



Market Chain
Enhancement
MarChE
Project

FINAL REPORT

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SECTION I. Introduction

Background

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The USAID/CNFA MarChE project was created to offer a new approach to the deep seated problems in Haiti. Within this broad initiative, Aid to Artisans was selected to transform Haitian artisan and creative industries into powerful catalysts for economic growth in Haiti, the Caribbean tourism sector, and by creating synergies with the agricultural and tourism components of MarChE.

The MarChE program marked a new direction in the ATA/USAID strategy for the handcraft industry: the emphasis was on training trainers in skills needed for building local capacity and creating linkages between local producers and regional and international buyers, streamlining production procedures, securing raw materials aimed at significantly improved eco-effectiveness, increasing production efficiencies, improving costing and pricing, but also finding fair and competent intermediaries for export to the global marketplace.

A. Summary

The first quarter was dedicated to -assembling the ATA MarChE team with utmost speed, resolving contract related issues, clarifying USAID/CNFA procedural requirements and immediately embarking on a Year 1 work plan, active research and interviews for Value Chain Assessment, selection of partners, as well as an ambitious international Marketing Plan with immediate start-up.

During the second quarter, through its subcontractor ATA, MarChE executed a broad number of structured program units aimed at strengthening and transforming craft enterprises into sustainable private enterprises.

The 5-day **ATA Market Readiness Program** was accomplished during January 2009, with 3 Haitian participants successfully completing the training. As a result, two participants, Cassandre Mehu and Regine Fabius, formed a design company, working with youth and street children, potentially partnering with IDEJEN. One participant, Martine Blanchard of IRPAH, who entered MarChE as an NGO that developed into an SME, has, since the training, rented a showroom location and created product displays featuring collections of member artisans.

At the **New York International Gift Fair**, ATA included Haitian product in their display and actively marketed these products to international buyers. Despite the dismal economic climate, \$1,500 were registered in direct test sales, written directly to participating SMEs but more importantly, broad buyer interest was generated by officially putting Haitian craft products back on the map. Based on past experience, \$10k can be expected during a typical sales cycle, based on a 30-50% expected conversion rate.

Through Haitian SME Kay Atizan, Haitian products were successfully displayed at “Ambiente” (the largest international gift show with a volume section for exporters, held in Frankfurt,

Germany, in February). The reaction was renewed interest in Caribbean and South American craft, a noticeable turn away from the African and Asian products so popular in recent seasons. Twenty buyers expressed active interest with follow up required. Sales and attendance at winter shows were down 10-30% from 2008; sales outlook for 2009 was pessimistic. There was room for Haitian craft, but with tight profit margins, excellent products, and good customer service.

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An ATA initial “Product Development Trend Report” was produced by overall design strategy consultant, Carol Campbell, resulting in 4 initial product groups identified within the craft value chain: metal, “papier mache”, baskets, and stone. This report was produced to give overall direction to Frederic Alcantara for his first PD trip, and to be used by Haitian designers and SMEs.

Using information from the initial product development report together with his own design concepts, international consultant, Frederic Alcantara, executed the first “In-Country Product Development Effort” under MarChE. During this two week stay in February, greatly needed design input and training was provided to SME’s (Kay Atizan and Carribean Craft) and craft organizations (ADAAC and stone carvers from Leogane); product lines were produced; finished samples were purchased by ATA officers Mary Cockram and Monika Steinberger during their March visit and transported back to the US; SME’s and craft organizations successfully produced pricing and product specs, which were used by ATA Marketing for product sheets and catalogue for international, including Caribbean, marketing.

During March, Haitian products were photographed and categorized for multiple marketing applications, including on-line Web marketing by SMEs such as Kay Atizan, ATA, Resortful Arts, Caribbean hotels and U.S. buyers.

In line with June deadline, the Handcraft Value Chain Assessment with focus on “Home Accessories” was developed.

Photographs and product information were for future use in catalogue and website.

The first three buyer visits were executed:

- January 14-23, 2009 by Druce Biggerstaff, Sr. Buyer of Greater Goods Network/the Hunger Site. This important buyer bought Haitian product in an effort to expand her collection. She also initiated the papier mache jewelry component project aimed at Gheskio in Siguenau and Cerca la Source
- January 14-23, 2009 by Stacey Edwards from Global Girlfriend who placed orders with 3 women’s groups.
- week of March 23: a senior buyer from Bamboula, a US craft retailer, visited Haiti at their request.

Mary Cockram, Sr. Director, and Monika Steinberger, Sr. Manager, visited Haiti from March 11-20. Essential work was accomplished in overall craft strategy, collaboration with the CNFA team, conferences with USAID resulting in mutual understanding of activities and goals, and continuing identification of craft SME’s and organizations that will partner with ATA within MarChE.

SECTION II. Results/ achievements

A. Administrative

ATA/CNFA Subcontract was revised and signed. Team members were confirmed, consultant agreements signed and responsibilities assigned. Financial reporting issues were discussed and resolved, new partners selected and documented. After many delays, ATA re-contacted and documented program clients and design experts.

The MarChE program marked a new direction in the ATA/USAID strategy for the handcraft industry: the emphasis was on training trainers in skills needed for building local capacity and creating linkages between local producers and regional and international buyers, streamlining production procedures, securing raw materials aimed at significantly improved eco-effectiveness, increasing production efficiencies, improving costing and pricing, but also finding fair and competent intermediaries for export to the global marketplace.

During the 3rd quarter, ATA initiated a request for a much needed addition of a staff member for ATA in Haiti. This proposed Project Coordinator was recruited within Haiti and was able to assist and carry out the numerous activities planned, but awaiting implementation due to lack of personnel

At the end of the 4th quarter in Year 2, ATA received notification from CNFA that the craft sector within MarChE was to be discontinued immediately. Upon the submission of a marketing and training exit budget, the cut-off date was extended to December 31, 2009. This news arrived at a time when the project, after a steady increase of interventions from month to month, had moved into an extraordinary fast pace. At the time, there were a total of 6 international consultants in country, in addition to one consultant in the Caribbean, and 2 consultants working in the US on product design that was planned to be implemented through in-country workshops in November.

B. Technical

The first quarter was dedicated to re-assembling the ATA MarChE team with utmost speed, resolving contract related issues, clarifying USAID/CNFA procedural requirements and immediately embarking on Year 1 work plan, active research and interviews for Value Chain

Assessment, selection of partners, as well as an ambitious international Marketing Plan with immediate start-up.

Page | 4 USAID training and visa procedures successfully completed for 3 Haitian participants to attend NY International Gift Fair and ATA Market Readiness Program 1/24-29. Other procedural issues, such as USAID travel approval requirements for international buyer visit Jan 14-23, were resolved. Documentation and reimbursement procedures were clarified.

During the second quarter, through its subcontractor ATA, MarChE executed a broad number of structured program units aimed at strengthening and transforming craft enterprises into sustainable private enterprises.

During the 3rd quarter, the Haiti Handcraft Value Chain Assistance Plan and revised budget were submitted. Comments from USAID were received and incorporated in the final report accordingly.

Organization of a stakeholder meeting was initiated during the quarter, with costing and logistics obtained from Haitian facilitator Jean-Claude Ulrick. Participants lists were developed. Due to scheduling conflicts of major stakeholders this meeting had to be postponed until July 29.

A number of activities aimed at strengthening and transforming craft businesses into sustainable private enterprises were implemented during the quarter:

A 35 day product development trip was completed by international designer, Frederic Alcantara, from April 21 to May 25. The goal of this project was to finalize the new design and development efforts started during the first PD trip in January 2009, particularly the custom designs developed with specific US buyers, among them Ochre, Vagabond Vintage, Ten Thousand Villages and Serrv. The beneficiaries of this effort were the SMEs and micro enterprises identified in our producer strategy – stone carvers in Leogane, metal artisans in Croix des Bouquets, and basket artisans in LaVallee and Port Salut – in the 4 product categories defined in our strategy, namely stone, metal, baskets and papier mache. By linking artisans to buyers during the PD process, 2 US retailers – Ochre and Vagabond Vintage were placing orders directly as a result of the PD effort. During his trip, Frederic also assisted Moro Baruk in his first consultancy, as well as Cassandre Mehu and Regine Fabius during their work in Jacmel. In addition, products developed were featured at the New York International Gift Fair in August

Moro Baruk, craft designer and business owner in Jacmel, completed his first PD consultancy under MarChE, training women embroiderers in Camp Perrin to produce more marketable designs for the local market, particularly Labadie buyers. In addition to the 23 women benefitting through the workshop, the training also increased Moro's own training skills. He took on greater responsibility as the project progressed with the goal of creating a sustainable Haitian PD and business training provider sector to last beyond the duration of the project. Moro submitted a grant proposal for a design and business development service business, and efforts are progressed to shape his proposal into a more practical concept that could work within MarChE.

Linkages with partners were initiated during the quarter. In the South, project partner CBC reached out to ATA for participation in an artisan and buyer fair in Jacmel. This event was organized by CBC as an observance of the May 1 holiday including invitations, transportation and accommodation for Labadie buyers to the Jacmel artisan fair. Linkages with agriculture partner ORE were utilized by having 2 Haitian designers Cassandre Mehu and Regine Fabius design and order a portable display structure to serve both, agricultural and craft display during the event and beyond. Cassandre and Regine completed an additional consultancy working with artisans in upgrading their product display and merchandising. A total of 4 male and 9 female artisans benefitted from the effort.

From June 7 – 13, international designers Marla Weinhoff and Meghan Duran conducted a store display upgrade project, including one seminar held for 8 participants: Margaret Graham of Galata, Esther Lafontant of Haiti Souvenir (Airport Store), Simone Ambroise of Kay Atizan, Dominique Blain of Fanal, Ruth Goldman of MenNou, Martine Blanchard of IRPAH, Cassandre and Regine of Raco Deco. Three actual upgrades were implemented at Kay Atizan, Haiti Souvenir and Men Nou. A PowerPoint presentation on store display based on the content of the seminar has been produced for continued use. Before and after photos have been posted on the consultants' website and can be circulated for additional learning. Effects on sales will be followed through periodic interviews with participants, and the first monitoring visit will be conducted by ATA manager Alden Smith during his upcoming trip to Haiti.

A Caribbean Marketing Outreach trip by Karla Hostetler took place from April 10-22 under the Source project funded by the Organization of American States. The first part of a catalogue with Haitian craft product was produced for this trip by MarChE. Hotel buyers showed interest in the concept, particularly in Antigua. The severe downturn in Caribbean tourism during this worldwide recession will demand more aggressive measures to jumpstart Haitian craft products into Caribbean marketing channels. A possible Grant proposal or PPA with a Caribbean Hotel Association and a Haitian producer such as Caribbean Craft to produce an initial inventory for hotel gift stores on consignment was proposed.

For Caribbean Marketing a comprehensive catalogue of Haitian craft products specifically for the Caribbean hotel market was produced. Alden Smith, ATA Marketing Specialist, spearheaded this project with the majority of the products identified, visuals produced and pricelists in the process finalized.

Buyer visits that took place during the 2nd quarter started to show sales results during the 3rd quarter:

Charity USA placed orders with Caribbean Craft and RARA Bags for a total of \$9,230. This organization urgently awaited the Siguenau/Cerca LaSource Papier Mache Jewelry Project scheduled for July and August. The Hungersite/Charity USA was prepared to purchase all production resulting from this undertaking. The project benefitted about 20 women in Siguenau and about 60 women in Cerca LaSource. The exact number of beneficiaries was confirmed later..

MAC Component: ATA volunteer Marjori Bergman completed a value chain study of the Haitian music sector. Her findings confirmed the great fragmentation and lack of legislative support for this industry in Haiti, making it extremely difficult for individual musicians to benefit from their art. Efforts to find ways to support this sector continued, but with focus on cooperation with the MarChE tourism sector and local festivals and music related events. Anne Pressoir identified Haitian music specialist Pascale Jaunet for potential collaboration on music festivals in Miami and a potential economic impact study.

A number of grant proposals and PPA concepts were received and were revised or further developed:

Grant Proposals / PPAs being developed by participants during 3rd quarter		
Participants	Business Proposal	Status
Cassandre Mehu and Regine Fabius	Formation of a design company	submitted concept paper, worked on design project with IDEJEN, concept paper was revised in collaboration with Alden Smith
Moro Baruk	Moro Baruk for a design services business serving all of Haiti	Proposal was revised in partnership with CBC
ADAAC/Africamerica	Website for ADAAC through Africamerica	Africamerica issued PPA
FOSAJ/Individual Craft Retailer	Individual website PPA for all interested craft businesses for future linkage into craft network	Website, branding and marketing effort were planned in collaboration with international and Haitian consultants
Antigua Hotel Association/Caribbean Craft	Produce initial inventory on consignment	needs were negotiated with Caribbean Craft
Martine Blanchard/IRPAH	Transformation of Artisanat en Fete into true trade show	Grant proposal was further developed during Alden Smith's visit
DEED DAI FASN	PPA for bamboo furniture in Marmalade	developed by Anne Pressoir

Beneficiaries reached during 3rd quarter project activities:

3rd Quarter - Persons benefitted		
Project:	Men	Women
Training in Camp Perrin	1	23

Booth decor in Jacmel	4	9
Chechelavi order for Charity USA		16
rara bags order for Charity		12
Melange order for Charity		6
Training for Store display		8
Basket design in Port Salut	25	5
Basket design in La Vallee	10	1
Design in Caribbean craft	18	25
Design with stone in Leogane	15	
Design for Metal	1	
Design for Siguenuconsultant	1	

Sales for a total of \$14,081.80 recorded during the 3rd quarter, based on buyer visits and other project activities:

3rd Quarter Sales					
Project	Local sales in US\$	Regional export (at FOB)	US export	Europe Export	Other export
Melange			\$750		
Chechelavi			\$300		
Rara bags			\$2083.00		
Rara bags			\$2083.00		
Rara bags			\$2589.30		
Caribbean craft			\$1425.00		
Canvas			\$1151.50		
Vagabond			\$3700		

a. Program Management:

An exit budget was submitted to CNFA for Training and Marketing intervention. A budget of \$543,000 to be spent until December 31, 2009, was approved by CNFA.

The following planned activities were canceled, due to cessation of handcraft by December 31:

ATA - Haiti MarChE - Planned interventions that were canceled due to termination of craft sector of MarChE
E-Commerce and Miami distribution center assessment was canceled – the strategy for Haitian

retailers to join into an e-commerce channel via a potential Miami warehouse was unanimously supported at the July stakeholder meeting
Website strategy to lead into the path of joint Haitian craft portal has been strongly curtailed. The strategy until year end has been modified into creating individual websites for 10 companies. Consultant Jennifer Hill was no longer available. Haitian company “Solutions” was hired to implement individual websites
Howard Peller 2 nd basketry consultancy with Haitian producer groups was canceled
Linkage of Haitian basket artisan SME’s with the Whole Foods US retail chain was canceled
Hire of Haitian assistant to Anne Pressoir, Chantale Lamarre was canceled. The high number of ongoing interventions needed significant additional administrative support. Chantale’s training in Hartford the beginning of November was canceled
Haitian Design Collaborative was canceled. In an effort to support the Haitian handcraft value chain at all levels, the creation of a collaborative of world class Haitian designers able to compete in the international arena was initiated. As this idea was enthusiastically supported by our Haitian partners during Carol Campbell’s PD trip in September, the effort was begun with internationally known designer Philippe Dodard and with architect Cassandre Mehu
Export training workshop was canceled for a group of about 20 participants during November, originally designed to be repeated for others throughout the coming project year
Participation in Noel Tropical Fair in Paris Dec 18-20, supported by Wyclef Jean, was canceled. There was great enthusiasm among all partners, as this fair represented a great opportunity for direct sales and for potentially strengthening contacts with the European wholesale buyers that was begun at Ambiente in February. Negotiations for discounted booth space were cancelled
Training of additional Haitian trainers, Nothude Tilus of Camp Perrin and Gabard Dolcine, at Market Readiness Training at New York International Gift Fair in January 2010 was cancelled
Madame Sara training at Femmes en Democratie event was cancelled
Music Value Chain Study with Pascale Jaunay of Caricoli was halted at mid-point
Collaboration with Tourism on media tour and buyers to LaCitadelle was canceled
Collaboration with Croix des Bouquets on October event was canceled
In-country seed jewelry workshop for artisans in Milot with Gretchen Wilson was canceled and transformed into a US design project to be used by Milot artisans independently
Horn jewelry workshop with designs produced by Patti Carpenter was canceled and transformed into a US design project to be used by Kay Atizan independently
Recycled materials strategy by Carol Campbell in collaboration with designer Mimi Robinson was canceled. Some designs specifically using re-cycled materials were contained in Gretchen Wilson’s workplan
Brochure for Centre d’Art, possibly in collaboration with Tourism to make the Centre a stop on the tourist circuit, was canceled
Participation in the Vodou Experience in New Orleans by Kay Atizan and Caribbean Craft, for the purpose of direct sales, was longtime committed but was canceled
Participation in NYIGF in January 2010 was canceled

The marketing and training budgets for ATA MarChE handcraft exit strategy still covered a significant number of interventions planned during project year 1 that were ready for implementation. However, they had to be significantly compacted to fit into the short time frame until the end of the project:

52 compacted interventions implemented by Program Management team in Connecticut and Haiti during 1st Quarter Project Year 2

Training for Labadee vendors: 271 vendors were trained by Haitian trainers in eleven 2-day training events within a very short 3 months timeframe. Significant work in planning and execution had preceded this successful effort

Training for Milot: 31 persons trained

Colvin English training supervision consultancy completed

Artisanat en Fete transformed into a major trade fair in the Caribbean region. This event took place with strong cooperation by the press. 200 artisans exhibited at this fair and 12 Caribbean and US buyers attended.

Femmes en Democratie craft fair took place with cooperation by MarChE for publicity. 5 buyers from the US and Caribbean attended the fair, placing significant orders and starting or re-energizing important business relationships with Haitian SMEs

18 buyer visits from US and Caribbean buyers visited Artisanat en Fete and Femme en Democratie fair. Orders in the amount of \$97,897 were placed at the time of this writing, with others in the works

Caribbean Marketing initiative propelled by Karla Hostetler with 6 Caribbean buyers visiting Artisanat en Fete and 3 Caribbean buyers visiting Femmes en Democratie

IRPAH catalogue was pushed towards completion, listing 200 artisans, with profiles of most prominent artisans and an abundance of photographs. This catalogue represented the most comprehensive publication on Haitian artisan businesses to-date.

Lori Grey consultancy completed for product selection for US stimulus sample project. Linkage between Haitian producers and important US clients was initiated.

Carol Campbell strategic product wrap-up including recommendations to Haitian partners was completed

Mini craft fair in Cormier for Labadee vendors was implemented, prior to Dec 3 arrival of the Oasis of the Seas cruiseship

Caribbean and US stimulus sample project was initiated, enabling Haitian entrepreneurs, Kay Atizan, and Caribbean Craft to offer US retailers and Caribbean hotels, that have been hesitant to put Haitian crafts into their product line, an ingenious sample package matched by their order within the year. This intervention achieved the goal of having Kay Atizan and Caribbean Craft carry on independently in developing the trade relationship with Caribbean hotel buyers beyond the duration of the project.

The Howard Peller Basketry consultancy represented a big part of our strategy, focusing on packaging for tourism and development of a product for the Whole Foods chain. The resulting report is a thorough state of the art Haiti basketry study. His planned second consultancy was canceled, therefore compromising the planned linkage with Whole Foods

Howard Peller basketry study was edited and prepared for publication on ATA website and other internet locations. Spiral bound hard copy of report were available upon request.

The Moro Baruk consultancy in Sigueneau was completed with a second trip. An additional buyer trip for Druce Biggerstaff of Charity USA, the initiator of this project, took place, increasing the linkage of the two market actors for future collaboration
Moro's second consultancy in Camp Perrin was carried out successfully with a group of women textile artisans, resulting in the production of excellent craft items, among them some very marketable dolls, aimed at the tourism market.
The Patti Carpenter horn consultancy resulted in very saleable new designs for Kay Atizan
The Gretchen Wilson jewelry design consultancy provided innovative designs to Milot, using a wide variety of available materials beyond the usual local seeds, such as fish scales
The website project was modified into 8-10 individual websites with formats easily adaptable by companies themselves. Three Haitian graphic design firms had been interviewed, and solutions were selected as the most appropriate for this project
9-10 websites implemented: www.melangearome.com www.indepco.org.ht www.irpah.com www.kimajcreations.com under construction as of this writing : www.kayatizan.net www.adase.com.ht www.adaac.net www.solutions.ht/demo/syriusdesigns www.solutions.ht/demo/Einsteinalbert
Product photography training for websites conducted by Haitian photographer Roberto Stephenson
Promotional brochure and postcards of Haitian product by international design consultant Gail Solomon completed and made available to Haitian partners

b. Marketing:

From October 15-19, 2009, **Artisanat en Fête**, organized by MRP graduate Martine Blanchard of IRPAH:

- 200 artisans exhibited at Artisanat en Fête, held at the Historic Sugar Cane Park from October 15-19
- 30 of these artisan businesses had participated in the MRP held in Port-au-Prince September 28-29, providing training in merchandising, display and product selection
- Marketing collateral geared towards wholesale buyers was produced by Martine and her partner Le Nouvelliste, with support from MarChE.
- A catalogue and directory containing contact information of all 200 artisan businesses participating in the fair was produced

- 13 US and Caribbean buyers were recruited by Alden Smith, ATA marketing specialist, and by Karla Hostetler, Caribbean marketing specialist, to participate in Artisanat en Fête:
 - ✓ Christa Cooper and Janet Philipps of Jamaica
 - ✓ Iris DeBrito e Cunha and Alexandre DeBrito e Cunha of Elite Resorts Antigua
 - ✓ Kim Van Loo of St. Maarten, for the 12 Shipwreck Stores
 - ✓ Lyanne Beaujon of DeWitt stores in Aruba
 - ✓ Phil Smith of One World Project
 - ✓ Sue Edmonds and Cara Barnes of Melange
 - ✓ Jonathan Williams of Tesoros
 - ✓ Tim Kunin and Druce Biggerstaff of Charity USA
 - ✓ Carol Ann Taylor of Miami Airport Stores
- Sales of \$81,442 were placed by buyers at the time of this writing
- The purpose of the intervention was to establish the Artisanat en Fête trade fair as an annual destination for buyers, and bring in key buyers who have the scale to bring major purchasing to Haiti. Elite Island Resorts reported after their trip that they planned to purchase \$5,000 per hotel (and they have 4 hotels) and to reorder at that level 3 times during the coming year. Sandals worked on obtaining vendor approval but expected to order \$30,000 over the coming year. Shipwreck Shops doubled its purchasing in the country, expanded to new vendors, and worked at the container level when the samples sold.

From November 15-18, the prestigious **Femmes en Democratie** craft fair took place at the Karibe hotel, in collaboration with **Danielle St. Lot of CBC**

- In order to include all market actors from different levels of the handcraft value chain into MarChE, special attention was to be given to **Madame Saras** at that fair. The scheduled training event in merchandising, product development and marketing had to be canceled due to the long delay of getting exit budget approved
- 5 buyers attended the fair, resulting in the initiation and implementation of innovative US and Caribbean stimulus sample packages:
 - ✓ Pam Poitier and Donna Kayser of Cat Island
 - ✓ Gloria Delaney of Dwellings
 - ✓ Paola Francone of Harmony Hall in Antigua
 - ✓ Anthony Fisher of Indigo Arts in Philadelphia

Lori Grey, US Marketing Consultant, spent one week in Haiti concluding the ATA marketing effort by selecting best product to place into the hands of US buyers for business to continue sustainably with Haitian craft SMEs

Carol Campbell, chief marketing strategist for ATA who had devised a dynamic strategy for the Haitian handcraft sector for project year 1, wrapped up the project with a PD summary, sales analysis, and a set of PD recommendations for all partners.

Gretchen Wilson completed a product development and design project specifically geared to the artisans in Milot using seeds from the region and other innovative and available raw materials

such as fish scales for jewelry for tourists. An in-country workshop could not take place due to time constraints.

Patti Carpenter completed a design consultancy, developing innovative handcraft product from horn for Kay Atizan. An in-country workshop could not take place due to time constraints.

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Howard Peller completed his basketry consultancy, resulting in numerous innovative samples produced by Haitian participants, and a 175 page report that can be considered a state-of-the-art basketry manual for Haiti:

- selected as a renowned expert in basketry, Howard Peller was engaged for a 6 weeks consultancy, with the goal of putting Haiti back into the basketry market. This basket initiative was initiated by Anne Pressoir, based on her observations on a change in baskets from China that may return Haitian baskets to being competitive, and provide an opportunity for Haiti to re-enter the world market in this product category
- This basketry consultancy took on greater urgency during the August NYIGF, as Evan Goldsmith, President of Hope for Women, expressed interest in pushing a Haitian basketry packaging program with both, the Aveda and the Whole Foods chains of stores. Meetings took place to introduce the concept, and a sample basket design had been submitted. This same scenario has taken place in another ATA project in Colombia, and based on that experience there exists a very realistic opportunity for hundreds of thousands of baskets and steady income for participating artisans for many years.
- In collaboration with DAI/DEED, Howard Peller held workshops in Marmelade, developing baskets and some utilitarian products for the home. Logistics such as local transport, food and organization of workshops were managed by DAI/DEED, with the intention of expanding this initiative into a potentially broader PPA in 2010, when the DAI/DEED budget would allow for greater financial participation. Much research on available tools and existing skills had been conducted by Howard, with an array of tools and materials brought into the workshop, for easy copying of the process and sustainability beyond the duration of the workshop.
- Howard Peller's report was posted on the ATA website as a state-of-the-art reference for basketry in Haiti.

Moro Baruk completed his consultancy on papier mache jewelry components production in Sigueneau. Druce Biggerstaff, the buyer who originated this project during her buyer trip in second quarter of project year 1, returned to Haiti to see progress on her project and work towards orders

His 3rd quarter design workshop with Camp Perrin women resulted in the successful development of fragrant textile sachets filled with vetiver for the tourist market. Based on request by ORE to continue development of this effective linkage of craft and agriculture, a second workshop was completed during December, resulting in very saleable textile items, such as dolls, ideal for the tourist market.

Web site design for individual artisan SMEs has emerged as one of the strongest needs to make SMEs viable in the global marketplace. From the Haitian companies interviewed, Innerdesign,

Solutions, IT Telecom and Graphzone and based on proposals received, Haitian IT and design company **Solutions** was selected to carry out website strategy Phase I.

- An inquiry, geared to creating a website strategy that all SMEs can follow by easy steps to customize the shared template with their own product and company information, was carried out by Solutions
- the following websites were created with others in discussion with Solutions:
 - ✓ www.melangearome.com
 - ✓ www.indepco.org.ht
 - ✓ www.irpah.com
 - ✓ www.kimajcreations.com
 - ✓ www.kayatizan.net
 - ✓ www.adase.com.ht
 - ✓ www.adaac.net
 - ✓ www.solutions.ht/demo/syriusdesigns
 - ✓ www.solutions.ht/demo/Einsteinalbert
- website strategy was planned to eventually result in a joint craft portal, a goal that will not be reached due to cessation of the handcraft sector of MarChE by end of 2009

Alden Smith, ATA Marketing Specialist and daily US link to the most promising Haitian exporters, Kay Atizan and Caribbean Craft, was available as advisor and facilitator for all orders received by these and other firms from the project.

One of the greatest challenges for our Haitian partner Caribbean Craft was the theft of the container load of papier mache animal heads and other products for international retail chain Anthropologie. Caribbean Craft succeeded in re-producing the entire order and shipping it to the client in time for the holiday selling season.

During December, Joel Dresse of Caribbean Craft informed us of the following re-orders from Anthropologie, for a total of about \$21,300:

<p>From: Joel Dresse [mailto:jdresse@gmail.com] Sent: Tuesday, December 22, 2009 4:27 PM To: Alden Smith Cc: Anne Pressoir Subject: Re: Giraffe heads on Anthropologie website - see link</p>
<p>Yes we saw it. In fact the buyer made us aware that the heads were starting to sell when she sent a re-order of 250 heads to be sent ASAP. Which left last week. And yesterday we got another reorder for February of 400 heads. If these numbers could help persuade Washington to resume the handicrafts program in Haiti it would be great!</p>
<p>It is good news indeed. The total of their order is 4000+58500+5800(UK) +5000+8500+2000(for March delivery)= 83800.</p>

Karla Hostetler has been implementing the Haiti MarChE **Caribbean Marketing Strategy**, including the **Caribbean trade stimulus sample program**

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The Caribbean trade stimulus package was designed to encourage new market linkages between Haitian businesses and Caribbean buyers. The program was offered to support trade relationships which, with modest initial investment, can evolve over time to achieve significant impact. Implemented during the close-out phase of MrChE's handcraft component, the package had the following additional objectives:

- To encourage initial test purchasing by buyers with a significant interest in Haiti but who for one reason or another are reluctant to “take the leap” and place an order.
- To encourage purchasing of products buyers may not be confident in purchasing to test them in the market place during the 2009/2010 Caribbean tourism season.
- To encourage cooperation between buyers on a single island which can eventually lead to scale of collective purchasing that generates economies of scale needed to make purchasing from Haiti more viable, leading to significant trade growth.
- To encourage the Haitian business Kay Atizan's growth as an exporter and expeditor of crafts, willing and able to open up market opportunities for many small-scale producers who otherwise are unable to participate in export opportunities.
- To raise the profile of Haiti in the Caribbean resort and gift shop market as a reliable and vibrant source of arts and craft production.

The Trade Stimulus opportunity was offered to buyers in Aruba, the Bahamas, Nevis, Antigua, and to the manager of four stores in the Miami Airport. Buyers in the Bahamas, Nevis, Antigua, and Miami responded, resulting in the creation of market ties for Haitian suppliers in these four key market regions. Buyers committed, with the help of the Trade Stimulus package, to the following strategies:

Miami

Miami Airport Stores: The owner of Miami To Go and Little Havana to Go operates three stores in the Miami International Airport with a fourth store opening up this winter. She purchased samples of Haitian products during a buying trip to Haiti in October 2009. However, she had yet to place a follow-up order as MarChE's craft component was closing, having been caught up in other priorities as she waited for the fourth store to be completed. The Trade Stimulus program provided the impetus this key buyer needed to commit to a minimum of \$800 with an equal match from MarChE. This progress “closed a sale” that had been stalled and established Kay Atizan and its network of artisans as a production source for this buyer as she expanded, paving the way for future orders.

Nevis:

Caribco: Caribco is a gift shop in the main downtown area on Nevis which has in the past sampled products from Haiti to differentiate itself from competing shops. However, the owner from Caribco had not ordered from Haiti in several seasons. Caribco's open-to-buy this past season was also extremely limited due to the poor economy last season and the extended closure of The Four Seasons hotel on Nevis, upon whom the Nevis tourism economy largely depends, and the owner did not plan to purchase from Haiti. The Trade Stimulus program encouraged her to purchase \$350 in products for the 2009/2010 tourist season, matched by \$350 in products from Marche, enabling Haitian artisans to reestablish Caribco as a trade partner in time for the 2009/2010 season (and the reopening of The Four Seasons).

Cat Island, Bahamas:

The buyer for Fernandez Bay Hotel and Gift Shop in Cat Island the Bahamas, and a buyer for three other hotels on Cat Island traveled to Haiti to meet with artisans and sampled a small collection of test products in November. New to importing, they were both impressed but also overwhelmed by the selection of product they saw in Haiti and unsure of how to move forward. Trade Stimulus motivated both to commit to initial orders, matched by an equal amount by MarChE. The goal of these two buyers was to establish a network of hotels and shops in the Bahamas interested in working with Haitian suppliers and to create a business to facilitate this process, establishing Cat Island and surrounding islands as a regular trading partner for Haitian artisans.

Antigua:

Four businesses in Antigua were collaborating through Kay Atizan and Caribbean Craft to establish Antigua as a significant trading partner for Haiti. These businesses included Harmony Hall Hotel and Art Gallery, the Antigua Yacht Club Marina Resort, Resortful Arts, and Elite Island Resorts group.

Harmony Hall, Resortful Arts, and the Antigua Yacht Club Marina Resort have collectively requested Kay Atizan to provide \$4,500 worth of matched products and services to launch a series of linked initiatives which are being co-financed collaboratively by these businesses.

These initiatives included:

- Showcasing and testing Haitian handcrafts in the Harmony Hall gift shop.
- Creating an exhibition of Haitian fine art in the Harmony Hall art gallery in 2010.
- Opening a retail sales space in the Antigua Yacht Club Marina complex that will showcase Haitian art and craft in a major yacht basin.
- Developing a successful model for a Haitian fine art show with gift shop merchandising that can be shared with prominent galleries on other islands.

These businesses have also arranged through Kay Atizan and Caribbean Crafts to share shipping of products from Haiti to Antigua with Elite Island Resorts (another Antiguan business which had already placed a substantial order), reducing shipping costs for that business and paving the way for future collaboration as business grows.

Summary of Caribbean Trade Stimulus:

The Trade Stimulus Program in the Caribbean effectively opened up new trade opportunities for Haitian artisans on four Caribbean islands with 16 hotels and resorts. It established Antigua and Cat Island Bahamas, as well as the Miami International Airport, as potentially long-term trading partners and set in motion collaboration between businesses that can achieve economies of scale vital to ensuring viability of trade for these businesses and ultimately Haitian suppliers. Last but not least, it established Kay Atizan, and its network of artisans, as the pivotal trade partner for these businesses, strengthening a business that fills a long-time gap in Haiti's export services sector by enabling poor artisans to participate in emerging trade opportunities.

c. Capacity Building

Moira Deasy, ATA Director of Training, with assistance from international consultant **Colvin English**, laid the groundwork during the previous quarter for an ambitious training effort in Haiti through a **Training of Trainers** with 15 participants in Port-au-Prince, that focused on teaching facilitation and presentation skills to Haitian designers and business people. **Anne Pressoir** participated in the training not only to expand her own skills, but also to be able to select the best Haitian partners for future MRPs. All MRP graduates from project year 1 participated, as did **Moro and Paule Baruk**, participants from the Camp Perrin workshops, from the Gheskio project in Sigueneau, **Simone Ambroise** of Kay Atizan, and **Gabard Dolcine**, a talented young trainer with excellent potential to become independent, provided he can work and train with supervision and guidance until he has gained more experience. All participants were highly motivated, and the level of learning was high.

Regine Fabius, Cassandre Mehu and Anne Pressoir emerged from the Training of Trainers as the three leaders with professional skills to conduct future training events. This very entrepreneurial team did an outstanding job in conducting the Labadee vendor trainings so crucial to the tourism effort in the North.

Since October, they have effectively demonstrated their ability to conduct the local Market Readiness Training specifically geared towards Labadee vendors and Milot. Eleven such trainings have been conducted by them, 5 of them with supervision by international training consultant Colvin English, and 6 conducted independently, with supervision only for feedback and reporting. 271 Labadee vendors and 32 persons in Milot have been trained by this outstanding team by the end of December, resulting in significant improvement of merchandising, general business and sales skills for all participants. Unfortunately, some trainings scheduled for December could not take place, due to the dates being around the holidays and too close to the project cut-off date.

The cessation of the handcraft sector of MarChE brought this important work to an abrupt halt, thus hindering the project's purpose of creating sustainable Haitian SMEs and developing the service sector. The need for additional trainings was abundantly evident, most urgently for the artisans in Milot and for additional vendors in Labadee, but also in many other centers of handcraft countrywide. Our Haitian trainers have expressed their disappointment that craft has been dropped from MarChE. They have conveyed their interest in continuing to provide training

services to Haitians as a business. They envision marketing their services to private enterprises and to NGOs.

Licensing program for ATA Training

Page | 17 In order to leave the craft sector with competent training service providers and our Haitian partners with the tools to turn their training abilities into sustainable business activities, a licensing program was put into place.

- A licensing agreement authorized each trainer to use the concepts and materials of all ATA trainings in Haiti for one year
- Trainers received updates and feedback from ATA on a quarterly basis
- in addition to existing training materials, a French and Creole translation of the new “ATA Craft and Tourism Training Module” was made available to the Haitian trainers

As all ATA training concepts and training materials ceased to be available to MarChE and the Haitian trainers upon discontinuation of the project, this licensing agreement helped to ensure that the efforts begun under MarChE achieve the stated result of strengthening businesses and increasing income for Haitians.

d. Sales and Persons Benefitted

Total 1st quarter project year 2 sales increased 42.5% over 4th quarter project year 1:

1st Quarter - Project Year 2 - Total Sales		
Anthropologie	CC (Caribbean Craft)	\$15,500.00
Anthropologie UK	CC	\$5,800.00
ATA stimulus order	Kay Atizan	\$7,397.15
Charity USA	CC	\$1,335.00
Dwelling	Einstein	\$3,000.00
Dwelling	Christelle Paul	
Elite Island Resort	CAH	\$1,920.00
Elite Island Resort	Kay Atizan	\$1,988.00
Elite Island Resort	Moro Baruk	\$1,700.00
Elite Island Resort	CC	\$3,822.00
Gail Bell date to confirm	Moro Baruk	\$3,000.00
Harmony Hall	Kay Atizan	\$1,000.00
Harmony Hall	Croix des Bouquets	\$2,000.00
Harmony Hall	Festival Art	\$2,000.00
Harmony Hall	Kay Atizan	\$1,000.00

Harmony Hall	Kay Atizan	\$1,000.00
Indigoart family	galeries	\$4,021.00
Indigoart family	ADAAC	\$852.00
Indigoart family	ADASE	\$577.00
Indigoart family	Vodou flags	\$2,605.00
Melange	CC	\$1,080.00
Resortful art Mildred	Kay Atizan	\$600.00
Sandals date to confirm	CC	\$13,000.00
Sandals date to confirm	Moro Baruk	\$5,000.00
Sandals date to confirm	Kay Atizan	\$9,000.00
Shipwreck Shop NV	CC	\$2,304.00
Shipwreck Shop NV	St Juste Thelus	\$360.00
Shipwreck Shop NV	comper Jude	\$3,828.00
Shipwreck Shop NV	Metellus	\$5,000.00
TESOROS	CC	\$2,831.40
TESOROS	CC	\$21,565.16
TESOROS	KLynn studio	\$1,224.20
VAGABOND reorder	CC	\$4,500.00
1st Quarter - Project Year 2 Total Sales		\$130,809.91

Companies and persons benefitted through Training:

qty beneficiaries	Organization	ACTIVITIES implemented during project life	Notes
16	BASKETS & ACTES	Products Development	Consultant Howard Peller Basket
22	Cerca la Source	production Training Jewelry	Jewelry making
25	Collectif des artisans de Camp Perrin	Product Development	Consultant Moro Baruk Product development
17	cooperative FACPPN Promotion fusion des artisans de camprin production nationale ESSIO CHARLES	Product Development	Consultant Moro Baruk Product development
23	FACPPN	training -Product development	Consultant Moro Baruk Product development
271	Federation des Associations des vendeurs de Labadie	Training MRP	MRP by ATA trainers C. Mehu & R. Fabius for Labadee beach vendors

80	Femmes en Democratie	Assistance to Fair, contact with international buyers	ATA brought 5 buyers sales for \$22,000
200	IRPAH	Training store display web site offered. MRP training	ATA sent 12 buyers who bought Appr \$100,000.
22	La Vallee	Product Development & containers orders	producer basket
10	Marmelade	Product development Baskets with FACN	Consultant Howard Peller Basket
12	Savanne Carree	Product Development Howard Peller Baskets	Consultant Howard Peller Basket
26	Siguenau	Products Development Jewelry	Consultant Moro Baruk Product development
35	Village Marc Lassere Cavaillon	Product Development Howard Peller Baskets	Consultant Howard Peller Basket
35	Milot vendors & artisans	Training MRP	MRP by ATA trainers C. Mehu & R. Fabius for Labadee beach vendors
794			

e. Tasks requirement

1. Value Chain Assessment: ATA's team completed substantial work on the Value Chain Assessment, creating a grid of major exporters, producers, retailers, NGOs and community networks as well as of buyers in Haiti, the U.S. and Caribbean and interviewing these players to understand their current business status, needs and goals, and identify value chain gaps and opportunities.
2. From this evolving analysis, ATA compiled a Year 1 Action Plan, which was submitted to CNFA on 12/5/08.
3. A key element of the Year 1 Action Plan was ATA's Year 1 Marketing plan, from which the following activities were undertaken in first Quarter:

Export Marketing

- NY International Gift Fair (NYIGF) January 2009: The New York Gift Fair is the largest gift fair in the US with over 40,000 retail buyers in attendance. ATA exhibited a Haitian product collection that reflects the breath of Haiti craft technique. During the fair, ATA marketing staff identified interested importers
- Atlanta International Gift Fair January 2009: ATA marketing scouted the show for potential wholesale importers who could be interested in Haitian crafts. In addition

ATA marketing met with Caribbean Craft (Drexco), a major Haitian craft producer, to re-establish partner relationship for export, and create links to international buyers

- Ambiente (Germany) February 2009 this is the largest gift fair in the world with over 100,000 buyer visitors. – after thorough research of past results and in recognition of significant changes having taken place over the last seasons in product direction and design, ATA selected this venue as a central vehicle for a broad system of linkages to international wholesale buyers. Interest in goods from Africa has been waning, being replaced in a new dynamic towards Latin American and Caribbean crafts. Several European buyers were already contacted and interest in specific product categories and style directions has been confirmed, with special emphasis on Haiti.
- World Cultures/ Foire de Paris in May 2009: a major direct to consumer buying show held annually in Paris. The focus is on presenting master artisans in the World Cultures hall. ATA negotiated with fair management to present Haitian artisans.
- Artisans Embassy Exhibiton Paris May 2009: The French Embassy planned an artisan show late September 2009 in Paris. ATA assisted in identifying artisans and organizing collections.
- IRPAH - Institut Recherche Promotion Artisanat Haitien - Gift Show October 2009, organized by Martine Blanchard, the President of the organization. Our plan for IRPAH was to transform what was a successful consumer show - Artisanat en Fete - into a regional (Caribbean) trade fair, that was capable of attracting Caribbean hotel and gift shop buyers to Haiti to view products in a safe and efficient environment, meet with exporters, and work with Haitian producers on design. This event also helped to build business tourism in Haiti and developed linkages with the tourism sector. This show was a central building block for our strategy to penetrate the network of artisan contacts present at the show, to develop craft value chains with great speed and successfully link them to our partner sectors within MarChE.
- Buyer Driven Product Design: First buyer was visit set for 1/14/09-1/23/09 by Druce Biggerstaff, Sr. Buyer of Greater Goods Network/the Hunger Site. This important buyer was already buying Haitian product and was eager to expand her collection. Artisan visits were being coordinated by Anne Pressoir. Twelve buyer visits were scheduled for Year 1. Two additional buyers made commitments to visit Haiti in March 2009.
- International wholesaler/retailers contacted and expressed definite interest in Haitian product and buyer driven product designs: most important companies interested: Alter Mundi, Cost Plus, Dwelling, Eco-Brazil, Melange, San Diego Zoo, Serry International, Swahili Imports, Ten Thousand Villages, Up & Up and Vagabond.
- Caribbean Marketing: In February, Caribbean Marketing Specialist Karla Hostetler followed up on Caribbean resort interest in Haitian products in direct sales calls to

hotel gift shop buyers. She established the basic trade links between Haitian artisans and Caribbean resorts.

- Some Haitian buyers, including Guesthouses and their giftshops were approached: Top targets such as Matthew 25, OMF, Partners in Health identified, others were researched and interviewed

Design

- Product Development: first PD trip by ATA international design and merchandising consultant Frederic Alcantara was set for two weeks in February, second PD trip was planned for March/April for a total of 8 weeks during the first project year
- Product categories and market driven style direction: detailed first report produced by PD consultant Carol Campbell is attached.
- First Design Forum: was set for February during first PD trip for Lavallee basket designers. This small event served as a learning experience for any subsequent design forum.
- The second Design Forum was planned around September.

Training

- Market Readiness Program: 3 Haitian participants are attending ATA's signature training program in NY during the gift show. Martine Blanchard, Cassandre Mehu and Regine Fabius were selected for their potential to disseminate leadership and entrepreneurship skills within Femmes en Democratie, spread market driven design expertise among artisans, and provide a formidable forum to enter deeply into the Haitian artisan community via the IRPAH craft fair to take place in October.

4. Additional Fundraising

ATA submitted concept papers for additional Haiti funding to four large foundations, and made successful contact with potential sponsors for non-traditional items such as Haitian music festivals. One major funder requested ATA to formally submit a proposal and draft budget, and a conference with another long standing ATA supporter was set for 1/9/09.

5. Other Related Activities

In addition to the numerous personal meetings with artisans and organizations involved in traditional product as outlined in the Value Chain Assessment, initial contacts were made into the non-traditional product sector. While most initial activities in the non-traditional sector were scheduled to take place during Year 2, very positive meetings were held with the Centre d'Art and some local galleries as important potential partners for our ambitious goals in the non-traditional sector.

During the last quarter of Year 1, the handcraft sector of MarChE marked a culmination of project year 1 efforts that were clearly reflected in the 42.5% sales increase from the previous quarter. Numerous interventions that were planned throughout project year 1 were ready for implementation. However, the careful planning had to be re-directed into a workable exit strategy, transforming any activities just begun into 52 time limited, streamlined interventions that showed high potential of being sustainable beyond the duration of the project. Spending level was strong throughout the quarter, placing the project above original budget goals.

C. Summary of activities during the program by results

Task/Result 1: The value of selected Haitian market chains, traditional and non-traditional (internal or export) is increased.
Requirement 1.1 - Interventions to strengthen promising market chains in the Haitian agricultural sector are designed, approved and implemented (includes both fresh and processed).
Standard 1.1.1. Screening, identification, and testing of specific products based on value chain analysis leads to at least three new, non-traditional, commodities/products benefiting from increased sales and exports of at least 30% annually.
Standard 1.1.2. Traditional agricultural export product sales benefit from an increase of at least 20% annually.
Standard 1.1.3. Baseline and updates are maintained and monitored on semi-annual basis in both local currency and US\$.
Requirement 1.2 - Interventions to strengthen promising market chains in the Haitian non-agricultural and/or services sectors, for internal or export sale, are designed, approved and implemented (includes non-agricultural manufacturing).
Standard 1.2.1. Screening, identification, and testing of specific products based on value chain analysis leads to at least 3 new, non-traditional, non-agricultural products/services benefiting from increased sales and exports of at least 30% annually
Standard 1.2.2. Traditional non-agricultural products/services benefit from an increase in sales of at least 20% annually.
Handcraft stakeholder meeting organized by Haitian facilitator, but were postponed to July 29, due to major stakeholders' absence from Haiti during the originally scheduled date.
Handcraft value chain assistance plan and revised budget submitted
Kay Atizan successfully completed export order for August ATA display at NYIGF
Caribbean Marketing Outreach trip under SOURCE showing both Caribbean and Haitian handcraft products to prospective Caribbean hotel buyers implemented April 10 -22
Haitian product catalogue in process of completion for Caribbean Marketing
3 rd quarter orders received by participants based on project activities: \$14,081.80
Canvas and Vagabond were in the process of placing orders for one container of craft product. Efforts to train and work with an exporter to execute this container order were coordinated by Alden Smith during his stay in Haiti in July

Handcraft stakeholder meeting organized by Haitian facilitator, but was postponed to July 29, due to major stakeholders' absence from Haiti during the originally scheduled date.
Sales increase of 42.5% over 4 th quarter
Caribbean Craft received re-orders of \$21,300 from the original \$63k Anthropologie order
Caribbean Craft papier mache animal head posted on Anthropologie's website
13 US and Caribbean buyers attended Artisanat en Fête, placing orders of \$81,442
5 US and Caribbean buyers attended Femmes en Democratie fair, placing orders of \$16,455
IRPAH catalogue of Haitian craft completed, listing 200 artisans
Total 1st quarter orders received by participants based on project activities: \$130,810, compared to \$91,766 in the previous quarter
Standard 1.2.3. Baseline and updates are maintained and monitored on semi-annual basis in both local currency and US\$.
Requirement 1.3 - Sustainable linkages among market chain participants are established
Standard 1.3.1. Formal agreements for exports of all non-traditional agricultural and non-agricultural products/services supported under the contract are in place.
Kay Atizan and Caribbean Craft are confirmed, sustainable exporters emerging from MarChE. They are receiving and executing orders from major US retail chains and Caribbean hotels
Standard 1.3.2. Documented agreements/MOUs are in place for all local sales of non-traditional agricultural and non-agricultural products/services supported under the contract.
MOUs signed with IRPAH for support of local fair Artisanat en Fête, with partner Danielle St. Lot for local Femmes en Democratie fair publicity, and with Haitian website design firm Solutions to implement 8– 10 individual websites.
Standard 1.3.3. Demand-driven services are contracted for and provided by industry and/or associate groups supported under the contract.
Demand driven product design for the tourist and other markets implemented by Howard Peller for baskets. Gretchen Wilson's designs for tourism jewelry to be produced by artisans in Milot, Patti Carpenter's designs for horn products by Kay Atizan, Moro Baruk's designs for tourism product being produced by women in Camp Perrin. A last minute trade fair was held in Cormier Beach to channel new and more innovative tourism product to Labadee vendors before the arrival of the big ship
Requirement 1.4 - Technical assistance provided for tourism development.
Standard 1.4.1. Linkages established between market chain products and services supported under the contract and the tourism sector.
The majority of 1 st quarter project year 2 product development efforts were for products geared for tourism
Standard 1.4.2. Sales of supported market chains to the tourism sector increase by 25% annually.
Standard 1.4.3. Support is provided to local initiatives and plans for tourism.

Standard 1.4.4. Potential tourism investors registering at the Investment Facilitation Center receive technical assistance.
Standard 1.4.5. Baseline and updates are maintained and monitored on semi-annual basis in both local currency and US\$.
Requirement 1.5 - User-friendly market information system(s) are in place and maintained with accurate and up-to-date information.
Standard 1.5.1. Existing market information channels are identified and strengthened.
Website development for 9-10 Haitian businesses by Haitian web design firm Solutions: www.melangearome.com www.indepco.org.ht www.irpah.com www.kimajcreations.com Under construction as of this writing : www.kayatizan.net www.adase.com.ht www.adaac.net www.solutions.ht/demo/syriusdesigns www.solutions.ht/demo/Einsteinalbert
Standard 1.5.3. At least four project-supported commodities/services benefit from a market information system.
Standard 1.5.4. Market information systems will be supported and sustained by the end of project period by non-project sources.
By December 31, 2009, 9 – 10 Haitian craft businesses had a basic website design in place, designed for simple updates and changes that can be executed easily
Requirement 1.6 - Appropriate and environmentally-friendly technologies and production practices are adopted by targeted producers and service providers.
Standard 1.6.1. Post-harvest handling plan/system for all agricultural crops supported under the contract is established. (CLIN/Result 0001AG)
Standard 1.6.2. A minimum of 1,500 SMEs are using improved post-harvest handling system and production technologies by end of contract.
Standard 1.6.3. Private sector entities support and diffuse all new technologies introduced under the project.
Standard 1.6.4. Baseline and updates are maintained and monitored on semi-annual basis.
Task/Result 2: Small and Medium Haitian enterprises more able to compete at the national and international level.
Requirement 2.1 - Business skills to respond competitively to new opportunities and challenges are improved.
Standard 2.1.1. One thousand and five hundred (1,500) SMEs receive technical assistance and training to diversify to higher value crops/products/services.

3 Haitian trainers, Cassandre Mehu, Regine Fabius and Anne Pressoir were licensed to use ATA training content and materials for one year beyond the duration of the project
Haitian trainers expected to carry on business training with Labadee vendors that were not trained, Milot artisans and other artisan groups country wide. They had wished to market their service independently to NGOs and private enterprise.
271 Labadee vendors were trained in eleven 2 day training events by Cassandre Mehu, Regine Fabius, Anne Pressoir, with supervision by Colvin English. Simone Ambroise and Gabard Dolcine assisted in some trainings.
One 2 day training was held in Milot, with 35 participants completing the course
85 basket artisans trained by Howard Peller during his 6 weeks consultancy
22 women textile artisans trained by Moro Baruk in Camp Perrin
26 papier mache artisans trained by Moro Baruk in Sigueneau
Standard 2.1.2. Fifty (50) new higher value products/services are developed by SMEs by end of contract.
6 weeks basketry consultancy completed by Howard Peller
Jewelry designs for Milot artisan businesses by Gretchen Wilson
Horn designs for Kay Atizan by Patti Carpenter
Kay Atizan developing business with Caribbean Hotels through stimulus plan
Haitian Trainers intend to continue training as a service business
Standard 2.1.3. One thousand and five hundred (1,500) SMEs receive technical assistance and training in key management functions such as finance and accounting, operations, marketing and human resource management.
794 persons benefitted from training under MarChE during 1 st quarter – project year 2
3 Haitians licensed to facilitate continuation of training

Performance Indicators for 1st Quarter 2010:

Purpose	ID indicator	Outcome Impact or Program Area Impact (OI) & Output Indicators (O)	Actual Results for Quarter 1-2010	Comments (if any)

I	1.4	(OI) % increased sale and exports for traditional commodities/products in non agricultural sector	42.5% increase in craft	Phase out did not include music, art and tourism. Actual sales in craft 4th quarter 2009: \$ 91,766.10. Actual sales in craft 1st quarter project year 2 - \$130,809.91 This is an increase of 42.5%
I	1.6	(O)# of intervention plan designed & implemented for non agricultural sector or services sectors	52	10 Trainings in Labadee (271 vendors trained), 1 Training in Milot (35 persons trained), 2 craft fairs (Artisanat en Fete with 200 SMEs, and Femmes en Democratie with 70 SMEs participating), 1 mini fair at Cormier with photo report by Moro Baruk, Sigueneau, Camp Perrin, Howard Peller in Marmelade and Les Cayes, 17 buyer visits, 9-10 websites, access to marketing collateral for Haitian partners, US design consultancies
I	1.7	(O)# of formal agreements for exports of all non-traditional agricultural and non-agricultural products/services supported under the contract	38	38 sales orders for the total amount of \$130,809.91
I	1.8	(O)# of MOUs or documents agreement in place for all local sales of non-traditional agricultural and non agricultural products /services supported under the contract	3	1. Solutions for 10 websites. 2. Femmes en Democratie for craft fair publicity. 3. IRPAH for Artisanat en Fete catalogue and publicity

I	1.12	Number of MOU established with local sales company in a partnership with MarChE project in the non agricultural sector	3	1.Solutions 2.FED 3.IRPAH
I	1.13	Number of artisans associations benefiting training in management	11	Actes in Les Cayes, Association of rural women in Cerca La Source, Collectif des artisans de Camp Perrin, FACPPN in Camp Perrin, Association Morn Macaya Camp Perrin, Femmes en Democratie, IRPAH, La Vallee association,Marmelade FACN, Savanne Carree association
II	2.3	(OI) # of new products/services developed by SMEs.	3	1. 25 new product designs introduced within the 4 product groups of papier mache, stone, metal and tourism products, based on Joel Sarvis, Moro Baruk, and Carol Campbell consultancies. 2. Training skills by Haitian trainers transformed into potential sustainable service businesses

II	2.4	(O) # of SMEs receiving technical assistance and training in key management functions such as finance and accounting operations, marketing and human resources	11	11 trainings in marketing, costing and pricing, display, and salesmanship during 1st quarter project year 2
II	2.7	(O) # of business service providers identified and received support in management functions, marketing and operations	3	1. Five Haitian trainers identified, trained and started to perform training services independently. 2. Haitian website design firm Solutions producing 10 web sites. 3. Haitian photographer Roberto Stephenson conducting product photography training for c
II	2.8	(O) # of MOUs established between large firms and SMEs for business to business services	1	Between Solutions and companies developing websites under MarChE
II	2.9	(O) # of SME receiving assistance in development and maintenance of websites	9-10	www.melangearome.com www.indepco.org.ht www.irpah.com www.kimajcreations.com under construction as of this writing : www.kayatizan.net www.adase.com.ht www.adaac.net www.solutions.ht/demo/syriusdesigns www.solutions.ht/demo/Einsteinalb

				ert
V	F-4.5.2.13	O: # of women's organizations/associations assisted as a result of USG supported interventions	2	56 women in Camp Perrin, in 3 different associations, and FED Femmes en Democratie.

D. Issues and Constraints

The great need for agents capable of export remained a major constraint and efforts were ongoing to develop entities such as Caribbean Craft (formerly Drexco) as reliable partners. Another ongoing challenge was the loss of existing valuable artisan partners due to retirement and the urgent need to rapidly develop the next generation of entrepreneurs.

There was great need for innovative Product Development and we were encouraged by our first product design effort to be scheduled so quickly with one of our most experienced and valued design consultants, Frederic Alcantara.

In reference to Caribbean Marketing, Haitian businesses were not able to take advantage of CARICOM negotiated free trade agreements because the correct CARICOM paperwork needed for processing at destination customs offices was not available in Haiti.

Our value chain analysis revealed that many of Haiti's strongest craft production facilities are in danger of closing, as a result of the prolonged market disruption of the past two years combined with the escalating costs linked to the food crisis. To cover rising material costs and costs of living costs, craft prices in Haiti were at an all-time high which is likely continue to hinder sales in the international marketplace.

The weak global economy also posed a constraint in jumpstarting Haitian craft SMEs. The lack of capable exporters was actively addressed by continued training for Simone Ambroise of Kay Atizan in export specific subjects. Her participation at the August MRP and the September Training of Trainers strengthened her export skills. The order for product for the NYIGF was successfully executed. The MOU with special focus on exporting was signed. Caribbean Crafts export capabilities are continuously strengthened by assistance with specific orders.

The lack of market-driven product design was a major constraint, but was addressed by international consultancies such as the 4 week project just completed by Frederic Alcantara.

Based on this consultancy, products were ordered by US buyers and were in the process of being executed. Sustainability of product design capability was addressed by intensifying the training of local persons, such as Moro Baruk, Cassandre Mehu and Regine Fabius, in conducting design training themselves. Training of Haitians was intensified through the first Training of Trainers event that was scheduled for 25 persons at the end of 4th quarter.

Due to the fragmented nature of the handcraft value chain, the great number of artisan businesses in many different locations, and the variety of training and business development events being implemented, the prohibitively small staff in Haiti was a major constraint. ATA addressed this constraint by having initiated a request to hire a Haitian coordinator to collaborate with Anne Pressoir, so that planned project activities were implemented in a timely fashion and in accordance with budgets of project years. This Haitian coordinator was included in the revised budget.

In Labadee, a strong constraint was the need for new, more upscale, market driven craft product for cruise ship tourists, and the inability of vendors to obtain credit. Vendors had defaulted on their previous micro-credits, with no hope to ever being in a position to re-pay the lenders.

Anne Pressoir participated in talks to find funding to possibly erase the vendors' debts and extend a new round of micro credits, for the purpose of facilitating the acquisition of badly needed new product.

A last minute craft fair was held for Labadee vendors just before the arrival of the "Oasis of the Sea", only to be boycotted by the Federation of vendors. With collaboration by Cormier Beach Resort, a group of artisan SME's and a moderately priced product selection geared for tourists were brought in from Jacmel and other places by rented bus. The boycott was meant to force funders and governments to implement a new micro credit program and forgiving previous micro credits not re-paid. ???

The cessation of MarChE craft training and the evident need to reach more vendors and other stakeholders in Labadee with product, design, merchandizing, display, as well as general business and salesmanship training, was another strong constraint. Licensing of Haitian trainers to carry on this training effort as a business by reaching out to NGOs and private stakeholders was one effective approach to this constraint.

The small number of capable exporters was a crucial constraint. Export training for SMEs willing to embark on this was made available, and coaching to facilitate first orders was strongly needed. IRPAH presented itself as one such company, unfortunately, the export training for this firm scheduled for November/December had to be canceled due to time constraints before the project cut-off date

More product design specifically for the tourism market was made available to Haitian entrepreneurs. They needed access to international trade fairs and to international design specialists.

The Caribbean marketing effort took off with great energy during the short duration of the MarChE handcraft project. The small number of exporters capable of developing the links with Caribbean buyers established during MarChE was a key constraint. One can only hope that the mechanisms put in place, the relationships begun, and the stimulus samples facilitated into the Caribbean purchasing pipeline will be aided by an improving world economy and lead to sustainable business for Haiti.

SECTION III. Deliverables and Milestones Overview

Status of Deliverables and Milestones Quarter #1

	Deliverables or milestones	Status	Due date
Requirement 1.2 – Standard 1.2.1	Screening, identification, and testing of specific products based on value chain analysis led to at least 3 new, non-traditional, non-agricultural products/services benefiting from increased sales and exports of at least 30% annually	Accomplished: Activities within this sector were initiated and an analysis was completed by the end of January as stipulated in the action plan. Non-traditional value chains were identified as arts-based cultural industries with the potential of transformation in economically viable enterprises. A partner relationship with the Centre d’ Art and selected art galleries was in process. A music event organizer, Rehage Entertainment, expressed active interest in a long-term partnership, and Caribbean partners was researched during Karla Hostetler’s resort outreach in February	Assessment of progress toward 30% annual increase was provided at the end of 2 nd and 4 th project quarters, as stated in the action plan.
Standard 1.2.2.	Traditional non-agricultural products/services benefited from an increase in sales of at least 20% annually	Value Chain Analysis: was submitted during second quarter: stakeholder and artisan interviews were conducted by Anne Pressoir during November	Study objectives, constraints and opportunities and recommendations for next steps were formulated and

		<p>and December 2008.</p> <p>Types of Businesses identified:</p> <p>Formal SMEs: e.g. Caribbean Crafts (formerly Drexco), Einstein Originals, Ace Basket, Gadesa, Metalart, Mimi Designs, Raymond Menos, Moro Designs.</p> <p>Cooperatives and Associations: e.g. Comite d'Artisanal Haitien (CAH), Paradis des Indiens, ADASE, Croix-des-Bouquets Association, Aptech, IRPAH, Cap Haitian pottery, Les Cayes baskets, Les Artisans de Voudou.</p> <p>Informal Businesses – 200-400 businesses. Exporting through agents or formal businesses, also selling to local markets.</p> <p>Retailers:</p> <p>Traditional galleries: e.g. Kay Atizan, Men Nou, Galata, Valerio Canez;</p> <p>Hotel Gift Shops: Montana, Villa Creole, Club Indigo, Cormier Plage</p> <p>Christian Guesthouses: Matthew 25, OMF, Haitian Health Foundation, Partners in Health; Labadee vendors.</p> <p>Exporters and Agents: Kay Atizan</p> <p>Projects: I-Trade, One Village One Product</p>	<p>submitted during the second quarter. Four traditional non-agricultural products identified by January 2009: completed.</p>
Standard 1.2.3.	<p>Baseline and updates were maintained and monitored on semi-annual basis in both local currency and US\$.</p>	<p>Accomplished: Value chain assessment was submitted during second quarter that include</p>	<p>Value chain Assessment submitted during second quarter</p>

		baseline data. Baseline information was gathered	
Requirement 1.3 Standard 1.3.1.	Sustainable linkages among market chain participants were established. Formal agreements for exports of all non-traditional agricultural and non-agricultural products/services supported under the contract were in place.	Accomplished: Successfully completed first quarter requirements. Please see list of buyers and potential exporters contacted and actions scheduled for at once implementation. Selection of products for test marketing at NYIGF successfully completed. Product sheets and marketing information on existing Haitian products are being produced for international buyers and Caribbean resort outreach. Custom product development has been started with first buyer trip taking place in January. Design Forum recruitment of designers and PD consultants is ongoing and will be completed for February implementation.	First quarter requirements accomplished
Standard 1.3.2.	Documented agreements/MOUs were in place for all local sales of non-traditional agricultural and non-agricultural products/services supported under the contract.	Accomplished: ATA met with galleries, furniture stores, support organizations, hotels, trade purchasers of packaging products, organizers of fairs, tour operators. We expect that those relationships were solidified and documented with MOUs in the following two quarters.	Requirements accomplished during 1 st quarter
Standard 1.3.3.	Demand-driven services were contracted for and provided by industry and/or associate groups supported under the contract	Accomplished: Consultants for design services were recruited and formal contracts were signed. Production and market training started	Requirements accomplished during 1 st quarter

		implementation at NYIGF MRP.	
Task/Result 2. Requirement 2.1. Standard 2.1.1	Small and Medium Haitian enterprises were more able to compete at the national and international level. Business skills to respond competitively to new opportunities and challenges are improved. One thousand and five hundred (1,500) SMEs receive technical assistance and training to diversify to higher value crops/products/services.	Accomplished: Three participants identified and readied for participation in Market Readiness Program in conjunction with January 2009 New York International Gift Fair. Selected individuals were chosen for best ability to absorb and share information about market trends, design, and doing business with export markets with others in a sustainable commercial way. Experts in product development and international design and style direction engaged and initial reports produced. Design Forum organization was for February implementation	Requirements accomplished during 1 st quarter
Standard 2.1.2	Fifty (50) new higher value products/services were developed by SMEs by end of contract	Accomplished Test marketing of products taking place at NYIGF. Product development and global style direction were continued.	Requirements accomplished during 1 st quarter
Requirement 2.2. Standard 2.2.1.	The quality and reliability of Haitian services and products was improved. Eighty percent (80%) of producers and service providers received support under the contract to attain standards required for export and/or quality certification such as ISO, Fair Trade, Organic label, etc.	Accomplished: Socially responsible trade that reflects fair trade standards was continuously pursued	Requirements accomplished during 1 st quarter
Standard 2.2.3.	A supply chain analysis was undertaken in each of the key products/services supported	Accomplished: ATA closely monitored analysis carried out by CNFA and	Requirements accomplished during 1 st quarter

	under the contract and critical bottlenecks identified and recommendations made.	IESC to see potential linkages between handcraft sector and overall business service sector to see opportunities for integrating handcraft-specific services. Discussions took place with the agricultural sector about better and more accessible natural fiber raw materials, such as tobacco leaves, palm, etc	
Requirement 2.3. Standard 2.3.1.	Private sector business and technical services to enhance the competitiveness of SMEs were improved. Unmet or underutilized business services to enhance the performance of Haitian SMEs in five key sub-sectors were identified and prioritized.	Accomplished: Value chain assessment was submitted during second quarter. ATA finalized the strategy for submission the end of March 09. January and August Market Readiness Programs also addressed these issues.	Requirements accomplished during 1 st quarter
Standard 2.4.2	Thirty (30) SMEs have developed and maintained Websites.	Accomplished: ATA worked with MarChE structures to ensure handcraft exporters had viable web sites. Product photography for use on websites was continued	Requirements accomplished during 1 st quarter
Task/Result 5: Requirement 5.1. Standard 5.1.1.	Assets of the Poor Protected and Increased. Measurable improvements were made in the areas of soil conservation, post-harvest handling of food crops, animal health, disease and pest control, etc. among targeted beneficiaries. Livelihoods analysis was made (in concert with Cooperating Sponsors, watershed activity contractor and other stakeholders) to identify beneficiaries of training and technical assistance.	Accomplished:ATA worked closely with MarChE partners to identify opportunities for craft-linked enterprise development in areas with agricultural production, to create diversified income base. Applicability of this Requirement and Standard to ATA's range of activities is was discussed.	Requirements accomplished during 1 st quarter
Requirement	Support was provided to	Accomplished: Associative	Requirements

5.2 Standard 5.2.1.	targeted organizations to increase productivity and assets. At least 50 associative groups benefit from support under the contract.	organizations for MarChE support were identified. Initial target groups included IRPAH, Croix-des-Bouquets Artisans Association, ADASE in Jacmel, Paradis des Indiens in Abricots, and production networks in Les Cayes. Support plans were prepared in March.	accomplished during 1 st quarter
Standard 5.2.2.	Productivity, income and assets of targeted group members increased by 30% by end of project.	Accomplished: Productivity, income and assets of associative organization members were monitored as interventions and support proceed	Requirements accomplished during 1 st quarter
Requirement 8.1 Standard 8.1.1.	At least \$5 million of non-USG, non-donor resources were resourced to further the objectives in support of contract results and requirements. Develop concept papers for alliance proposals. (CLIN/Result 0008AA).	Accomplished: Four concept papers were submitted to most promising foundations with positive responses received.	Requirements accomplished during 1 st quarter

Status of Deliverables and Milestones Quarter # 3

Deliverables or milestones	Status	Due date
Handcraft Value chain Assistance Plan	Submitted to USAID	June 09
MOUs	Two MOUs signed, with Martine Blanchard of IRPAH and Simone Ambroise of Kay Atizan	June 09

A. Deliverables and Milestones – Summary as of 1st Quarter – Project Year 2

Deliverables	Due date
Result 1: The value of selected Haitian market chains, traditional and non-traditional (internal or export) is increased.	
1.2.2. Activities within this sector were initiated and an analysis was	December

	<p>completed at the end of January 2009 as stipulated in the action plan. Non-traditional value chains were identified as arts-based cultural industries with the potential of transformation in economically viable enterprises. A partner relationship with the Centre d'Art and selected art galleries was in process. A music event organizer, Rehage Entertainment, expressed active interest in a long-term partnership, and Caribbean partners was researched during Karla Hostetler's resort outreach in February</p> <p>Assessment of Progress toward target of 20% annual increase of traditional craft products in sales and exports:</p> <p>1st quarter project year 2 sales were \$130,809.91, compared to \$91,766.17 for 4th quarter 2009. This represents a 42.5% increase.</p> <p>Caribbean stimulus package consisting of project assistance to Haitian exporter Kay Atizan to produce and ship collections of samples to Caribbean hotel gift stores, to be matched at wholesale price by participating Caribbean hotels was spearheaded by Karla Hostetler and Alden Smith. Initial stimulus orders amounted to \$7,397.15</p>	
1.2.2.	4 non-agricultural products/services were identified – during 1st quarter, product development centered on tourist market driven product in papier mache, baskets, horn and seeds for jewelry, and textile accessories	December
1.2.3	baseline data	
1.3.1	Linkages established between producers/suppliers and exporters: Artisanat en Fête and Femmes en Democratie fairs completed, US and Caribbean stimulus implemented, linking exporters with US and Caribbean buyers	December
1.3.1	MOUs signed with IRPAH, Femmes en Democratie, Solutions	December
1.3.2	Linkages established between producers/suppliers and local markets – Artisanat en Fête implemented linking producers and local market. Femmes en Democratie fair implemented linking producers to local markets	December
Result 2: Small and Medium Haitian enterprises more able to compete at the national and international level.		
2.1.1.	Caribbean Craft and Kay Atizan successfully competed internationally for business with US and Caribbean buyers	December
2.1.3	Design and merchandising training by international designer Howard Peller completed	December
2.1.4	International export sales of \$130,809.91 measured with participating exporters	December
2.1.2.	Selected artisan SMEs received new product direction and training	December

	and for baskets to be used for packaging for Caribbean and worldwide marketing	
2.4.1.	Haitian website design firm Solutions implemented 9-10 websites of Haitian craft SMEs	December
Result 3: The enabling environment for business is improved.		
3.2.1.	Policy and regulatory constraints for Caribbean export identified – first shipments to be implemented via execution of Caribbean stimulus sample project	December
3.2.2..		
Result 4: Residents, private sector and GOH invest in natural resources management in selected watersheds.		
Result 5: Assets of the Poor Protected and Increased.		
Result 6: Key basic infrastructure facilitating the marketing of goods and service installed, rehabilitated and/or maintained.		
Result 7: Sustainability strategy developed to ensure continuity beyond the term of the contract.		
Result 8: Alliances established with the private sector to leverage USAID resources.		
Result 9: Crisis Modifier/Rapid Response Mechanism.		