







Sistema Económico Latinoamericano y del Caribe

Latin American and Caribbean Economic System

Sistema Econômico Latino-Americano e do Caribe

Système Economique Latinoaméricain et Caribéen

Exploring Export Consortia & Cluster Models

Andrea Taylor,
Small Business Association of Barbados

Relaciones Intrarregionales

Encuentro sobre Consorcios de Exportación para el Caribe Piura y Lima, Perú 6 y 7 de mayo/ 8 de mayo de 2014 SP/ECEC-Pymes Di N° 4-14

Copyright © SELA, May, 2014. Todos los derechos reservados. Impreso en la Secretaría Permanente del SELA, Caracas, Venezuela.

La autorización para reproducir total o parcialmente este documento debe solicitarse a la oficina de Prensa y Difusión de la Secretaría Permanente del SELA (sela@sela.org). Los Estados Miembros y sus instituciones gubernamentales pueden reproducir este documento sin autorización previa. Sólo se les solicita que mencionen la fuente e informen a esta Secretaría de tal reproducción.



EXPLORING EXPORT CONSORTIA & CASE FOR CILISTER MODELS. THE CASE FOR PRESENTED BY ANDREAC TAYLOR BARBADOS MAY 6,201A

CONTENTS

- AGRO-PROCESSING CLUSTER
 - BACKGROUND & RATIONALE
 - SWOT ANALYSIS
 - DISTRIBUTION & CHARACTERISTICS OF SECTOR
 - STAKEHOLDERS MODEL
 - CHALLENGES & CONSTRAINTS
- NEW CLUSTER FORMATION WOOD-BASED ARTS & CRAFT
 - BACKGROUND & RATIONALE
 - SWOT ANALYSIS
 - STRATEGIC AREAS FOR GROWTH
 - CLUSTER PROMOTIONAL PROJECT
- CONCLUSION

AGRO PROCESSING CLUSTER

BACKGROUND & RATIONALE FOR EXPORT CONSORTIA

- Genesis in cottage businesses that served friends, family and neighborhoods of the producer
- Industry development has been accidental and void of centralised oversight
- Variances in the quality, packaging and business approach of the entities
- In the last decade, the industry has realised some successes in the e condiment and syrup product categories
- Vast majority of agro--processors are micro and small enterprises operating at varying grades
- Heavy saturation of the domestic market with small percentage engaged in exporting to the US and UK

SWOT ANALYSIS OF AGRO-PROCESSING CLUSTER

STRENGTHS

Creative application of local produce

Owners have invested in product development

Owners are committed to their ventures

Wide acceptance on domestic market

Traditional origins provide ample scope for marketing campaigns

OPPORTUNITIES

Products are in an early growth stage

Application as authentic Barbadian culture

Moderate market penetration make rebranding easy

Tourists are seeking cultural submersion experiences

Global food purveyors are always seeking "new to market" products

WEAKNESSES

Absence of a central representative agency

Industry entry was adhoc, no feasibilities were conducted

Inconsistency in graphics & product data on packaging

Lack of funding for R&D and sustained marketing

Thread of apathy exhibited by some owners

THREATS

Imported substitutes from other islands Inconsistent supply of raw materials

Cargo airlift constraints, especially for frozen goods

Barriers to access to fiscal incentive

DISTRIBUTION OF SECTOR

Frozen

 Fishcake batter, sweet bread dough, blanched ground provisions, flying fish sausages, black pudding, bakes batter and ice cream

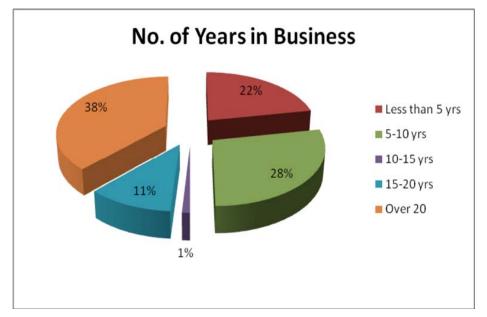
Beverages

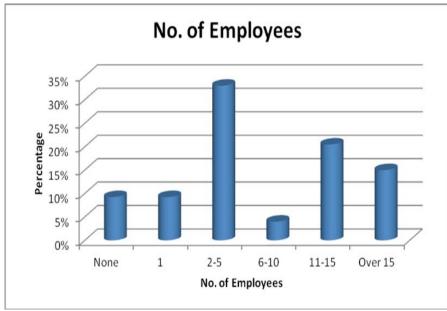
 mauby syrup and bitters, ginger beer, fruit and vegetable juices, punches (peanut, coconut, sour-sop)

Condiments

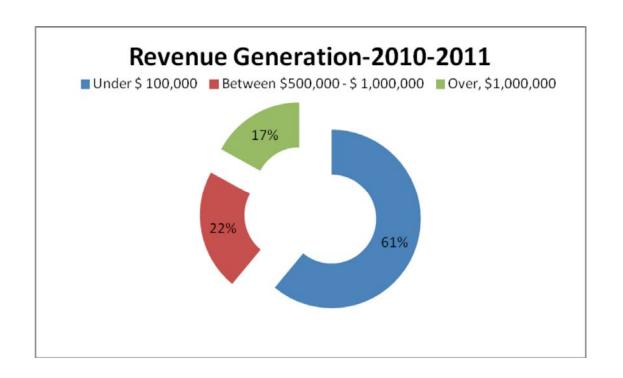
 pepper sauce, pepper jelly, chive seasoning, golden apple chutney, golden apple salsa and tamarind dipping sauce

CHARACTERISTICS OF CLUSTER

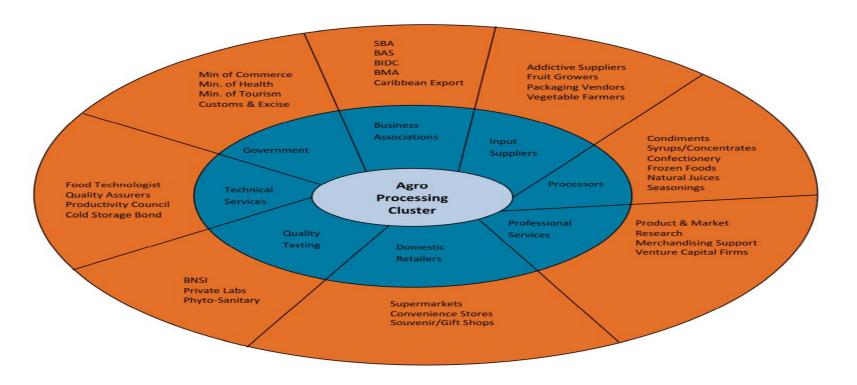




CHARACTERISTICS OF CLUSTER CONT'D



AGRO-PROCESSING STAKEHOLDERS



CHALLENGES & CONSTRAINTS

LACK OF CAPITAL

To finance efficiency & expansion

To finance machinery upgrade & technology

LACK OF MARKETING

Product development, research & strategy

Packaging. labelling & distribution – domestic & export

LACK OF CAPACITY

Training & technical skills development Standards, quality & international certification

NEW CLUSTER FORMATION – WOOD-BASED ARTS & CRAFT

BACKGROUND & RATIONALE FOR EXPORT DEVELOPMENT

- In a post-independent Barbados, tourism became the number one foreign exchange earner
- Tourism stimulated the manufacturing & services sectors, as a result arts and crafts production flourished
- Construction of hotels, villas, and other forms of accommodation for the growing influx of visitors resulted in an upsurge of artisanal wood products
- In the 1970s and 80s, popular items included, wood-turned candle-holders, salad bowls, mortars & pestles, knick-knack shelves, wood-turned lamp stands
- Other products in recent times included wooden trays, napkin holders, carved masks, faunal sculptures, abstract-shaped clocks, etc. provided to the visitor and local alike as Barbadian-made souvenirs

SWOT ANALYSIS OF CLUSTER

STRENGTHS

Strong ownership/pride in skill

Tendency for skills to be passed on to 2nd and 3rd generations

Heavy usage of indigenous materials production

Relative permanence of product

Willingness of practitioners to help each other

Existing agencies with mandates to assist

WEAKNESSES

Very Informal sector, inadequate human resources
Practitioners lack advanced training

Inadequate supplies of wood for mass production Limited variety of woods to give consumer choices

Limited attention to design

Limited or no standardization in processes/finishes Inadequate cash flow to fill sizable orders

OPPORTUNITIES

Changing attitudes of visitor market to embrace craft Use of alternative woods to hardwoods - coconut Niche markets for Afro-centric carvings

New up-scale developments requiring high-end artifacts

National attention to cultural industries

Technological advances in tools to improve quality/speed

Increased Technical Assistance from international agencies such as ITC, IADB, UNIDO.

THREATS

Environmental awareness and protection policies for hardwoods

Influx of Asian competitive products

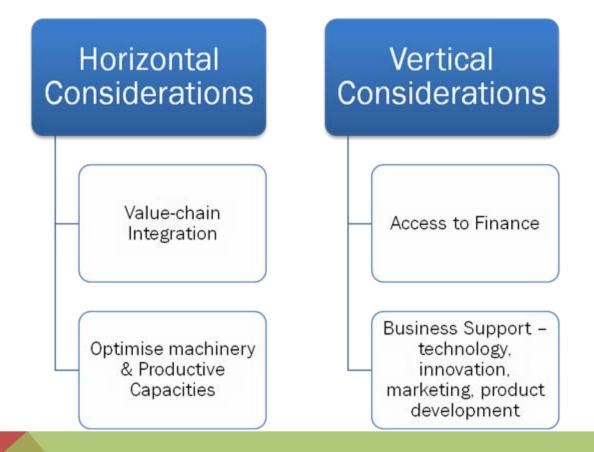
Influx of regional products of greater variety of woods

Depressed economic environment influences customer spending on essentials

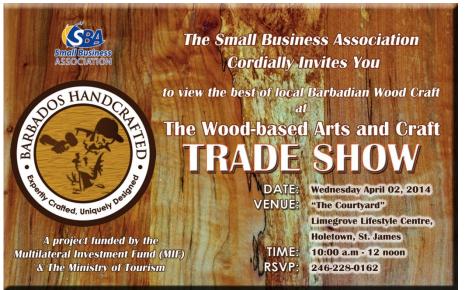
Loss of key outlets selling crafts and gifts

Loss of traditional skills & knowledge for wood craft

STRATEGIC AREAS FOR GROWTH



EXAMPLE OF RECENT PROJECT



PROMOTION MATERIALS

TRADE SHOW TO PROMOTE BRAND



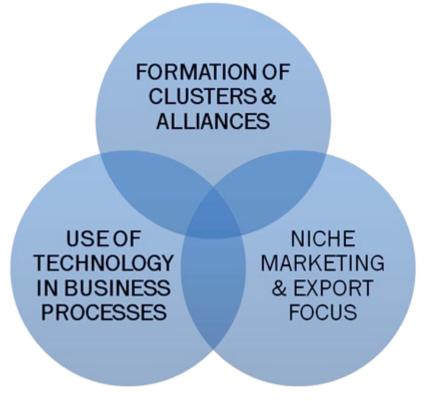


COMMON SEAL



COMMON BRAND

CONCLUSION – model recognised for future development of smeS



THANK YOU!