

Fiscal Year 2001 - 2nd Quarter Report
UNIVERSITY OF DELAWARE
Period of Coverage: January 1 - March 31, 2001

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A. PREVIOUS REPORT UPDATE

Eleven new participants joined UD/FLAG's distance learning course in financial analysis. The course introduces the principles of effective financial management to the financial managers and accountants of firms in the light manufacturing and agribusiness clusters.

The FLAG Trade Development Center (TDC) organized a business-to-business meeting in Ploiesti, Romania with the aim of expanding the business opportunities for Bulgarian export-oriented agribusiness and light manufacturing companies. The forum was organized in collaboration with the Bulgarian Ministry of Economy.

B. MAJOR IMPLEMENTATION ACCOMPLISHMENTS

TRAINING

The spring module of the Financial Analysis for Export Oriented Companies started in February. The course is aimed at providing in-depth knowledge of financial techniques for export financing, analysis of company operations, and forecasting company and industry sales. The course curriculum is based on the Chartered Financial Analysts (CFA) program body of knowledge. The course consists of distance learning modules, followed by in-class review sessions.

Eleven new trainees joined the course, making the total number of participants twenty-seven. The new trainees are financial analysts and accountants from ZMM Metalika, STS Holding Group, Intermesa Ltd., and Hypovereinsbank.

The topics covered this quarter included Managerial Accounting and Finance, Applied Economic Analysis and International Finance. UD/FLAG consultant John Stocker, and former participants/consultants Alexander Georgiev, Viktor Manev, and Tsvetan Kintishev developed the training materials for this course module.

At the end of each section the trainers conducted an intermediate test to monitor the learning progress of course participants.

TECHNICAL ASSISTANCE FOR COMPETITIVE CLUSTER CLIENTS

SUPPORT FOR THE INFORMATION TECHNOLOGY (IT) CLUSTER

David Holding

UD/FLAG consultants assisted David Holding Co in the preparation of their business plan for attracting outside financing. The company was established in 1994 as a private IT company, specializing in the area of systems integration and "turn-key" engineering solutions. The companies of David Holding are highly specialized in specific IT market segments, ensuring customers the most advanced products along with the best support. David's main product "Archimed" is a contemporary document and workflow control system covering all business processes and giving the enterprise a rich set of application specific tools and solutions. Among the company's clients are a number of banks, the Government, Bulgarian

National Television and private commercial TV stations, the National Electricity Company, Mobikom, VMZ Sopot, etc. The company is presently developing new, healthcare-oriented software based on “Archimed”. With UD/FLAG’s assistance David Holding will receive the financing, necessary for the development of the new software and will bring its current products to new markets.

Competitive Strategy Planning for Gabrovo High Technology Business Incubator (GHTBI)

UD/FLAG provided technical assistance to GHTBI on strategy planning and competitive positioning of IT companies in the North Central region of Bulgaria. UD/FLAG consultant John L. Kmetz, Associate Professor of Management from the University of Delaware’s Department of Business Administration, worked with the principal GHTBI stakeholders in March on the strategy and draft business plan of the incubator. The UD/FLAG consultant provided advice and recommendations for developing the constituent IT-cluster companies’ competitiveness.

The GHTBI stakeholders include IT companies, such as David Holding, IRIA, Datacom, Informix, etc. Among GHTBI’s partners are Technical University - Gabrovo (TUG), Gabrovo Municipality, NGO Resource Center, Open Society Club, Foundation “Millenium” and other not-for-profit entities. GHTBI partners and stakeholders are currently generating IT projects with UD/FLAG assistance. The completed project write-ups will be presented to sources of financing.

The current technical assistance assignment focused on the strategic objectives of GHTBI, and on the budgetary and programmatic implications of these objectives. In view of identifying young talent to joint IT projects and company work, the existing IT infrastructure of TUG was analyzed, as well as its opportunities and limitations as a source for human resources development and funding. Certain areas for improvement of the best of the academic resources were identified. GHTBI, with UD/FLAG assistance, will provide technical training in addition to training in business subjects, which is more often found in incubators. On a small scale, much of the infrastructure for this type of training is already in place at the GHTBI headquarters, where seven computer stations with Internet access already allow the implementation of several training programs for minorities and disadvantaged people, supported by the European Union. And there is yet additional physical capacity, which could be used for other incubator purposes.

As a result of the current technical assistance assignment, GHTBI business plan and strategy were modified. The initial strategy was a linear sequence of (1) securing funding and (2) developing the physical technology incubator (PTI), including refurbishment of the building provided by the municipality; recruitment and training of new university graduates; incubation of new firms in PTI and continued support for incubator graduates in the virtual technology incubator (VTI). The old strategy was revised to become a “parallel model”, envisioning that the VTI will operate simultaneously with the flow of activities necessary to create the PTI, and that the VTI will be used as an immediate support vehicle for the development of Gabrovo/Yantra Valley high technology business cluster. This strategy significantly shifts the focus of immediate incubator development away from a primarily educational thrust towards the development of new businesses through incubator support activities, even though the PTI is not yet in place. It is based in part on the “incubator without walls” model used in the U.S. and elsewhere, which will enable GHTBI to effectively begin operations as an incubator well before the PTI is established.

Another advantage of the “parallel model” is that it will permit the development of positive cash flow much earlier than it would be possible by using the “linear model.” The new model will also be generally beneficial to GHTBI: not only for the sake of revenue generation, but for the possibility it will allow for gradual recruitment and training of the incubator staff, and as a valuable experimental tool on the most effective methods for attracting and nurturing new entrepreneurs. By the time, the PTI is complete and ready for occupancy, GHTBI staff will have accumulated a great deal of experience in incubator operations that can be transferred directly to the PTI. In addition, the development of a “brand identity,” another proposal of the GHTBI team, makes excellent sense with the “parallel model”. The GHTBI staff plans to undertake significant steps toward creating a corporate identity and supporting

new software and IT businesses.

Based on the recommendations of the UD/FLAG advisor, GHTBI client graduation criteria were developed, which will be additionally tailored for each company. These are (1) time, (2) profitability and volume of business, and (3) ability to pay market rent. Depending on their cumulative progress toward each of these criteria, firms may be graduated in considerably less time than the originally proposed five years.

Selection criteria were also discussed. The selection process will require the formation of a Technical Board, which will screen applicants and their proposals. The GHTBI team approved this concept.

Program monitoring and progress review techniques were also discussed. The key question under consideration was whether a client company could stay indefinitely with the incubator or its progress would be periodically reviewed and, if sufficient progress were not demonstrated, the company would be removed from the incubator. The UD/FLAG advisor strongly recommended the latter approach. He also introduced the GHTBI team to a progress review approach based on project management. The need to offer training on the fundamentals of project management and more specifically on “Gantt charts and milestones”, was identified. This may turn into a major assistance opportunity for FLAG in support of GHTBI operations, but it needs to be developed as a separate element of the technical assistance program.

The need for marketing research was recognized to be a highly specialized undertaking, best provided by outsourcing. At the same time, the GHTBI team and its informal network are most likely to be the primary source of information on potential clients for the VTI, especially those recruited from the local region and among the groups of regional entrepreneurs.

The potential for interaction with the Technical University - Gabrovo was further explored. The UD/FLAG advisor Prof. Kmetz met with the Rector of TUG, along with the UD/FLAG team and two members of the GHTBI team. The rector was knowledgeable of the GHTBI project and quite supportive. He was a realist who recognizes that only a few of his 8,000 students will find employment through the GHTBI in the short-term. An internship concept was discussed with the Rector. The idea is to expose students to current information in the IT industry. At the same time, faculty involved in supervision roles can strengthen IT knowledge both formally and informally through a program of seminars and interactions between the GHTBI and TUG. This would be an attractive long-term package of educational benefits, which can be derived from the overall support of this industry cluster.

A major surprise in the discussion with the Rector was to learn that the Industrial and Quality Management degree program begun in 1992 with University of Delaware assistance had developed into a program comprising nearly one-half of the student body of 8,000. The 4,000 management students in the program are both full-time and part-time students.

E-commerce survey

UD/FLAG conducted an electronic commerce (e-commerce) survey of 830 FLAG clients, banks, IT companies, and management consulting companies in Bulgaria on March 8-9. The purpose of the survey was to supply basic market research data for the business planning and creation of an e-shop, specialized in assisting SMEs development. The survey questioned the companies' current Internet activity, their potential interest in a new e-tailer for office supplies and services, and their interest for participating in such an e-tailer.

Seventy-one responses were recorded as of April 4, 2001, giving a response rate of 8.6 percent. The respondents were representative of many industries and geographic locations in Bulgaria. Additionally, all respondents indicated they were in leadership/management positions with their business (owners, managers, etc.).

The general conclusions that can be drawn from the survey results are the following:

- Businesses of many industries have Internet access (99%) and are generally knowledgeable about using Internet and computers.
- Businesses have a definite interest in purchasing their office supplies and services online (69%). Though, there are some who have concerns regarding the quality of the service and have the impression that purchasing online is more expensive. Only 4% of the respondents are currently ordering office supplies online.
- The most successful items in a “virtual office” e-shop will be office consumables, corporate gifts, and beverages/catering services, as more than half of the respondents indicated they would *definitely or maybe purchase* these items through an e-tailer.
- The average annual budget for office supplies and services per full-time employee is 484 BGN. Most companies have their office supplies delivered (64%) at a frequency of at least once a month.
- Features that are important to potential e-tailer or e-shop users are guaranteed privacy of the order information (74%), online order history (74%) and flexible payments options (60%).
- There is a definite interest among Bulgarian businesses to utilize the Internet as an additional channel to sell their goods (84%).
- Most businesses (63%) are willing to pay up to 50 BGN per month for the hosting service described in the survey

The survey results report will be sent to the participants in the survey and made available to other interested IT industry representatives.

TECHNICAL ASSISTANCE, BUSINESS PLANNING AND FINANCIAL FACILITATION

Vinprom – Svishtov Co

UD/FLAG consultants provided technical assistance to Vinprom – Svishtov Co., a medium-scale wine producer situated in northern Bulgaria, in the area of strategic planning, attracting outside financing, export promotion, and competitive value-added products. The company was privatized in 1997 by a management-employee buyout, which presently owns 80% of the shares. Vinprom – Svishtov Co. produces aged and young red bottle wines with eight registered trademarks. It introduces two to three new trademarks annually. The company’s best-known brand is “Gorchivka”. Presently Vinprom – Svishtov Co employs 240 people, and produces 3.5 million liters of high quality red wines annually. More than 90% of the company’s production is exported to Great Britain, Denmark, Norway, Benelux, and Japan. Vinprom – Svishtov Co. has its own vineyards with Cabernet and Merlot grapes. Within the next years, the company plans to triple the area of its vineyards, and improve the quality of its grape inputs.

The management of the company is looking to expand its sales to new markets in the U.S.A. and Canada. UD/FLAG is providing ongoing assistance to the company in attracting an U.S. equity partner and in developing their export marketing strategy for the North-American market.

Vinzavod Assenovgrad AD, Assenovgrad

UD’s consultants are providing technical assistance to Vinzavod Assenovgrad AD - a local producer of wine and spirits, for the development of the company’s marketing and promotion strategy, capturing larger market share on current export markets and entering new markets. The company was established in 1947, and in 1971 became part of Vinprom – Sofia. In 1997 a privatization auction was held and in 1999 the company became 100% private. Presently, Vinzavod Assenovgrad AD exports more that 80% of its production worldwide. Total sales for the year 2000 amounted to USD 3,000,000. The company currently employs 147 people. UD/FLAG consultants assist the company for the remodeling of their business plan and for strengthening their management functions and operations. A business

development project will be presented to possible investors for the purchase of land and the cultivation of new vineyards. The company's efforts are concentrated in export markets development resulting in increased sales and exports.

IPZ Ltd., Smolyan

UD/FLAG consultants assisted Mr. Aleko Zdravkov, manager and owner of IPZ Ltd., in the financial planning of his company's operations. Last year the company constructed a micro waterpower station (WPS) of 300 kW at Kutelska River, near Smolyan. The facility started operating last December, which allowed the company to sign a distribution agreement with the Plovdiv Electricity Distribution Company. IPZ Ltd. is presently exploring the possibilities for constructing a number of micro waterpower stations in the region and has identified the opportunity of building three new micro WPSs. The company is looking for an equity investor to support the construction of the three new WPS with capacity ranging from 800kW to 1.6mW. UD/FLAG consultants are assisting the company in the development of the investment project, with special emphasis on the financial projections and the cash-flow management strategy, as well as in identifying a potential investor for the construction of the new WPSs.

Bulgar Vita Ltd., Varna

UD/FLAG consultants provided technical assistance to Mr. Plamen Petrichev, manager and owner of Bulgar Vita Ltd, in developing his company's competitive strategy. The company operates since 1996 and is a producer and distributor of fresh and preserved fruits and vegetables. The company currently has five full-time and forty-five seasonal employees. Bulgar Vita Ltd has annual sales of approximately \$350,000, 90% of which are exported to Central Europe. Based on the company's new competitive strategy, UD/FLAG is assisting Bulgar Vita for establishing new business linkages with potential Western European and American clients and partners.

Kapital OOD

UD/FLAG consultant Bill Mays assisted Kapital OOD, owner of a pizza restaurant in Sofia, in developing their business plan for opening new restaurants in two new locations in Sofia. The company's projected revenue from its first year of operation (2001) is \$50,000. Presently, the number of their employees is six, to be tripled with the opening of two new restaurants.

Mebel AD

UD/FLAG continuously assists Mebel AD with their post-privatization restructuring efforts. The company's furniture turnover has increased from \$243,000 in 1999 to \$250,000 in 2000 and has already received \$200,000 in sales from the first quarter of 2001. Based on the client-oriented approach, recommended and elaborated by UD/FLAG, recently, Mebel opened a retail outlet shop in Sunny Beach to attract hotel owners and managers from the region.

Ken-4 OOD

Ken-4 is a meat processing facility from Stara Zagora, which has received UD/FLAG assistance in the past for their business planning and fund-raising efforts. Presently, UD/FLAG consultants help the company to secure meat and other raw materials from the U.S.A. As a result of the focused efforts on the company's business expansion, Ken-4's turnover has consistently increased from \$1.3 million in 1998 to \$3 million in 2000, while employees have increased from thirty-three to sixty.

Fundament Ltd, a construction company from Sofia received assistance in securing a loan of BGN150,000 extended by United Bulgarian Bank (UBB) for investment purposes.

UD/FLAG consultant Ivan Ivanov assisted **SP Orhanie**, a meat processor from Botevgrad, in the preparation of their business plan to apply for a credit of BGN 1 million from UBB. Fifty percent of the credit is intended for investment purposes and the remaining fifty percent – for financing the working capital needs of the company. Mr. Ivanov also assisted **Sofia Invest Ltd**, owner of Verona pizza chain with business planning and loan facilitation for acquiring a new real property.

UD/FLAG consultant Bill Mays advised **WebGate.bg**, a complete Internet solutions and technology company in Sofia, in designing a strategy for finding foreign partners and clients.

UD/FLAG assisted **Poly Prim-P Ltd**, Gabrovo in the development of their business plan and loan/leasing scheme for the purchasing of a new production line for polycarbonate sheets.

BBSix Ltd, Plachkovtsi was assisted with business planning and loan facilitation for working capital purposes in order to expand their export of custom tailored aged furniture to Belgium, Great Britain and France.

UD/FLAG was approached by three companies looking for financing within the scope of the EU sponsored SAPARD program: **Hristo Dionissiev**, a hog-breeder from Bourgas, **Elvira Ltd**, an export-oriented canning factory from Kazanluk, and **ABC Engineering**, a meat processor from Pernik. The companies received technical assistance in identifying the problematic areas of their operations and addressing them within the framework of efficient business planning. Next steps include completing the business plans for outside financing and presenting them to the targeted sources of financing.

JOINT-VENTURE PARTNERS' MATCHING

Maria MM, a furniture manufacturer from Plovdiv, was matched with the Italian company Dubini S.P. to establish a joint venture. Maria MM presently exports most of its production for IKEA- Holland. It is also targeting new markets through strategic partnerships.

UD/FLAG is facilitating a **Public Private Partnership in Kozlodui** between the municipality and several private entrepreneurs to run a hog farm, slaughterhouse and a meat processing plant.

TRADE DEVELOPMENT CENTER (TDC) ACTIVITIES

With the aim of further supporting regional trade and linkages FLAG TDC organized a series of business-to-business meetings.

The first business-to-business event was organized in Istanbul, Turkey on February 15-16, 2001, in cooperation with the Ministry of Economy. The focus of the meeting was on providing business opportunities for Bulgarian companies in the textile industry. Thirty-five participants from eighteen Bulgarian companies dealing in textile and garments were matched with fifty-seven Turkish counterparts. As a result, 164 initial contacts were established during the meeting and the Turkish Textile Fair. The visits of seven Turkish companies to twenty-seven Bulgarian factories were negotiated with the purpose to explore the opportunities of establishing joint ventures. Expected are trade linkages for the amount of over \$190,000.

The TDC organized joint participation of seven Bulgarian companies at the DETROP Food Exhibition in Thessaloniki, Greece in March 2001. The food fair brought together companies from the food-processing and agricultural equipment industry sectors from different countries. TDC supported a shared stand at the exhibition for the seven Bulgarian producers, providing them the opportunity to increase their exports and establish linkages with foreign partners. The Bulgarian companies presented at DETROP were companies from several different clusters of the food industry: Solvex-Mira Ltd. and Konex-Tiva Ltd, specialized in canned fruit and vegetables; Markeli Ltd. and Yotovi – from the dairy

industry; Sizif Ltd – a producer and exporter of honey, SofKao – candy producer, and Zagaria - a manufacturer of pasta products. The Bulgarian companies held forty-seven meetings with potential trade partners that are expected to result in over \$850, 000 of exports. Solvex Mira signed a contract with an Israeli partner for the export of canned fruit and vegetables. Sizif attracted the interest of more than fourteen potential traders.

In response to a call for assistance from the Bulgarian Ministry of Economy and the Export Promotion Center, TDC played an active role in organizing a business-to-business meeting in Romania. TDC was instrumental in recruiting the Bulgarian participants, arranging the transportation for the Bulgarian attendees, preparing a handbook to be distributed among the foreign participants, and facilitating the meetings.

The business-to-business meeting in Ploiesti, Romania took place in the Chamber of Commerce and Industry of Prahova County on March 22, 2001. Thirty-seven managers presented the activities of twenty-five Bulgarian export oriented companies and organizations, among which Andromeda, Asimet, Did, Master K, Galabex Cannery, Bulgar Vita, Merlini-Danimond, Peltina, RKS Chirpan, Ketchup-Fruckt, Solvex-Mira, Tropic, Stancho Kolev, Tinning Factory Yuper, Vidimex, Balmargo Corporation, Chimimport Chingeltex, Janet Fashion House, SP Mariika Jordanova, Mod Triko, Mary Super, Stefi, Vitex-Troyan, Yanita, and Yuta. The companies were given an opportunity to establish direct contacts with representatives of fourteen Romanian companies. Consequently, eighty-one initial business contacts have been established between Bulgarian and Romanian companies. Fifteen Bulgarian companies reported their expectation to conclude a deal with Romanian counterparts within the next six months, as eight of them discussed the terms of the contracts and reached agreements for future quantities of about \$170,000.

During the event, a contract was signed between the Bulgarian producer Vidimex and the Romanian wholesale and retail company PIM for the export of twenty tons of rice amounting to USD 15,000.

TDC responded to more than seventy inquiries for export of Bulgarian products such as millet, fresh fish, and meat processing equipment, stainless steel pipes and tubes, herbs and spices, chemical products, construction wood material, galvanized coils, raw material for polypropylene bags, equipment for processing Indian corn, syringes with needles, as well as for the production of apparel and garment on a cut-make-and-trim (CMT) basis.

Incorom, a Romanian company that trades with steel pipes and tubes, received assistance in finding a Bulgarian partner for the import to Romania of 1,547 tons of seamless steel pipes and tubes. Incorom was linked to six big Bulgarian producers and traders in the sector and reported that it expects to conclude a deal worth approximately \$270,000 in the next couple of months.

Fifteen offers from Bulgarian producers were published in the trade directories of the companies EC Plaza and PronetLink. Ten special demands from EU and U.S. companies for purchasing and subcontracting with Bulgarian companies in the textile and light-manufacturing sector were published in the Trade Leads Bulletin. TDC is partnering with the Bulgarian International Business Association in matching Bulgarian companies with foreign investors.

A special marketing research was completed for Katex, Kazanlak, aimed at establishing contacts with U.S. importers of wool fabrics and garments. A list of U.S. importers of carpets and rugs was provided to Interbul - Sofia.

To further promote its client-oriented activities TDC continues to maintain and update its web site at <http://tdc.flag.bg> available both in English and Bulgarian. The information published there is constantly updated and reflects the latest issues concerning TDC activities, investment opportunities and services delivered, as well as the full versions of the Trade Leads Bulletin issued on a monthly basis. Twenty-six export leads of Bulgarian companies and forty import leads of foreign counterparts were promoted

through the Trade Leads Bulletin during this quarter. The TDC clients can also utilize registration on the TDC web site and regularly updated directories, where companies can present their activities, receive and publish weekly trade leads and industry specific market information.

TDC continues to provide information to its client companies and other interested parties on the most recent changes in trade legislation, customs duties, tariff and taxes, international trade and export-import terms, freight cost and cargo services, bilateral agreements, upcoming international trade fairs and exhibitions; marketing research information on potential markets, distribution channels, prices of commodities and raw materials, leading technologies and know-how; partner companies and trade deals matching.

GTN Marketing and Outreach

MediProducts is an U.S. company trading in surplus and used medical products and equipment. We received a request from them to identify partners and distributors of medical products in South-East Europe. UD/FLAG provided company profiles and contact information of nineteen firms in Bulgaria, Macedonia and Romania working in the area. The FLAG GTN center also processed a trade lead for the purchase of a number of fruits and vegetables processing machines. Overall, during this quarter, the GTN system was presented to more than fifty local firms from the agribusiness and light manufacturing sectors.

C. CONTRIBUTION TO TARGETS

IR 1.3.2.1 Improved Business Performance of Private Sector Association Members		
INDICATOR	BASELINE (TOTAL)	RESULT (TOTAL)
1. Export increase in assisted priority industry clusters.	\$5,798,750	\$754,000
2. Value of linkages in assisted priority industry clusters.	N/A	\$1,210,000
3. Jobs created and retained. (Employment generated in assisted priority industry clusters.)	522 f. 264 m.:258	38 f.:18 m.:20
4. Domestic sales increase in assisted priority industry clusters.	\$4,403,292	\$520,000
5. Number of companies from assisted priority industry clusters introducing international industry standards such as ISO, HACCP, AQL, IAS, etc.	0	4
TOTAL NUMBER OF PROJECTS COMPLETED:	TOTAL NUMBER OF VOLUNTEERS / TRAINERS PROVIDED:	TOTAL NUMBER OF BUSINESSES IMPACTED:
8	5	55

NOTE: All of the above data is subject to Evaluation Committee verification.

- women owned business: 10
- women managed business: 18
- female employees: 264

D. FORECAST FOR NEXT QUARTER

- In June UD/FLAG, jointly with the Gabrovo High Technology Business Incubator (GHTBI) team will organize and support an international conference, held at the ethnographical museum “Etara”, entitled “High-tech Incubators in the Economies in Transitions”.
- In response to a call for assistance from Nachala Cooperative, UD/FLAG will organize in May and June two seminars on Micro-credit management. The seminars will be offered to Nachala Cooperative’s regional personnel and to potential loan applicants.

Attachment A

IR 1.3.2.1 Improved Business Performance of Private Sector Association Members

- Indicator # 1. Export increase in assisted priority industry clusters.**
- Indicator # 2. Value of linkages in assisted priority industry clusters.**
- Indicator # 3. Jobs created and retained. (Employment generated in assisted priority industry clusters.)**
- Indicator # 4. Domestic sales increase in assisted priority industry clusters.**
- Indicator # 5. Number of companies from assisted priority industry clusters introducing international industry standards such as ISO, HACCP, AQL, IAS, etc.**

1.
 - a. Client Name, Sector, Assistance Type: David Holding Co., IT sector, Short Term Technical Assistance
 - b. Volunteer / Trainer Name: John Stocker, Emil Zafirov
 - c. Description of Intervention: Preparing a business plan for attracting outside financing for the development of a new software product.
 - d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:	0	N/A	N/A	10 f.:2 m.:8	\$230,000	2
2. Value of linkages:	N/A					
3. Jobs created and retained:	50 f.:12 m.:38					
4. Domestic sales:	\$2,337,392					
5. Introducing international industry standards:	0					

2.
 - a. Client Name, Sector, Assistance Type: Vinprom Svishtov Co, Wine Producer, Long Term Technical Assistance
 - b. Volunteer / Trainer Name: Mincho Benov
 - c. Description of Intervention: Evaluating the company's financial performance in the last several years and preparing a business project to attract a potential equity investor.
 - d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:	\$1,788,300	\$214,000	N/A	10 f.:8 m.:2	N/A	N/A
2. Value of linkages:	N/A					
3. Jobs created and retained:	240 f.: 143 m.: 97					
4. Domestic sales:	\$199,000					
5. Introducing international industry standards:	N/A					

3.

- a. Client Name, Sector, Assistance Type: Vinzavod Assenovgrad, Wine Industry, Long Term Technical Assistance
- b. Volunteer / Trainer Name: John Stocker, Mincho Benov
- c. Description of Intervention: Business project development
- d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:	\$2,462,000	\$130,000	N/A	N/A	\$100,000	N/A
2. Value of linkages:	N/A					
3. Jobs created and retained:	147 f.:84 m.: 63					
4. Domestic sales:	\$480,900					
5. Introducing international industry standards:	N/A					

4.

- a. Client Name, Sector, Assistance Type: BBSix Ltd., furniture manufacturing, Short-term technical assistance
- b. Volunteer / Trainer Name: Ivan Ivanov
- c. Description of Intervention: Business-planning and loan facilitation in order to expand exports
- d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:	\$1,378,450	\$340,000	N/A	9	\$100,000	1
2. Value of linkages:	N/A			f.:3 m.:6		
3. Jobs created and retained:	62 f.:12 m.:50					
4. Domestic sales:	\$286,000					
5. Introducing international industry standards:	0					

5.
 - a. Client Name, Sector, Assistance Type: SP Orhanie, Meat-processing, Short-term Technical Assistance
 - b. Volunteer / Trainer Name: Ivan Ivanov
 - c. Description of Intervention: Business-planning and facilitation o a \$500,000 loan from UBB for investment and working capital purposes
 - d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:	\$170,000	\$70,000	N/A	9	\$90,000	1
2. Value of linkages:	N/A			f.: 5 m.:4		
3. Jobs created and retained:	23 f.:13 m.:10					
4. Domestic sales:	\$1,100,000					
5. Introducing international industry standards:						

6.
 - a. Client Name, Sector, Assistance Type: Eighteen Bulgarian companies from the textiles and apparel industries
 - b. Volunteer / Trainer Name: NA
 - c. Description of Intervention: business-to-business meeting in Istanbul, Turkey
- Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:			\$190,000			
2. Value of linkages:						
3. Jobs created and retained:						
4. Domestic sales:						
5. Introducing international industry standards:						

7.

- a. Client Name, Sector, Assistance Type: Seven Bulgarian producers from the food industry
- b. Volunteer / Trainer Name: N.A.
- c. Description of Intervention: business-to-business meeting in Thessaloniki, Greece
- d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:			\$850,000			
2. Value of linkages:						
3. Jobs created and retained:						
4. Domestic sales:						
5. Introducing international industry standards:						

8.

- a. Client Name, Sector, Assistance Type: Twenty-five Bulgarian companies from the apparel manufacturing and canning industries
- b. Volunteer / Trainer Name: N/A
- c. Description of Intervention: business-to-business meeting in Ploesti, Romania
- d. Baseline Data / Result Per Indicator

BASELINE DATA		RESULTS (give increment only)				
		Ind. #1	Ind. #2	Ind. #3	Ind. #4	Ind. #5
1. Exports:			\$170,000			
2. Value of linkages:						
3. Jobs created and retained:						
4. Domestic sales:						
5. Introducing international industry standards:						

Attachment B

FLAG Coordination

Administrative Support Division

1. ASD developed time series data of FLAG client records and provided support to the two FLAG Committees.
2. ASD provided on monthly basis FLAG Events of the Horizon List and US Visitors Schedule to USAID/BG.
3. ASD continued to provide FLAG member organizations with database monthly Implementation Status Reports and quarterly Client Baseline Reports.
4. ASD assisted the activities of the Tracking, Follow-on and Evaluations Committee by providing reports of FLAG clients due for three, six and twelve months evaluation and generating Evaluations Committee database programmed quarterly reports.
5. ASD published on a monthly basis the FLAG Newsletter and distributed it to FLAG member organizations, other USAID funded partners, major clients, RDAs and local strategic partners.
6. ASD continued to provide maintenance and monthly update of the FLAG web site.