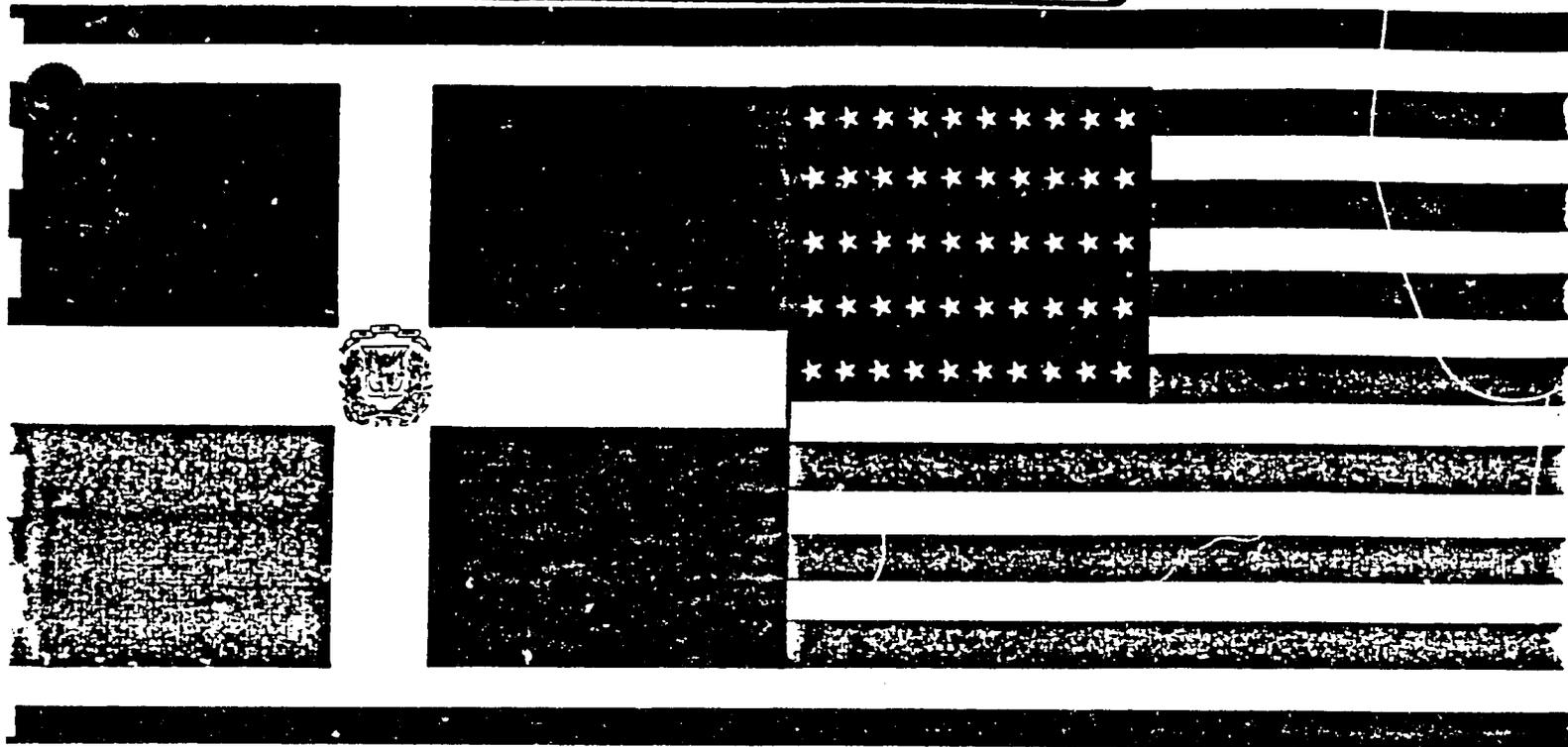
eléctrica de la Comisión Energética; quien actuará como secretario y por los señores Lic. Luis Canela, Administrador General del Banco de Reservas de la República Dominicana; Ing. Marcelo Jorge, Asesor Energético del Poder Ejecutivo; Ing. Eduardo Sagredo, Dr. Ricardo Matos, Dr. José Antonio Vanderhorst, Ing. Alvaro Álvarez, Ing. Klaus Wörbrück, Ing. Felipe Maldonado, Lic. Aristides Martínez, Lic. Ney Díaz Newman y el diputado

técnicos, administrativos, institucionales, sindicales, de recursos humanos, jurídicos y de la política sectorial a seguir para la solución de los problemas actuales y el funcionamiento eficiente de la empresa en el futuro.

Artículo 2.— La Comisión deberá rendir un informe lo más exhaustivo que fuere posible, con sus recomendaciones al Presidente de la República, en un plazo de treinta (30) días a contar de la fecha de su toma de

de Electricidad (CDE), los cuales le suministrarán todos los datos, documentos, informaciones y le darán acceso a los libros, inventarios, almacenes y depósitos, así como a cuanto requiera para el cabal cumplimiento de las labores que por este decreto se les atribuye.

Artículo 3.— Enrízese a la Secretaría de Estado de Finanzas, a la Comisión Energética y a la Corporación Dominicana de Electricidad, para los fines



Evaluating joint venture and marketing partners

Dominican Republic

April, 28 1987

JOINT SPONSORS:
U.S. AID; THE AMERICAN CHAMBER OF COMMERCE;
JACC/DR; IPC; YPO AND CBPC.-

EVALUATING JOINT VENTURE AND MARKETING PARTNERS

DOMINICAN REPUBLIC
April 28 1987

- Where Should My Company Be Next Year? Five Years From Now?
- How Can I Get My Product to United States and Other Markets?
- Should I Have a U.S. Partner?
- What are the Cultural Differences Between U.S. and Dominican Business?
- What are the Cultural Differences Between U.S. and Dominican Business Practices?
- What Is My Best Financing Strategy?
- How Do I Evaluate a Joint Venture/Marketing Partner?
- What Criteria Do U.S. Business Use In Selecting Partners Abroad?

A UNIQUE PROGRAM

The above, and other questions, will be dealt with during a unique program sponsored by business and government organizations interested in the successful growth of dominican companies. A definition of unique is "being the only one of its kind". That definition certainly applies to an educational program that has a faculty composed entirely of the top officers of successful U.S. and Dominican companies. Many of these presidents have been lecturers or professors of business theory, but their most noteworthy accomplishments have been as ENTREPRENEURS.

A UNIQUE OPPORTUNITY

Meet and work with presidents of companies that each year produce services and/or goods worth from US\$5 millions to US\$500 millions for United States and world markets. Discuss possible relationships as suppliers; as investors; as partners; as marketers. A goal of this program is to assist in the development of cooperative Dominican and American business activities and/or joint ventures.

PARTIAL LIST OF SPONSORS

- The American Chamber of Commerce - U.S. AID
- Joint Agribusiness for Consulting and Coinvestment Board (YPO)-YPO Hispaniola
- Investment Promotion Council (IPC) - YPO North America
- Caribbean Basin Promotion Center (CBPC)

SCHEDULE FOR SANTO DOMINGO WORK SESSION

- 8:00 - 8:30 A.M.** **Registration and coffee**
- 8:30 - 9:00 A.M.** **Introduction:**
 -Background
 -Individual YPO members
- 9:00 - 9:45 A.M.** **Dominican experiences, good and bad, in joint venture and marketing partners:**

PANEL DISCUSSION

- Milton Messina.**
- Eduardo Fernández**
- Robert Velado**

- 9:45 - 10:00 A.M.** **Comments from YPO members perspective**
- 10:30 - 10:45 A.M.** **Coffee break**
- 10:45 - 12:30 P.M.** **Case study workshop with YPO team.**
 Hands-on evaluation of a joint venture
 case: Juan Díaz Velasco e Hijos
- 12:30 P.M.** **Lunch**
 Report by individual workshop teams.
 Summary and conclusion.

**OTHER PROGRAM INFORMATION
UNITES STATES YOUNG PRESIDENTS' (YPO)
TEAM MEMBERS**

The U.S. Team is composed of presidents of U.S. companies involved in service, manufacturing, financial, and marketing functions.

**Robert CROSBY, President
AIRLITE PLASTICS CO.
Omaha, NEBRASCA**

**Manufactures plastic containers
for food industries.**

**Gerald L. GITNER, President
ATASCO, U.S.A. Ltd.
New York City, NEW YORK**

**Buys sells, and leases aircraft.
Maintenance and
contract repairs of aircraft.**

**Richard GWINN, President
ABBOTTS DAIRY PRODUCTS
Philadelphia, PENNSYLVANIA**

**Dairy and fruit juice distribution.
Involved with other
food distribution and
food service industries.**

**Andrew KAHN
KAHN, LUCAS, LANCASTER
New York NEW YORK**

**Textile manufacturing, marketing
and distribution.
Manufactures internationally.**

**John "Jack" SCHULTZ
AGRACEL, INC.
Effingham, ILLINOIS**

**Large-scale farming and marketing
commercial seeds.
Also involved in farm land
development.**

**Richard L. PROCHNOW
DIRECT SALES INTERNATIONAL
Atlanta, GEORGIA**

**Large scale marketing to
military worldwide. Manufacturing
and key punch operations abroad. Tourism
industry.**

**Donald F. SINK
ATLANTIC ICE & REFRIGERATED
WAREHOUSES, INC.
Tampa, FLORIDA**

**Manufactures and distributes ice.
Manufactures high tech electronic
assemblies for U.S. government.**

**Marvin WALTER
CARRIAGE HOUSE MEAT &
PROVISION CO.
Ames, IOWA**

**Processes, packages, and markets large
quantities of specialty meat products.
Involved with beef, lamb, and pork
products.**

**David WECHSLER
INTERNATIONAL COMMODITIES, INC.
Chadds Ford, PENNSYLVANIA**

**Trading company representing non-U.S.
companies in U.S. firms abroad.
Bartering & counter trade.
Electronic/electrical components.
Natural gas drilling.**

CASE STUDY: ENGLISH

EXHIBIT VII

JUAN DIAZ VELASCO E HIJOS, S.A.

In April 1987, Mr. Juan Diaz was being encouraged by two of his younger sons to expand their family business, J-D-V, from a domestic business into export markets. Mr. Diaz, who was a conservative 58 year old, had been a career military officer for most of his career. In early 1982, Mr. Diaz had purchased a medium sized farm, from his savings while working in the government, in the La Vega area of the Dominican Republic, about 150 kilometers northwest of Santo Domingo.

All three of Mr. Diaz's sons worked in the family business: Juan, Jr. (Juancito), 32, had studied economics at the Catholic University in Santo Domingo and handled all of the financial aspects of the business. Luis, 29, had graduated from Louisiana State University (LSU), majoring in agronomy; he managed all of the farm workers and production. Jose, 26, had recently joined the company after returning from the U.S. with a business marketing degree from UCLA, in California.

J-D-V had grown, since 1982, to sales of US\$250,000 with 80% of the products being sold into the Dominican market with 20% being sold to an export packing house in La Vega. J-D-V had gained reputation as a grower of high quality vegetables. Recently, through Luis' efforts, they had successfully test grown miniature vegetables, strawberries and raspberries. Profits had been high for the past three years.

In January of 1987, a nearby farm and packing house had become available after it was taken over by the local banks and its creditors. Mr. Diaz's two younger sons felt that, through good "hand on" management, this operation could be very profitable - especially if it targeted export markets. Luis figured that with the additional farm added to their current production, they could immediately operate the packing house at 80% of capacity. Both Luis and Jose felt that the export markets offered J-D-V the very best chances for growth and success. They believed very strongly in the Dominican Republic as a "producer" of farm products.

The Diaz family was in the process of evaluating a few different proposals which Luis and Jose had brought to them:

Option A - A Large Broker/Packing House, based in Miami, wanted to loan the Diaz family 70% of the US\$125,000 required to purchase the new property. The Miami Brokers, who were originally from Cuba, were willing to make the loan in U.S. Dollars at 3% over the prevailing interest rates. Part of this plan would be that 100% of the production would be sold to the Miami group for a minimum of 10 years. The prices would be determined in the Florida market.

28 April 1987

./.

Option B - A large California grower packer, CALGROWERS, INC. wished to purchase 40% of the J-D-V farm and 49% of the nearby new property. CALGROWERS agreed to market all of the produce in the U.S. and receive a normal broker's fee. CALGROWERS was managed by an L.S.U. graduate who felt that they could add three things to J-D-V: marketing skills, new production technology, and new packaging/packing expertise.

Option C - Johnson's Foods - A college classmate of Jose, Bill Johnson, was part of a family business which owned a chain of 12 supermarkets in Ohio. Bill had talked his family into more direct import of fruits and vegetables; Bill hoped to increase his family's buying power and to develop new business through his contacts. The Johnsons agreed to provide funds to purchase vegetables from J-D-V but had no desire to invest in the Dominican Republic. However, the Johnsons were willing to sell 20% of their importing company to J-D-V for \$50,000* if the Diaz family agreed to help to develop additional sources of supply in the D.R.

A final alternative for the Diaz family was to "go it alone", with no partners. They had some savings and could probably borrow some of the required US\$125,000.

On April 28th, Mr. J. Green, the Executive Vice President of Calgrowers, Inc., was back in Santo Domingo. He had told the Diazes that he wanted to know whether they had a deal by noon. He let Jose know that he wanted to either sign a joint venture agreement at lunch time or fly off to San Jose, Costa Rica. He let Jose know that he was annoyed about the "Mañana" attitude of Juan, Jr., who had not returned one telephone call.

Mr. Green told Jose that he had two very good opportunities in Costa Rica and Mexico and, perhaps, the D.R. was too far away from California.

As the Diaz family sat down to discuss the various options, the oldest son, Juan Jr., immediately told everyone how he felt: that he had seen too many Dominican farms get into serious financial troubles by over-expanding or by signing one-sided joint-venture agreements with crooked brokers from the North.

What should the Diaz family do?

*US\$50,000

(TRADUCCION)

CASE STUDY: ESPANOL

EXHIBIT VII-a

JUAN DIAZ VELASCO E HIJOS, S.A.

En abril de 1987, el Sr. Juan Díaz fue incentivado por sus hijos en expandir el negocio de la familia J-D-V, de un negocio doméstico a un negocio de exportaciones. El Sr. Díaz, una persona conservadora de 58 años de edad, ha sido oficial de carrera militar la mayor parte de su vida. A principios del 1982, el Sr. Díaz adquirió una finca de tamaño mediano de sus ahorros cuando trabajaba con el gobierno en el área de La Vega, alrededor de 150 kilómetros noroeste de Santo Domingo.

Sus tres hijos trabajaron en el negocio de la familia: Juan Jr. (Juancito) de 32 años, estudió economía en la Universidad Católica de Santo Domingo, se encargó de la parte financiera del negocio; Luis, de 29 años, se graduó de agronomía en la Universidad de Luisiana (LSU) y se encargó de la producción y el manejo de los trabajadores de la finca; y José de 26 años, graduado en mercadeo de la Universidad de Los Angeles de California, se asoció recientemente a la compañía cuando regresó de los EE.UU.

La compañía J-D-V creció, desde 1982, a ventas de US\$250,000 con un 80% de los productos vendidos al mercado dominicano con un 20% vendido a una casa empaedora de exportación en la Vega. La compañía ha ganado una reputación como cultivadores de vegetales de alta calidad. Recientemente, por los esfuerzos de Luis, han cultivado exitosamente vegetales miniaturas, como también fresas y frambuesas. Los beneficios han sido muy buenos durante los últimos tres años.

En enero de 1987, una finca y casa empaedora en las cercanías estaban disponibles después de haber sido embargados por sus acreedores y bancos locales. Los dos hijos menores del Sr. Díaz pensaron que a través de una buena administración, esta operación podía ser muy rentable especialmente si se dirigía al mercado de exportaciones. Luis pensó que con esta finca adicional, la producción podía aumentar y operar de inmediato con un 80% de capacidad. Tanto Luis como José pensaron que el mercado de exportaciones ofrecía a J-D-V las mejores condiciones para el crecimiento y éxito. Ellos están seguros de que la República Dominicana es una "gran fuente" de productos agrícolas.

La familia Díaz estaban en el proceso de evaluar algunas propuestas sugeridas por Luis y José, tales como:

OPCION A - Una compañía grande de corredores/empaedoras en Miami deseaba prestar a la familia Díaz un 70% de los US\$125,000 requeridos para la compra de la propiedad nueva. Los corredores de Miami, quienes eran originalmente de Cuba, estaban dispuestos a hacerle el préstamo en dólares al 3% sobre

28 de abril 1987

./.

las tarifas con los intereses actuales. Parte de este plan sería que un 100% de la producción se vendería al grupo de Miami por un mínimo de 10 años. Los precios se determinarían en el mercado del estado de la Florida.

OPCION B - CALGROWERS, INC., una compañía grande productora y empacadora en California deseaba adquirir el 40% de la finca de J-D-V y el 49% de la nueva propiedad. Calgrowers acordó en mercadear todos los productos en los EE.UU y recibir los honorarios normales. Calgrowers fue administrado por un graduado de la Universidad de Luisiana quien sugirió que ellos podían agregar tres puntos a J-D-V: un conocimiento general de mercadeo, una producción de tecnologías nueva y un método nuevo de empaque.

OPCION C - Johnson's Foods - Un colega de la universidad donde estudió José, Bill Johnson, pertenecía a un negocio de familia que eran dueños de una cadena de 12 supermercados en el estado de Ohio. Bill habló con su familia para que incrementaran más directamente las importaciones de frutos y vegetales para así aumentar más el poder de compra y desarrollar nuevos negocios a través de sus contactos. La familia Johnson acordó proveer los fondos necesarios para la compra de vegetales de la J-D-V pero no tenía interés en invertir en la República Dominicana. Sin embargo, los Johnsons estaban dispuestos a vender el 20% de la compañía de importaciones a J-D-V por US\$50,000 si la familia Díaz acordaba en ayudar a desarrollar recursos adicionales de abastecimiento en la República Dominicana.

La última alternative para la familia Díaz era de no tener ningún socio. Ellos tenían ahorros y probablemente podían obtener préstamos para parte de los US\$125,000.

El 28 de abril, el Sr. J. Green, Vice Presidente Ejecutivo de Calgrowers, Inc., estuvo de nuevo en Santo Domingo. El había informado a la familia Díaz que quería llegar a un acuerdo al medio día. Le informó a José que quería o firmar un acuerdo de empresa conjunta al medio día o irse a San José, Costa Rica. Le hizo saber a José que no le había gustado la actitud de "mañana" de parte de Juan, Jr., quien no había devuelto ni una sola llamada telefónica.

El Sr. Green le informó a José de que el tenía dos muy buenas oportunidades en Costa Rica y México y que quizás la Rep. Dom. quedaba muy lejos de California.

La familia Díaz se sentó a discutir las diferentes opciones. El hijo mayor, Juan Jr., inmediatamente le dijo a todos lo que el pensaba: que el había visto muchas fincas dominicanas entrar en problemas financieros o por querer expandir más de lo que se necesitaba o en firmar acuerdos de empresas conjuntas con corredores corruptos del Norte.

¿Que debería de hacer la familia Díaz?

EXHIBIT VIII



To: YPO/U.S.AID D.R.MISSION

30 April 1987

1. We'll meet a little before 7 at the 3rd Floor Lounge ...
Suits or dark sport jackets. They expect 20 for dinner.
2. We will take taxis to the private airport tomorrow at
8 A.M. Flights DEPART at 8:30 A.M.
3. WITHIN 2 WEEKS, please send me a one page letter covering
the following:
 - A. COMMENTS ON THE WEEK'S ACTIVITIES.
 - i. Did the Mission meet your expectations?
 - ii. Were the activities beneficial to you/ your business?
 - iii. What about the local cooperation/participation?
 - B. SHORT/ MEDIUM/ LONG TERM FOLLOW-UP.
 - i. What specific projects might you follow up in the
short term? *\$ SCOPE & CONTACTS would be helpful.*
 - ii. What general business areas and/or personal development
projects might you follow up in the medium/ long terms?
 - iii. Would you be interested in another YPO/ U.S.AID Mission?
When? To what 3/4 "Developing" countries?
 - C. IMPROVEMENTS/ SUGGESTIONS: How might you improve upon
future YPO Economic Development Missions?
 - D. Please mail to me at INTERNATIONAL COMMODITIES; U.S. Route #1;
P.O.Box 205; Chadds Ford, Pennsylvania 19317.

MANY THANKS,

CROSBY 1333/ GITNER 1304/ GWINN 1368/ PROCHNOW 1302/ SCHULTZ 1334

SINK 1329/ WALTER 1306/ WECHSLER 1356
OPERATED BY PREMIER HOTEL CORPORATION

EXHIBIT IX

RESPONSES FROM TEAM MEMBERS

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

EXHIBIT IXA

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 388-1701
TELEX 846279INTL COMM Cable: INTERCOM

MEMO

TO: U.S. AID/YPO DOMINICAN REPUBLIC MISSION FILE

On 27 August 1987, spoke with Bob Crosby of the Airlite Plastics Company, Omaha, Nebraska:

1. Within 2 weeks Armento Diaz, of Santo Domingo, visited Airlite Plastics Company to evaluate some excess injection molding dies.
2. There is a high probability that Mr. Diaz will lease or purchase some of these dies to develop exports of plastic parts from the Dominican Republic.
3. Bob's best estimate of leasing costs and exportable products; these figures are in U.S. \$ millions:

<u>Year</u>	<u>Die Values</u>	<u>Leases in \$000 U.S.</u>	<u>Exports in \$ U.S.</u>
1	\$ 0.5	\$.1	\$ 2.5
2	\$ 1.5	\$.3	\$ 5.0
3	\$ 3.0	\$.6	\$10.0


David Wechsler
27 August 1987



Arlite Plastics Company

914 North 18th Street, Omaha, Nebraska 68102-4417 • P.O. Box 649 Omaha, Nebraska 68101-0649
Phone: (402) 341-7300 • (800) 228-9545

May 15, 1987

Mr. David Wechsler
INTERNATIONAL COMMODITIES, INC.
U.S. Route 1, P.O. Box 205
Chadds Ford, PA 19317

RE: Y.P.O. Mission to
the Dominican Republic

Dear Dave,

First of all, I would like to thank you for the opportunity of taking the Y.P.O. trip to the Dominican Republic (D.R.). I found it to be an excellent trip and I feel that it was a very personally enriching experience.

The trip in most cases, exceeded the expectations I had. This was my first trip, and I was not sure of what to expect, but I feel that I have a much better understanding and feeling for the D.R. than I ever had previously. It was a well balanced trip because of the orientation we had as to the culture of the Dominicans as well as gaining knowledge of their economic and business situations, along with some personal encounters with their political leaders and understanding the political stability of their country.

It is difficult to tell, at this point in time, how beneficial this trip will be from a business standpoint, however, I believe that from a personal standpoint, it has been very beneficial in understanding the D.R. and getting a feel for the Latin American culture and for the surrounding countries.

The business that Arlite Plastics is in, is injection molding or manufacturing of plastic containers. This in itself, leans more towards automation and a lesser degree of high labor operations. Therefore, it is doubtful that I'll be able to set up an operation in one of these Latin American countries. However, we currently have a great deal of equipment that is surplussed to us because of changing styles or because machinery that becomes obsolete due to lack of productivity. I have done some investigating into some of these obsolete machines and molds, since my return from the D.R., and I believe that there is a use for these molds in other countries. I have had a personal visit from Mr. Armando J. Diaz, of TechniPlas, earlier this week, and I feel very encouraged that we will be able to transfer some of our present molds to the D.R., by selling or leasing them these molds on a royalty basis. This should be helpful to them, and also helps Arlite Plastics a great deal. After visiting with Armando, I believe that some business will be started within the next six months. I will let you know how it progresses.

Mr. David Wechsler
May 15, 1987
Page Two

During our trip, I felt extremely comfortable with the facilities we stayed in, and the people we worked with were most hospitable, very friendly, and seemed anxious to inform us of their country and their culture. I got the perception that the Dominican's are a very friendly people.

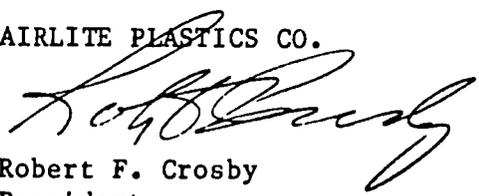
I think that our long term objective is to have a source where we can ship the molds, and where we can develop a similar business as to what we have in the states. We have a great deal of technology that we can not reveal to individuals in the states, but it would be quite ideal to help other countries develop, because it would be non-competitive to us, and would actually be additional business. This could be an ongoing and long-term relationship, because we build several dozen molds a year of different packaging items. I believe the potential outcome of this is good!

I would be most interested in additional missions, if, and when they come up. I find them very beneficial in many long-term ways and I am sure that there will be other various items that come up in the future that will even further benefit me from the trip I have taken to the D.R. If possible, however, on future missions, it would be more convenient for me if I had greater notice than the approximate one week I had for this mission.

Thank you again for the opportunity.

Sincerely,

AIRLITE PLASTICS CO.



Robert F. Crosby
President

RFC/skk

M E M O

TO: U.S.AID/YPO DOMINICAN REPUBLIC FILE

On 5 October 1987, spoke with Gerry Gitner of ATASCO of New York.

1. Gerry has been visited twice by consultants to the Dominican Republic with regard to working with the Airline Industry. He has also had discussions with legal counsel on possible transacting.
2. As of this date, the following prospects seem feasible:
 - a) Purchase of Aircraft from the Dominican Republic
\$ 3 - 4 million/year
 - b) Leasing Aircraft to the Dominican Republic
\$ 350,000 \$1 million/year
 - c) Maintenance work on Dominican Republic aircraft
\$ 100 - 300,000/year

David Wechsler
7 October 1987



DW/jb

ATASCO

U.S.A., INC.

EXHIBIT IXB

551 FIFTH AVE., NEW YORK, NY 10176

TEL. 212 949-7500 TELEX: WUI 662413

May 4, 1987

Our Ref: US/4338

Mr. David Wechsler
International Commodities
U.S. Route H1
Box 205
Chaddsford, PA 19317

Dear David,

Per your request, I have outlined below a response to your request for comments.

A. Did the mission meet my expectations? etc. In general, yes. Quite frankly, I did not know what to expect. I was impressed with the quality of the local people we met and with their cooperation. The attitude was clearly a "can-do" one. With the cultural/geographic differences, it becomes difficult for the locals to anticipate the needs of individual mission members. Considering the varied interests of the group, the local people did a reasonable job.

As far as any follow-on business is concerned time will tell. My discussions were good ones and I do hope that, if nothing else, the counsel provided to those in charge of the country's air transport were useful.

B. Follow-up: I'm in the process of doing that right now with the various officials as well as an independent air freight forwarder. If something happens I'll keep you posted.

As far as going on another mission is concerned, the answer is yes. Any developing country in need of a modern, efficient, safe air transport link with the outside world would be a candidate. This would include virtually any African country as well as countries in the Pacific Basin and Latin America. It could also include Communist Bloc Countries with an inclination toward entrepreneurship, such as Yugoslavia.

C. Improvements/Suggestions: A candid, constructive list follows.

1. Better coordination of time of visit with locals. (Holiday visit to D.R. hurt our efforts).

2. Use of name tags at functions might help ease conversations.

3. No spouses/companions was a good idea. It allows full time for local contacts.

ATASCO

U.S.A., INC.

4. Have the first day's briefings on local history and culture all in the same place to maximize the assimilation of the host country's culture.

5. Arrange with local YPO'ers etc. for a "welcome" package of country's products. It's usually free and provides a good indication of what the country is capable of. I've experienced this before and it answers a lot of questions.

6. I was quite pleased with how well the group got along not only with each other but with our hosts. I learned not only about the D.K. but how the U.S. government handles itself abroad. In addition, the businesses of my fellow YPO'ers were better understood as a result of hours of van-riding.

7. Expeditious handling of hotel check-in and check-out was attempted. I'm not sure we can do better but it's worth noting as an objective.

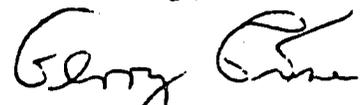
8. More time with the ambassador or his chargé d'affaires would have been helpful - split in two sessions. One on the first day and one prior to our exit from the country. This could include a concise articulation of the goals and objectives of the United States in the host country and a debriefing for the Embassy of the impressions gained during our visit.

9. A dinner/cocktail party hosted by a local personage. (paid by YPO/group if necessary). This would allow the meeting of local inhabitants on their ground in a more relaxed atmosphere than a hotel function room. The group could be split for this purpose if necessary.

10. In certain countries those YPO people on the mission who have specific expertise might address local groups, e.g. Dick Gwinn might have helped the local Dairy Industry by addressing a topic of interest to them and answered their questions. The local groups would be made aware of our presence and could extend invitations as they saw fit. We would simply provide the opportunity.

I appreciated the opportunity to participate and would be pleased to have such additional opportunities as may become available.

Sincerely,


Gerald L. Gitner



Kahn Lucas Lancaster inc.

112 WEST 34TH STREET, NEW YORK, N.Y. 10120 (212) 244-4500

August 10, 1987

Mr. David Wechsler
International Commodities, Inc.
U.S. Route #1, P.O. Box 205
Chadds Ford, PA 19317

Dear David:

Sorry it has taken so long to get this summary to you. However, this is our busiest time of the year, and I have been inundated with work and travel. As a matter of fact, the travel is directly related to the YPO Missions.

While I was unable to join you during the scheduled Mission to Costa Rica, I was able to follow you by one week. At this time we have entered into a significant contractual arrangement. We expect this to grow into a joint venture during 1988. Anticipated volume for the August/December time period of 1987 will be in excess of a million dollars.

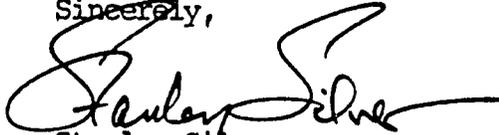
We have not yet progressed as far with the Dominican Republic, but it is not far behind. Substantial contacts have now been established, and we expect actual manufacturing to begin in the first quarter of 1988. Should all go well, we are looking forward to a joint venture during late 1988 or early 1989. First year volume is planned at three million dollars.

We anticipate, and are planning for, a five year period of sustained and fairly rapid growth for both countries.

Would like to specifically mention the real help and assistance provided by U.S.A.I.D. and the local development agencies. Their contribution was invaluable.

Best regards.

Sincerely,



Stanley Silver
President

SS/lg

AGRACEL, INC.
Investment Bankers

04 N. Fifth Street
P.O. Box 1107
Effingham, Illinois 62401

Area Code 217
342-4443

September 8, 1987

David Wechsler
International Commodities
U. S. Route #1
P. O. Box 205
Chaddsford, PA.
19317

Dear David:

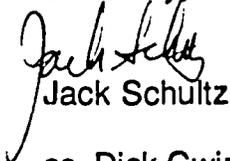
The mission to the Dominican Republic of May, 1987 has developed some very interesting possibilities for future business with that country. I am extremely hopeful that there will be some very profitable and useful new businesses which develop out of this trip.

Initially a fellow YPO member is to developing a business of helping to supply reconditioned road equipment to a local Dominican businessman as a result of our trip. It appears that this will develop into a million dollar plus business/year. Both businesses should prosper as a result.

I have initiated development of a plan to begin importing fruits and vegetables into the U. S. from the Dominican Republic into the midwest U. S. as a result of this trip. Several regional supermarket chains are very interested in pursuing this business as it could give them an edge against the large national chains which are already involved in this type of sourcing. We intend to begin with the importation of strawberries and later to expand into other fruits and vegetables. We feel that this business will begin with an importation of \$300,000 in 1988 and should grow to several million dollars in imports within a few years.

We are also exploring the possibility of purchasing and producing some of the above mentioned fruits and vegetables on land which we would purchase in the Dominican Republic. However this will depend upon the government of the Dominican Republic demonstrating that their agricultural policy will encourage the development and growth of private initiative in the ag production area. If we became convinced of this we would be looking to making a direct investment of from \$500,000 to \$1,500,000 into such a production site.

Sincerely,


Jack Schultz

cc Dick Gwinn

AGRACEL, INC.

Investment Bankers

104 N. Fifth Street
P.O. Box 1107
Effingham, Illinois 62401

Area Code 217
342-4443

May 18, 1987

David Wechsler
International Commodities
U. S. Route #1
P. O. Box 205
Chaddsford, PA.
19317

Dear David:

I very much enjoyed the recent YPO mission to the Dominican Republic. I was very impressed with the people, country, and economic potential. It appeared to me that the Dominican Republic is on the verge of a tremendous upsurge in economic activity.

The local coordination was for the most part superb. I was especially impressed with the assistance which the local USAID staff gave us. The Cinde and CPIE groups were also of great help. The one area in which I was disappointed was the attendance for the seminar which was coordinated by the Chamber of Commerce.

The trips were very useful for getting a flavor of the local economy and the scope of the country. The duty free zone in Santiago was particularly impressive in this respect.

In the long term I feel that I will be doing some business with the Dominican Republic as a result of this trip. This would involve the production and marketing of agricultural products which are exported to the U. S. I hope to return to the Dominican Republic within the next year to look into this more. The cultivation and export of strawberries looked particularly promising.

I am very interested in the continuation of the YPO/USAID missions and would be very interested in participating in future missions. Of particular interest is the Caribbean Basin and South America. In addition our company is looking at joint ventures for seed production in Turkey and Pakistan and I would be interested in missions to those two countries.

I feel that you did an excellent job of organizing this mission and would like to work with you in the future.

Sincerely,

Jack Schultz

cc Dick Gwinn

DIRECT SALES INTERNATIONAL
2550 Heritage Court
Suite 106
Atlanta, GA 30339

EXHIBIT IXE

May 22, 1987

Mr. David Weschler
International Commodities
US Route #1
PO Box 205
Chadds Ford, PA 19317

Dear David:

Enclosed are the requirements that you asked for on April 30. They are broken into Comments of the Week, Short/Medium/Long Term Follow-up, and Improvement/Suggestions.

A. Comments of the Week's Activities

1. Did the mission meet your expectations?

I felt that having been on the Kenya mission, I knew pretty much what to expect from this type of mission. I will tell you that I was pleasantly surprised. It far and away exceeded what I expected.

2. Were the activities beneficial to you/your business?

I believe we were able to engage a Date Processing Company to do business and am working with a fellow in the United States to invest in an orchid growing business in San Domingo.

3. What about the local cooperation/participation?

Again based on Kenya, I thought we had excellent cooperation and participation from all the US Aid people and the local entrepreneurial section. I was most impressed with our ability to meet people like our Ambassador, the President of the Senate of the Dominican Republic, as well as having the Vice President of the Dominican Republic attend one of our functions.

B. Short/Medium/Long Term Follow-up

Mr. David Weschler
May 22, 1987
Page 2

1. What specific projects might you follow-up in the short term?

Dollar scope and contacts would be helpful. My previous comments on the orchid business and the Data Processing will certainly take place under this category. I would guess the investment and total dollars could run as high as \$75,000.

2. What general business areas and/or professional development projects might you follow-up in the medium/long terms?

The orchid business would be the number one aspect for me.

3. Would you be interested in another YPO/US AID When? To what developing countries?

I would be very interested in another mission. I believe the mission we attend should be with total cooperation and respect and request of our local AID person or unit, as well as the initiative of the country.

C. Improvements/Suggestions

1. How might you improve upon the future YPO Economic Development Missions?

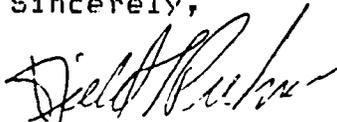
My feelings here are each man should be committed to Total involvement in the operation, not necessarily his own frame of business reference. I found the people on the two missions I attended were interested in talking and searching out information on American Business per say, as well as the business acumen that I individually had. The second thing that would be a prerequisite to a successful mission would be participation of the US AID Facility.

David, I think the organization that you lead, the potential for follow-up, the quality of the participation and the professionalism of the programs were exemplary. I couldn't be more pleased and I think through your leadership it makes me want even more to assist another YPO Aid Development Program.

Mr. David Weschler
May 22, 1987
Page 3

Thanks for allowing me to participate and I hope I was able to contribute to the extent you anticipated.

Sincerely,



Dick Frochnow

RLF/ss



Atlantic Ice and Refrigerated Warehouses, Inc.

4226 N. RENELLIE DRIVE • TAMPA, FLORIDA 33614 • TELEPHONE (813) 875-0207

May 22, 1987

TO: David Wechsler
FROM: Donald F. Sink
SUBJECT: Dominican Republic Mission

My visit gave me a better understanding of the Dominican Republic and I have a higher regard for the Dominican Republic than before I went. It was a broadening experience for me personally and gave me an excellent understanding of various business opportunities. Local cooperation was warm but not very helpful in contacting local businessmen in related businesses. Also I thought some were more interested in what was in it for them.

I am gathering specific information for road and farm equipment for Agrodelta. Other opportunities were limited not very interesting nor economical.

I would be most interested in future missions and suggest Chile, Ecuador, Trinidad and Argentina.

The mission seemed to be as well organized as possible and had about the right mix of work and rest. I also got a lot out of the exposure to other members of the team. I would suggest perhaps a time for mission wrap-up and would list the dress expected beside each event of the agenda.

DF

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 388-1701
TELEX 846279INTL COMM Cable: INTERCOM

MEMO TO: U.S.AID/YPO DOMINICAN REPUBLIC MISSION FILE

25 August 1987

Marv Walter reported the most current follow-up:

His company is prepared to send a team to the Dominican Republic to bring the slaughter house in La Vega up to meet USDA standards for certification. This process could cost up to \$50,000 in which Mr. Walter is ready to invest.

The results of this up-grade would be as follows:

(1.) Carriage House (U.S.A.) would export a 40,000 lb. container load of pork fat each month to La Vega. At 20 cents/lb., we are talking about \$400,000 of U.S. exports to Dominican Republic annually.

(2.) The slaughter house would mix the fat with lean Dominican Republic beef and produce high quality sausage. Carriage House would purchase the container full of sausage at about \$1/lb. or \$2 million of exports. Most would be marketed in the Miami marketplace.

(3.) Some of the high quality sausage could be marketed in the Dominican Republic as the Dominican Republic company saw fit.

Marv Walter feels that, once up and running, the growth would be at least 10% annually from this one facility. From his company's point of view, if another meat package plant were interested, he would be willing to help that up-grade and could import \$4 million of sausage into the United States.

In summary:

	<u>D.R. EXPORTS</u> (in \$ millions U.S.)	<u>D.R. IMPORTS</u> <u>from U.S.</u>	<u>U.S.</u> <u>DIRECT</u> <u>INVESTMENT</u>
YEAR 1	\$2.0	\$400,000	\$50,000
YEAR 2	2.2	440,000	-
YEAR 3	4.4*	880,000	50,000*

- 19 -
Schuler

COPY

MEMO TO: U.S.AID/YPO DOMINICAN REPUBLIC MISSION FILE

25 August 1987

Marv Walter reported the most current follow-up:

His company is prepared to send a team to the Dominican Republic to bring the slaughter house in La Vega up to meet USDA standards for certification. This process could cost up to \$50,000 in which Mr. Walter is ready to invest.

The results of this up-grade would be as follows:

(1.) Carriage House (U.S.A.) would export a 40,000 lb. container load of pork fat each month to La Vega. At 20 cents/lb., we are talking about \$400,000 of U.S. exports to Dominican Republic annually.

(2.) The slaughter house would mix the fat with lean Dominican Republic beef and produce high quality sausage. Carriage House would purchase the container full of sausage at about \$1/lb. or \$2 million of exports. Most would be marketed in the Miami marketplace.

(3.) Some of the high quality sausage could be marketed in the Dominican Republic as the Dominican Republic company saw fit.

Marv Walter feels that, once up and running, the growth would be at least 10% annually from this one facility. From his company's point of view, if another meat package plant were interested, he would be willing to help that up-grade and could import \$4 million of sausage into the United States.

In summary:

	<u>D.R. EXPORTS</u> (in \$ millions U.S.)	<u>D.R. IMPORTS</u> <u>from U.S.</u>	<u>U.S.</u> <u>DIRECT</u> <u>INVESTMENT</u>
YEAR 1	\$2.0	\$400,000	\$50,000
YEAR 2	2.2	440,000	-
YEAR 3	4.4*	880,000	50,000*

* Includes a 2nd slaughterhouse.

May 4, 1987

Mr. David Wechsler
International Commodities, Inc.
U.S. Route 1
P.O. Box 205
Chadds Ford, Pennsylvania 19317

Dear David:

This is to follow-up on your request for a trip report on the USAID/YPO mission to the Dominican Republic.

In general, I would say the mission was successful and met my expectations. There were several things that could have been changed or improved upon but this is normally the case. To try to cover a country in one week is a bit much to expect. The fact that the last day and a half of the week was considered a holiday also interfered with the enthusiasm of the locals as the trip wound down. I think their minds were preoccupied with taking some time off.

Most of the activities we got involved with were helpful and well planned. The Dominicans are a proud people and they certainly enjoyed showing us their businesses and country.

I am now following up with people in the meat processing business to see if a joint venture might be established. The major hold up on this project will be the ability of the DR. partner to become USDA certified. Until they can make the necessary improvements in their plant facility, nothing can move forward. In the meantime, we are working on plant layout, equipment and raw material availability and the DR. partner is planning a trip to the states to get better acquainted with us and our operations. If all goes well, there is a good possibility of fruitful developments.



CARRIAGE HOUSE

MEAT AND PROVISION
COMPANY, INCORPORATED

1131 DAYTON ROAD
P.O. BOX 711
AMES, IOWA 50010-6495
PHONE: 1-515-232-2273

TELEX: TWX9105201163

MEMBER OF



MARVIN J. WALTER
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NOEL JOHNSON
PLANT MANAGER
RESIDENCE PHONE 515-232-4819

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Mr. David Wechsler

-2-

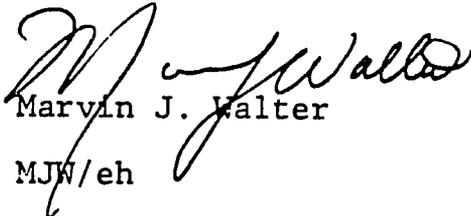
May 4, 1987

This is the third such mission I've made and I would say that I would be interested in another if the program is continued.

My suggestion for future trips would be that more information exchange and educational type seminars be presented as a part of the visit. The one we did hold in the D.R. was not properly promoted or attended by the Dominicans. We missed a good opportunity.

Sincerely,

Carriage House Meat & Provision Company, Inc.


Marvin J. Walter

MJW/eh

May 5, 1987

Mr. Ken Lanza
USAID
c/o American Embassy
P.O. Box 22201
Santo Domingo, Dominican Republic

Phone: 809-682-2171

Dear Ken:

Thanks for all the help you provided during the recent visit of our YPO team to the Dominican Republic. We found the experience very worthwhile.

As promised, I am enclosing copies of several follow up letters to contacts I made while there. I don't know what any of these might lead to, but be assured, if the Dominicans show any interest, or need any help, I'll be back in touch with them promptly. Thanks, again.

Sincerely,

Carriage House Meat & Provision Company, Inc.

Marvin J. Walter

MJW/eh

cc: David Wechsler

Enclosures



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May 5, 1987

Ing. Jose R. Roman
Edificio Delta
Avenue J. F. Kennedy
Santo Domingo, Dominican Republic

Telex - ITT 3460091 Delta
Phone - 809-567-6202

Dear Jose:

I enjoyed meeting and visiting with you at the nice gathering Jacinto held for our YPO mission recently.

Enclosed is a list of used packing house slaughtering and processing equipment we have available to sell at this time. If you or any of your colleagues have any interest in any of this, please let us know.

Also, if there is any other way we might assist you from the states, we will be glad to try. Our best to you.

Sincerely,

Carriage House Meat & Provision Company, Inc.

Marvin J. Walter

MJW/eh

Enclosure

b.c. David Wechsler
Ken Lanza



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May 5, 1987

Jacinto B. Peynado, President
Delta Commercial C Por A.
Ave. J.F. Kennedy
Santo Domingo
Dominican Republic

Phone: 809-565-4421
809-567-6202

Dear Jacinto:

I want to thank you for the tremendous hospitality you extended to me and the other YPO members who recently visited your country. You not only made sure your people helped us but you also made yourself available to assist in our every need. That was very much appreciated.

I'm sending your engineer, Ing. Jose R. Roman, a copy of a list of used meat packing house and processing equipment we have available. He wanted to see it. If you and your group have any ongoing interest in entering the meat processing business, we stand ready and willing to help you. Just let us know.

Best regards.

Sincerely,

Carriage House Meat & Provision Company, Inc.

Marvin J. Walter

MJW/eh

b.c. David Wechsler
Ken Lanza



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May 5, 1987

Pedro A. Rivera
Fabrica de Embutidos Induveca
Apartado 20310
Santo Domingo
Dominican Republic

Telex: 3460635
Phone: 809-596-3596

Dear Tony:

I enjoyed our meeting in Santo Domingo and discussions about joint business possibilities with our two respective companies.

As we traveled north to Puerto Plata we were able to stop in LaVega and visit your slaughter and processing facility. Ameilo Urena was kind enough to show me the pork fat you are now importing through B. Terfloth out of Canada. We have that same material to export from the States and I would suggest that you ask your buyer to send us a telex the next time you are in the market to purchase this material. We would like to make you an offer.

In walking through your plant, I can see that you will have to do a few small things before you can meet USDA certification. As soon as you have accomplished that, I think we could be in a position to move ahead on some of the matters we discussed.

I'm enclosing a listing of the used equipment we have for sale now and would appreciate hearing from you if you have any interest in any of this.

Thanks, again. Please let us hear from you and do plan to come to the States and Iowa to visit our facilities.

Sincerely,
Carriage House Meat & Provision Company, Inc.

Marvin J. Walter

MJW/eh
Enclosure

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b.c. ✓ David Wechsler
Ken Lanza



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MEMBER OF



MARVIN J. WALTER
PRESIDENT
RESIDENCE PHONE 515-282-8212

NOEL JOHNSON
PLANT MANAGER
RESIDENCE PHONE 515-232-4619

May 6, 1987

Mr. Kenneth Broder
Vice President
Ultrade
P.O. Box 223, Edificio Hache
Ave. J.F. Kennedy
Santo Domingo, Dominican Republic

Telex: ITT 3460261
Phone: 809-566-9118

Dear Ken:

I surely enjoyed meeting and visiting with you during the recent USAID/YPO mission trip to the Dominican Republic. Everyone we talked to seemed to agree that you were one of the "real" young lovers and shakers in the country. We congratulate you on what you have been able to create in Santo Domingo in such a short time.

Because you are not only in the food business, but also the import/export field, I want to stay in touch with you. If you see opportunities open in which we can do mutually beneficial business, please let me know. Our export company is particularly interested in the possibility of supplying your growing restaurant business with fine quality Iowa meats. There is no better and as your needs expand I would like to work with you. Please stay in touch.

Sincerely,

Carriage House Meat & Provision Company, Inc.

Marvin J. Walter

MJW/eh

P.S. Enclosed is the information I promised.

Enclosures



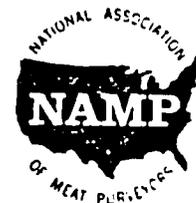
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Ken Lanza

INTERNATIONAL COMMODITIES, INC. Equipment & Materials

EXHIBIT IXH

U.S. Route 1 P.O. Box 205
Chadds Ford, Pennsylvania 19317 U.S.A.

Telephone: (215) 388-1701
TELEX 846279INTL COMM Cable: INTERCOM

TO: DOMINICAN REPUBLIC/U.S. AID FILE 6 JULY 1987
FROM: DAVID WECHSLER
SUBJECT: YPO/U.S. AID EVALUATION
26 APRIL - 1 MAY 1987

1. Business Fulfillment. From a corporate point of view, this mission was a success. Several joint venture opportunities were introduced with new doors opened to marketing opportunities in agricultural products. Most important, new contacts were made in the Dominican with businessmen and government officials. It was also rewarding to make contact with helpful agencies such as the Investment Promotion Center (IPC), an agency partially funded by U.S. AID. I am following up several of the joint venture/marketing opportunities.
2. Personal Rewards. This was a very enlightening visit with regard to the Dominican Republic. I received a tremendous appreciation of the various geographic regions of the Dominican Republic as well as the various crops being grown. It was most interesting to see the conversion of sugar cane lands to other crops, such as pineapples. The appreciation of the Tax Free Zones and the various products being manufactured in these zones was also of great benefit. It was enjoyable to meet so many Dominican business people as well as to be introduced to the infrastructures in both governments which are there to support business relationships.
3. Future Contracts. I anticipate manufacturing products in the Dominican Republic in the future as well as possibly importing agricultural products. Some of these projects could involve other YPO members who were along on this mission.

Sincerely yours,
INTERNATIONAL COMMODITIES, INC.


David Wechsler
President

DW/jb