



USAID
FROM THE AMERICAN PEOPLE

Investigatory Trip—Workshop and Meetings with Producers (Deliverable 4)

**Madagascar Business and Market Expansion Project
December 2005**

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Producer Assessment by Company (in each section)

Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Has there been a point person that has been identified? Who are they and what is their contact information?

Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

What is the strategy for bringing this company to market? What is the ideal relationship?

What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

OVERALL CONCLUSION:

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i. Executive Summary:

During EthnoPharm's visit to Madagascar and BAMEX, specific objectives of the investigatory trip were satisfied:

- A workshop and training was given on focus products and recommendations about labeling, packaging, and pricing. The workshop was successful, with a higher turnout than expected, and participants were given a basic education on certain aspects of reaching the US market. Specifically, an understanding on the different types of markets (Dietary Supplement, Functional Food/Food, Cosmetics, Handicrafts) that make up the natural products industry in the US, and their regulatory differences were given. For each market, specific labeling recommendations were made, and resources were given to the companies to help them when they begin redesigning labeling. Over \$200 USD of product samples were brought and left at BAMEX for companies to examine as examples, and there were two CD-ROMs that were left at BAMEX to act as Regulatory Compliance Review Guides for Labeling (for foods and supplements).
- Secondly, Kerry Hughes and EthnoPharm completed over 10 company one-on-one visits throughout the week. In these meetings, the five points (as specified by Jean Robert) used as assessments were covered, and the various products and pricing each company offers was reviewed. For a list of companies, see below.
- As a third aspect of the investigatory trip, farmer association and direct community (fair-deal) relationships were explored. In this area, EthnoPharm met with Koloharena, and BAMEX will give EthnoPharm more information on the various communities they have been working with, and EthnoPharm will investigate potential relationships in the US. Trade Union is also working with a couple communities for the production of green tea, and one in particular looks attractive for further development or marketing of the story, and it involves a community of monks who harvest tea in Madagascar.

Not included in the original scope of work, EthnoPharm also saw the need to meet with a couple of research institutions to get an idea of what kind of research is being done in-country, and what kinds of research facilities are available. In certain types of business partnerships for developing natural products for the US market, research and development will have to be completed before products can reach market. EthnoPharm has been requested to investigate the potential to work with research institutions for potential partnerships and business linkages by US companies, specifically, PharmaChem.

Companies Visited:

- 1.0 Label CBD & Aroma Forest (Organics) – M. Olivier Behra
- 2.0 Homeopharma – M. Jean claude Ratsimivony
- 3.0 Vert Safran – M. Daniel Verwiorwski
- 4.0 Rabane Emoi - Mme Beby Bueno Kaloper

- 5.0 Cartiel – Mrs Solange Ramanantsoa
- 6.0 Trade Union – M. Honneger
- 7.0 Mirado – Mme Mirana Andriamanantena
- 8.0 Crafters for Corporates – Mme Lizah Raserijaona
- 9.0 Alize – Mme Bodo Rabeharisoa
- 10.0 Art Land – Mme Bodo Wittmer
- 11.0 Confédération nationale des Koloharena (CNKH) – Jules Randrianarivelo
- 12.0 Sil'ouette
- 13.0 Madagascar Jewels – Mrs Vero Rasendratsirofo

Products from each company were chosen as having the highest potential, and requests were made for each company to drop off samples, pricing, and capacity of production. Among the products selected, there were various handicrafts, including small bags, runners, placemats, handmade paper products, silk scarves and toy 'houses'. There were also several products from Homeopharma, including roll-on aroma, medicinal teas, and athletic balms, and other bulk natural products, including Iary, Saro, Foraha, Green Tea (Community supporting) and Voafotsy. Other spices and soaps will be brought back to the market to see if they are price competitive, as the initial reaction is that they are not.

Research Institutions:

CNARP (Centre National D'Application Des Recherches Pharmaceutiques)

IMRA (IMRA (Centre National D' Application Des Recherches Pharmaceutiques)

The two research institutions that were visited were very open to working with any private companies to do research, and they exhibited their various research capacities.

Moving Forward:

EthnoPharm now has a good understanding of what products Madagascar has to offer, and has made the appropriate relationships so that other product opportunities may also be developed in the future. Upon returning to the US, meetings and conversations will be held in order to try to secure orders. Furthermore, planning needs to begin immediately for bringing the three or four recommended companies to Natural Products Expo West (for Deliverable 5) in Anaheim, CA. These companies include MMF, Label CBD, and Homeopharma, and possibly also Mirado. These companies are the selected companies that EthnoPharm would like to work most intensively with, however, EthnoPharm will also work with less intensity with other producers to help them find markets, such as Cartiel and Trade Union.

Extra Suggestions:

During EthnoPharm's visit and investigation into the needs and export readiness of companies, it became apparent that a couple of suggestions could help companies move forward:

English Translator/Editor Availability-

Although it is clear that several companies are making attempts at learning English and offering promotional material in English, it is also clear that they will need help. It is Ethnopharm's suggestion that a consultant is made available to companies so that they can contact this person whenever they need to write promotional material and answer emails. This should be a native English speaker that can edit promotional materials, as well.

Production of "Made in Madagascar" Cards-

A very helpful and easy-to-implement addition to all products would be a tied-on tag stating that the product is "Made in Madagascar", and detailing a good story about Madagascar and what a special place it is. People like to buy products with 'stories', and differentiate Malagasy products on the market is going to require telling the story of Madagascar, and educating the consumer on how special Madagascar is. This is an easy and cheap way to add perceived value to products, and differentiate them from Indian and Chinese products (with which they will be competing). It is EthnoPharm's suggestion that BAMEX should make these cards, print a large number of them, and then make them available either for free or very cheaply to participating Malagasy companies.

On-going Trade Show Participation-

There are about 2-3 trade shows each year that are recommended for participation of Malagasy companies. One is upcoming in March, The Natural Products Expo West (Anaheim, CA), this is the largest natural products industry conference, and includes everything that would be found in a health food store (foods, supplements, cosmetics, handicrafts), so there will be important potential contacts for all companies. The second is Supplside West in November (Las Vegas, NV), and is a smaller and more focused conference on the 'supplside' of the industry. It does not include handicrafts, but does include all dietary supplements and nutraceuticals. I believe having a Madagascar booth would generate a lot of interest and linkages. Third, is LA Gift Show/SOURCES (Los Angeles, CA, January—Sources is more volume oriented, and is now running alongside the Gift Show), which is the largest handicraft show, and will be important potential contact for all companies with handicrafts or retail items.

Tie-in and Promotion of Unified Madagascar Themes for Local and Regional Markets

Madagascar's tourism industry is still mostly undeveloped, and its image or unified message to the rest of the world is also lacking. Madagascar would benefit internally (in its tourism, as well as local and regional markets) and also externally (any export markets) if there were unified themes that were promoted as the image of Madagascar. Images such as "Aroma Island", pure and natural, and the uniqueness of its biodiversity are all messages that could be used successfully to not only promote Madagascar's tourism industry, but also its products. A program for creating these themes, producing a PR (public relations) campaign, and integrating them into the development of markets at home and abroad is recommended.

Website

EthnoPharm has been developing the website: www.madagascarnatural.com as a tool for the promotion of Malagasy businesses, and this should be developed more fully and continued when EthnoPharm's contract expires. Currently, the website is up and running and it contains information on the BAMEX project, along with contact information of participating producers. It is in need of development by inputting product pictures with each producer (to act as a small on-line catalogue) and also development of product information (information sheets), and a short personalized description in English for each company. As it is not part of EthnoPharm's contract to fulfill these activities, it would be very helpful if an additional project took on these responsibilities.

1.0 Label CBD & Aroma Forest (Organics)

1.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, this company has already invested a substantial amount of time and resources into research and development, and they now have several unique and interesting products.

1.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, and he is (fluent) English speaking:

Olivier Behra
Label C.B.D. S.a.r.l.
Lot II V 102 B Amparndrana ouest
101 Antananarivo
Madagascar
Phone: 261 20 22 550 65
Fax: 261 20 22 662 28
Email: labelcbd@mate.mg
Website: www.labelcbd.com

1.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

Iary (*Psiadia altissima*)

Pricing:

10 kg- 53 USD

50 kg- 49 USD

100 kgs+- 48 USD

Saro (*Cinnamosma fragrans*)

Pricing:

10 kg- 69 USD

50 kg- 67 USD

100 kgs+- 65 USD

Foraha (*Calophyllum inophyllum*)

Pricing:

10 kg- 35 USD

50 kg- 30 USD
100 kgs+- 25 USD

Voafatsy (*Aphloia theaformis*)
Pricing: (still awaiting pricing and capacity)

1.4 What is the strategy for bringing this company to market? What is the ideal relationship?

This company has done a lot for research, development, and production, and has some very unique and exciting products. The type of relationship that seems the optimal is to partner with distributors that can form exclusive licensing/marketing relationships for the dietary supplements, functional foods, and dietary supplement industries.

Jim Simon and EthnoPharm also had a meeting on Monday (December 12) regarding some of the quality and product specifics of Label CBD products.

1.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

Yes, they are currently creating more promotional materials.

1.6 OVERALL CONCLUSION:

CHOSEN COMPANY—BAMEX should support her to go to the Natural Products Expo West in Anaheim, CA, in March.

2.0 Homeopharma

2.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, it is clear that they are market innovators here in Madagascar, and they have put much creative thought into designing products and integrating Malagasy traditional medicine into not only the products, but healing centers and the ecolodge that is being built in Ambila. There are some problems still with communication and getting a timely response to emails and requests.

2.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Focal contact:

Jean-Claude Ratsimivony – Manager

Lot II M 80 Bis Antsakaviro

Antananarivo 101

Email: homeodg@homeopharma.mg

Website: www.madagascar-homeopharma.com

2.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

There will be a couple different strategies with promoting Homeopharma. One will be to promote the “Homeopharma Ecolodge” at Ambila. This ecolodge is very nice, and tranquil—located between a beach and swimming canal—and is a perfect place for ecotourism, to enjoy the beach, and also to learn about local medicinal and aromatic plants. There are other programs in the world, but none that I know of that promotes the indigenous healing tradition of Aromatherapy. There are not only opportunities to promote this center for tourists, but also for educational tours for pharmacists, aromatherapists, and other health care professionals. The completion of the lodge is targeted for next Fall.

Secondly, Homeopharma has a unique and well-designed line of medicinal teas, beverage teas, aromatherapy products (including balms, essential oils, and massage oils), a homeopathy line, and other supporting products (like a natural bug repellent). The line of products is priced well, and it has the potential for being distributed in the US (certain products only), along with the story of Homeopharma.

2.4 What is the strategy for bringing this company to market? What is the ideal relationship?

As mentioned above, opportunities for promoting the ecolodge will be sought, as well as a distributor for Homeopharma products.

2.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

This is to be determined, I will recommend that they visit the US (preferably at a trade show), and also work with me to write articles to place in specific magazines in the US.

2.6 OVERALL CONCLUSION:

CHOSEN COMPANY—BAMEX should support her to go to the Natural Products Expo West in Anaheim, CA, in March.

3.0 Vert Safran

3.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

They do seem committed to developing business and producing a wide variety of products. I am not sure if the price points in the US will be attractive to them and for this reason if they will be willing to work with the US market.

3.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, but they do not speak good English.

Monique & Daniel Wewiorski
BP 120 Ivato aeroport
Antananarivo – 105
Madagascar
Tel (261) 20 224 43 07
Fax (261) 20 224 43 07
GSM (261) 33 110 40 56
Email: versaf@wanadoo.mg

3.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

They have a number of very creative and attractive spice products (like mixture of Malagasy spices) that may have potential for the US market. The only problem with these products is the price. If we go by the standard 6 X markup, then these products will never be able to compete on the US market (they are not even close). However, if we find someone who can sell them more directly (and thus have a lower markup) then there may be potential for entering the US market.

3.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I will try to find a market for the existing spice blends and products that is more direct. It may be more advantageous for them to focus their efforts on the local, regional and direct relationships with tourism (resorts, airports, hotels and botiques).

3.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

They have produced some nice promotional material already, but it needs translation. Someone from the company needs to be able to communicate in English, as well.

3.6 OVERALL CONCLUSION:

Unless there is an immediate and more direct relationship I can find for these products, I do not think the price points are right for the US market, and will not recommend entry to US market.

4.0 Rabane Emoi

4.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, she has a thriving and creative production, and shows commitment to growing and adapting with the market.

4.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, but she does not speak very much English:

Mrs Beby Bueno Kaloper
Po Box : 3148
Antananarivo 101
Madagascar
Tel/Fax : 00 261 20 23 609 48
E-mail : rabane@wanadoo.mg

4.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

Her products are beautiful, but many are probably too expensive for distribution into the US. As she is used to doing business in France, her designs are very aesthetically beautiful, but more suited for very high end linen, bed/bath stores. She does, however, have a number of handbags that seem to be price effective, under \$5 USD, that may be potential products to begin with.

4.4 What is the strategy for bringing this company to market? What is the ideal relationship?

First, I will try to try to find business linkages for her lower value products with a distributor. Secondly, there may also be some possibility to work with a clothing designer or very high end store (lower volume) more directly.

4.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

She is willing to work on designs and customize orders.

4.6 OVERALL CONCLUSION:

Recommended company, but not for bringing to a trade show this Spring (maybe next Fall).

5.0 Cartiel

5.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

They do seem committed to understanding and taking steps to get to the US market.

5.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, but she does not speak good English.

Solange RAMANANTSOA

4, Rue Dr RAVELOSON Tsaralalana

B.P. :8457 – Antananarivo

Madagascar

Email: cartiel@wanadoo.mg

Tel 261 20 22 329 21

Fax 261 20 22 330 68

Mobile 261 32 07 329 21

261 33 12 706 08

5.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

This is another company that produces soaps. She has got creative regarding the basket for the soap, however in terms of price will need to review it in order to be competitive, but she says she is ready to do this.

She has got a monthly production capacity of 1 000 units, has already sold in France during a trade show “Parfums de Madagascar”- to promote Madagascar.

Today, a potential buyer is asking for the labeling information. She should send it to BAMEX. As per our conversation, she will need to create it, has never done it before.

5.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I will try to create relationships, but doubt the US market will provide price points sufficient for this company.

5.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

She is interested in travelling to trade shows with Bamex sponsoring. She said she would produce promotional material in English and write about the company and Madagascar with help from BAMEX if they could provide a translator. She is interested in working with a US partner to expand her US market presence.

She does not have a website yet, as she does not have a large enough variety to show many products.

5.6 OVERALL CONCLUSION:

Only promote if they take steps to meet price points and produce promotional material in English.

6.0 Trade Union

6.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, they seem to have produced some nice promotional material and line of products.

6.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, but they do not speak English very well:

M. Honneger

Villa Soa – Ambohitravao

Talatmaty – BP 98 Ivato aeroport

Antananarivo 105 Madagascar

Email: tradeunion@malagasy.com

Website: www.tradeunionmadagascar.com

Tel (261) 20 22 457 79

Mobile (261) 33 11 336 99

(261) 32 11 336 99

6.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

I may have a customer already for the green tea produced by a community of monks (and packaged in Banana leaf cylinder), and perhaps the local tea, as well. I will also see if the spices may have a more immediate linkage, although I suspect they may not be price competitive. They are willing to work on price, although they said the quality would suffer.

6.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I will see if I can find a customer for the green tea in cylinder, and perhaps the spices.

6.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

They do seem committed, but they will have to produce supporting material in English, and also take English lessons or hire an English-speaking point person.

6.7 OVERALL CONCLUSION:

I recommend working further with this company, but I think there are steps that need to be taken in producing English promotional material, and also in getting a point person who can speak English before we seriously promote this company to the US market.

7.0 Mirado

7.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, she seems committed and well organized with world-class products, and a great story.

7.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, she speaks some English, as well:

Mme Mirana [Andriamanantena](#)
Lot VT 77 L Andohanimandroseza
101 Antananarivo, Madagascar
cel- 261 33 11 882 57
tel- 261 20 22 372 38
fax- 261 20 22 273 78
email: mirado@wanadoo.mg

7.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

She has a very nice story with her helping disadvantaged women to learn crafts, and she has very nice designs, and also the very interesting wild silk from endemic Malagasy plants and silk worms. She also has a fiber cloth with clove sticks inserted into it. Depending on the types of relationships and the price they can bear, the specific products will be chosen. On the low-cost end of the market, is the possibility of doing a table runner with the clove cloth at about \$6-9USD, and several small handbag designs she will select for me to bring home as examples for under \$5USD, and possibly some raffia placemats, as well. At the higher end of the market are her wild silk scarves and hand crochet wild silk clothing (sweaters and shirts).

She does need to write some supporting material in English (either tags and/or brochures) that talk about the story of her business helping disadvantaged women, and also the story about wild Madagascar silk. As soon as I can get orders of any quantity, she will hire more women and train them, and increase production.

7.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I will show samples of the products to potential buyers, both in the lower end of the market, as well as the higher end. I will also talk to a couple of clothing designers to see if there may be a possibility for collaboration.

7.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

She would be a good person to bring to the Anaheim Expo West show, and I think she is open to doing outreach activities. I will also find out if she is willing to write articles about her story to help place magazine articles.

7.6 OVERALL CONCLUSION:

CHOSEN COMPANY—If Bodo is unable to attend the Natural Products Expo West show, or can not speak for the rest of MMF well, I suggest that Mirado goes in her place. I also suggest that it would be a good idea to consider sending her anyways as the fourth person to attend. This is because of the story she has created of helping young girls, and the production potential she has set up. I believe there is opportunity for her to meet with and work with clothing designers, as well as sell her own line into the market.

8.0 Crafters for Corporates

8.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, this company is committed, but I believe they will need some help to reach the market.

8.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, there seems to be one real point person, however she speaks very little English (but she does speak some):

Mme Lizah Raserijaona
Lot VR 10 Ankazotokana
Antananarivo 101
Madagascar
Tel : 00 261 20 22 625 25
E-mail : lizah@crafters-for -corporates.com

8.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

They already exported to Canada, but today their buyers are changing the products, are more now interested in red rice not handicraft anymore. They have already tried to work with USA, but didn't succeed and today are looking for a way to enter the US market. I gave them some feedback on design ideas. From what I saw, I was interested in the semiprecious gemstones, the toy 'houses', the dolls (except I don't know if Americans will like the material), the handmade paper, and the cutting boards (although I am not sure the weight of them will make them cost-effective).

8.4 What is the strategy for bringing this company to market? What is the ideal relationship?

This group is suffering from a lack of originality in design, and the designs they do have I believe will not create much market demand. I think this group needs some help, and should possibly work with a design consultant to help them.

8.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

I am not sure they are ready for attending a trade show, but they certainly seem committed, and willing to take whatever steps the market demands.

8.6 OVERALL CONCLUSION:

I will try to find markets for the products I indicated. However, whether they make sales from those products or not, I believe they need help working with a designer, and creating a good vehicle within the coop where a certain percentage of the profits goes to bettering the members and workers lives (such as for education of their kids, as they had suggested). They have already had a European Fair Trade Organization visit here in Madagascar, and they concluded that the workers were being paid too little, and that a more equitable trade structure needed to be put in place before they could be considered members of the Fair Trade Organization. Once this happens, this will help the prospects of their products.

9.0 Alize

9.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, she does seem to be committed and well organized, and willing to think of new ideas and respond to what the market might offer.

9.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, and she speaks pretty good English:

Mme Bodo Rabeharisoa
47, Rue Ratsimilaho
Ambatonakanga
Antananarivo 101 Madagascar
Tel (261.20) 22.686.47
Fax (261.20) 22.354.68
Email: ra.alize@wanadoo.mg

9.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

She has a couple really wonderful bag designs, and so I asked for samples of the small bags that would cost under \$5 FOB. I also really like her little (tiny) raffia animals and beads that she hangs from the bag strap and also makes into key chains—these are also price effective, and we may find a good market for these items. She has a few nice hat designs that I will show for potential market interest, but I believe the price may be too high. Lastly, she also is interested in producing ornaments, and will provide some samples of ornaments for next Christmas season.

9.4 What is the strategy for bringing this company to market? What is the ideal relationship?

It would be ideal if we can get some sales going immediately for a few of her lower value items, and then afterwards find a buyer who is willing to work on design and customization into the future.

9.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

Yes, I believe she would be willing to do these things.

9.6 OVERALL CONCLUSION:

Recommended company. Although I don't think she is quite ready to bring to the Spring trade show, in the future I believe she will be. In the meantime, I will see if I can find a

customer for her existing products.

10.0 Art Land

10.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

Yes, and she is committed to making whatever changes in design or labeling that need to be done. As she is the President of MMF, she is very professional and shows a high commitment.

10.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, and she speaks excellent English:

Bodo Wittmer

(President of MMF)

B.P. 11010

Villa Sainte Marie du Rova

Amborompotsy, Talatamaty

101 Antananarivo Madagascar

tel 261 32 07 177 84 or 261 20 582 15

email: bodowitt@wanadoo.mg

10.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

Runners (on Malagasy cotton) with Embroidery

Handmade Paper and Notebook

Placemats

Handwoven silk shawl with embroidery

10.4 What is the strategy for bringing this company to market? What is the ideal relationship?

Mrs Bodo is very creative and has nice product design. Maybe a distributor would be the optimal relationship, as certain items may be price effective. Otherwise, direct. She just wants consistent and regular orders with someone, and is willing to work on design to get price down.

10.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

Yes she is, she is also currently creating her own website, that will be available in French and English (before the end of January). They are also creating a story that will be available with each product of MMF that will be in English and French. She is also explicitly willing to write articles about her company and Madagascar. MMF has got a website : www.madamagic-fingers.com

10.6 OVERALL CONCLUSION:

CHOSEN COMPANY – BAMEX should support her to go to the Natural Products Expo West in Anaheim, CA, in March.

11.0 Confédération nationale des Koloharena (CNKH)

11.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

I believe they are committed to reaching export markets, but I am not sure if they are committed to finding a way into the US market.

11.2 Has there been a point person that has been identified? Who are they and what is their contact information?

I am not sure, and I am not sure if there is anyone who speaks English.

11.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

They are strongest in red rice and pink rice. I do believe these would be interesting in the US market, but there needs to be more education and promotional materials created in order to penetrate the US market. I would like to see someone make a summary of the nutritional benefits of the rice (I believe there is research showing it is very nutritional), and also giving a copy of this research analysis (in English). Also a label should be created (following the Nutrition Labeling for foods that I provided in the last deliverable and according to the CD-ROM I provided BAMEX as a nutrition label review. They also had a few small handicrafts (bags) that were being used as a package for the rice for export to Europe. They said they were willing to sell the bags for \$1 FOB, and the bags of rice for \$2 FOB. Together the rice and bags would then be \$3 FOB.

It may also be possible to find markets for their tumeric and ginger, but only if we are able to get this certified organic, or if there is an equitable trade story that can be created and implemented for this group. They seem to be open to going organic, but did not give any potential pricing, capacity or time frame for this.

11.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I was unable to meet with the president of Koloharena, but I was able to meet with another person. However, I do not know if he understood completely what their wants were or how they wanted to access the US market. They seemed busy with the European market right now, and I am not sure if they are ready to move onto the US.

11.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

I am not sure what steps they are willing to implement. As I didn't meet with the person in charge, I did not get a sense of what they are committed to doing, and did not get the sense that they were ready to move into the US market, at least not without a lot of help.

11.6 OVERALL CONCLUSION:

I will try to see if there are any immediate contacts that might be willing to work with this group. If I do not have any success with clients, I recommend that this group completes some promotional materials in English and labels before trying again.

12.0 Sil'ouette

12.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

This remains to be seen. She is the secretary of MMF, and has created a wonderful variety of uniquely designed items, so she definitely shows some level of commitment. However, she did not show up to my meeting with her in Madagascar, and during recent negotiations with a potential buyer did not seem willing to work on pricing.

12.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Mrs Noeline Andrianarivelo-Razafy (she is English speaking person)
IVA 27 Andravoahangy ambonny
Antananarivo 101
Madagascar
Tel : 00 261 20 22 267 09
E-mail : silhouette@wanadoo.mg

12.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

They have very beautiful products, and I believe they are already present on the European market, and perhaps this is enough for them.

To be more competitive, they will need to review their prices, or create designs that are cheaper to produce.

12.4 What is the strategy for bringing this company to market? What is the ideal relationship?

As they have showed no willingness to work with us or show up at meetings, I don't believe they are ready to market to the US.

12.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

Unknown. Perhaps they are not willing to take the appropriate steps.

12.6 OVERALL CONCLUSION:

Drop from consideration

13.0 Madagascar Jewels

13.1 Is the Company Committed, looking into the long run, and ready to move forward into the US Market?

She seems very interested in producing one product, but it is unknown whether she is willing to commit to reaching the US market.

13.2 Has there been a point person that has been identified? Who are they and what is their contact information?

Yes, but she does not speak English:

Mrs Vero Rasendratrirofo
BP 3807
Antananarivo 101
Madagascar
Tel : 00 261 33 14 260 94
E-mail : perfo@wanadoo.mg

13.3 Of the range of products that they showed, which were chosen as having the highest potential on the US market? Include details on pricing, and potential quantities of production? Are any of these products being exported already? Are there any steps that need to be taken in improving packaging, labeling, reformulation or redesign?

She only has shown me boxes of semiprecious stones (with and without silver stands) used for holding up silverware (or chopsticks) at the dinner table. The boxes sell for approximately \$28 USD (without silver), and \$150 USD (with silver) FOB.

13.4 What is the strategy for bringing this company to market? What is the ideal relationship?

I may show the boxes to one or two potential clients, but I do not think this is price effective for the US market.

13.5 What steps will they take to reach the U.S. Market? Are they open to travelling to trade shows, building websites, and other outreach activities for the US market?

I do not know whether this company is ready to take the appropriate steps, nor if they have products to fit the market at the right price points.

13.6 OVERALL CONCLUSION:

Drop from consideration unless they follow up with more information on products and show initiative to want to work with BAMEX.

Part II – Institutions

14.0 CNARP (Centre National D'Application Des Recherches Pharmaceutiques)

Amptsapetsa – Ivandry – Antananarivo 101

B.P. 702

Tel (261-2) 428-01 or (261-2) 420-88

Email: dircnarp@wanadoo.mg

Contact Person:

Dr. Etienn Alphonse Rakotobe, Director

CNARP is an institution that is mostly funded through the Malagasy government. They have much potential and a few interesting research projects currently, but they seem to be very much in need of more stimulus for research and funding. They have research capacities including pharmacology, microbiology, chemistry, ethnobotany (including an herbarium), pilot production, and QA/QC. They are willing to work with companies on private research projects, and they also have some ideas of projects that may lead to interesting products in the future, including a naturally decaffeinated coffee. They are interested in doing third party analyses for export products, and quoted approximately \$10 for the typical quality analysis (such as for an essential oil). They also said they could do small scale production of vanilla extract for approximately \$10/k. They said they sometimes do this when producers come to them with vanilla beans that did not pass inspection (ie the bean length was too short) for export.

I will be asking them for some proposals for research in developing the products for which they have already gathered initial science, including a naturally decaffeinated coffee and also a few herbal medicines, such as an cough/cold product. I believe they may be a good resource for performing custom research (with potential US partners), and for performing routine QA/QC analyses for export of herbal products.

15.0 IMRA (Centre National D' Application Des Recherches Pharmaceutiques)

BP: 3833 Antananarivo 101

Madagascar

Tel (261 20) 22 381 88

Email: soamadi@wanadoo.mg

Contact Person: Suzanne Ratsimamanga (President)

IMRA is a privately funded research institution that appears to have top methods of science and professional science talent employed. They are currently working on several distinct programs, including antimalarial research funded by the WHO, private research contracts with large cosmetic companies, and biodiversity and conservation practices on the plants they are researching. The institute is busy, yet available for more outside research contracts, whether it is original science or QA/AC of products for export. They also quoted about \$10 Euros per quality check for essential oils, and said the price of QA on other products would depend on the methods being employed.