



TECHNO SERVE
Business Solutions to Rural Poverty

WORLD

A Newsletter For Friends Of TechnoServe • Summer 2007

Entrepreneurship is alive and prospering in Latin America and Africa. The entrepreneurs we work with, such as Ana Rosa Graf and Gerald and Rosemary Muthomi are spurring transformation, not only in their own lives, but in the lives of many people around them.



The Muthomis' produce marketing organization and Graf's craft business are creating jobs, income and opportunity where none existed before, and spreading a culture of entrepreneurship. With our assistance and your contributions, they are demonstrating that people, given the right skills and knowledge, can lift themselves and their communities out of poverty.

But these individuals are just a handful of examples of how TechnoServe's work transforms lives.

TechnoServe is building a community here in the US, too. In March, our gala brought together more than 350 individuals who believe that our business-oriented approach is instrumental to fighting poverty in the developing world.

Our TechnoServe members, who you can read about on the back page, are also dedicated to strengthening our community of supporters for even greater impact.

Thank you for your continuing support and enthusiasm for our work. Without the loyal support of people like you, many rural families, such as Filadelfo and Cesar Sotelo's, would not have the opportunity to create better lives for themselves and their children.

*Bruce McNamer
President and CEO*

A Craft Business Blooms



Ana Rosa Graf, founder and owner of Arte Comasagua.

In early 2001, much of El Salvador was devastated by massive landslides. Thousands of already poor farming families in the highlands were left homeless and destitute.

Ana Rosa Graf, an architect from San Salvador, came up with a creative business to employ local women affected by the devastation. She designed a series of unique, high-quality collages that could be made from abundant local materials such as flowers and leaves. She recruited several other women, and together they began teaching their craft and selling the collages on a small scale in the domestic market.

Graf knew that to make a significant difference, she needed to expand her business and tap into the more lucrative export market. In 2005, she entered TechnoServe/El Salvador's national business plan competition (BPC). Over the course of six months, she attended intensive classes and participated in hands-on practical training sessions, learning how to run a

small enterprise and market and export her handicrafts. A successful local businessman also mentored her and guided her in creating a viable business plan.

"I realized that my project was worthwhile and that it was viable," says Graf. "Creating the business plan, whether I won the competition or not, helped me to define my project's vision."

Her hard work paid off: she was named one of the BPC winners and awarded \$6,000 in seed capital. She used her newly acquired knowledge and capital to officially launch Arte Comasagua. Within a year, Graf has increased her earnings tenfold and begun exporting to regional, European and U.S. markets. She's been able to double her staff and hopes to bring on more people, including managers.

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As a result of her success, Graf has hired people such as Roxana Perez. Previously unable to find work, Perez now earns more than the minimum wage, while working at home and taking care of her two children. She can afford new clothes and books for them, and her family can invest in the future. "One day soon," she says proudly, "my husband and I hope to be able to afford our own home."

View Arte Comasagua's website at <http://www.arte-comasagua.com>.

TechnoServe Gala Celebrates the Entrepreneurial Spirit

TechnoServe held its second fundraising gala on Wednesday, March 21st in the Rainbow Room at Rockefeller Center. The theme of the evening was “Celebrating the Entrepreneurial Spirit,” honoring the drive and hard work that compels men and women to build businesses that create income, opportunity and economic growth to benefit poor communities in Africa and Latin America.

The gala honored two TechnoServe-assisted entrepreneurs (see story on opposite page) and two high-profile international business leaders: William J. Amelio, President and CEO of Lenovo Group Ltd., and Peter Sutherland, Chairman of Goldman Sachs International and Chairman of BP p.l.c. The support of world-class companies such as Lenovo and Goldman Sachs has helped make TechnoServe the leading provider of business skills to entrepreneurs in the developing world.

The event co-chairs were: Deepak Advani, Senior Vice President and Chief Marketing Officer, Lenovo; Paul R. Charron, Chairman and CEO, Liz

TechnoServe Chairman Paul E. Tierney, Jr. (left) and President Bruce McNamer (right) thank honoree William J. Amelio (center), president and CEO of Lenovo Group Limited.



TechnoServe Director Suzanne Nora Johnson with honoree Peter Sutherland, chairman of Goldman Sachs International and chairman of BP p.l.c.



From left to right, Gee Gee Williamson, Carol Bullard (widow of TechnoServe founder Ed Bullard) and David Pease enjoy the evening.

Claiborne, Inc.; Patricia M. Cloherty, Chairman & CEO, Delta Private Equity Partners; Suzanne Nora Johnson, Vice Chairman, The Goldman Sachs Group, Inc., and Paul E. Tierney, Jr., Managing Member, Development Capital.

The event brought together

more than 350 loyal supporters whose participation has helped provide TechnoServe with much-needed general operating funds. This gives us the flexibility to be proactive in exploring new programs and acting on new opportunities to help the rural poor.

Reaping the Benefits of I

Nicaraguan farmers Filadelfo Sotelo and his son Cesar Eduardo Sotelo had very little time to spend with their family. They worked long hours farming crops such as beans, corn, tomatoes, and passion fruit. They also performed odd jobs just to make ends meet. Despite this, they never had quite enough to eat. To make matters worse, they had lingering debts and no more access to credit.

For years, a series of unfortunate events such as economic instability, crop pests and civil war had conspired to render all their efforts futile.

Today, with TechnoServe’s assistance, the Sotelo family is reaping the benefits of their hard work, and their lives have been transformed.

TechnoServe taught the Sotelos how to cultivate their land more effectively, using better seeds and

seedlings grown in mini-greenhouses, controlling pests with environmentally-friendly means, and adopting drip and gravity irrigation methods. Business advisors helped the Sotelos become suppliers to La Colonia, one of Nicaragua’s largest supermarket chains. The quality of their fruits and vegetables has increased, and they no longer sell to intermediaries who manipulate prices. In less than three

Kenyan Entrepreneurs Honored at Gala

Gerald and Rosemary Muthomi embody both the entrepreneurial and the humanitarian spirit. TechnoServe presented them with a plaque at the gala in recognition of the fact that they have worked to transform not only their horticulture business, but also their entire community, thus exemplifying TechnoServe's work to benefit the rural poor.

Gerald and Rosemary grew up in poor farming families on the foothills of Mt. Kenya. Determined to improve people's lives, they became agricultural advisors. But they soon realized that it wasn't enough for small-scale farmers to grow more produce; they also needed opportunities to sell it to more lucrative outlets. So the Muthomis started a business to grow and sell a variety of fruits and vegetables to bigger, better-paying formal markets.

After a few years, Meru Greens Horticulture was capitalizing on its economies of scale to also sell on behalf of several thousand area farmers. It was creating jobs and increasing farmer incomes. But the Muthomis knew it had a lot more growth potential, so they asked TechnoServe to help them take it to the next level.

A feasibility study revealed that the Muthomis' initial plan – to set up a canning factory to export beans to Europe – would not offer a good return on investment. Instead, TechnoServe pointed them to a



Rosemary and Gerald Muthomi receive recognition at the TechnoServe gala.

more lucrative opportunity: selling high-quality bananas to the large and expanding domestic urban market.

To help Meru Greens serve this market, TechnoServe advisors are guiding their workers and suppliers, showing them growing, handling and ripening techniques that increase yields, reduce spoilage and produce better bananas. They are also improving the efficiency of the supply chain, organizing small-scale farmers into business groups and linking them to Meru Greens, which is now using software to track their accounts.

"We have been able to have improvement in all aspects of quantity and quality," Rosemary says. Within a year, weekly production has grown from six to eleven tons, and orders have doubled.

Rosemary and Gerald have worked extraordinarily hard to build

a strong business; now they are using their business to help build a strong community. The Muthomis are using some of their profits to build a health clinic. They also donate fruit to an AIDS orphanage, and they have created a demonstration farm plot for the community.

"As we grow, we are not growing alone," Rosemary says. "We are growing together with our neighbors."

In addition to being honored at TechnoServe's gala, Rosemary and Gerald attended a small meeting in TechnoServe's Norwalk office where they shared their success story with several TechnoServe supporters. It was an inspiring afternoon that culminated with the Muthomis presenting gifts from Kenya to the guests.

View a video about TechnoServe's work with Meru Greens at www.technoserve.org/merugreens.html.

Hard Work in Nicaragua

years, their revenues have grown by 4,000 percent.

The changes in their lives are notable. They have paid off all of their debt and returned to creditworthiness. They have reconstructed their houses and improved their diets, and they can now afford to send other family members to school. For the first time in their lives, they are able to invest in the quality of

their lives. They've purchased new mattresses, a television, and a stereo.

Despite their recent successes, the Sotelos still believe in hard work. "Our next goal is to buy a truck, so we can deliver our tomatoes and peppers directly to the supermarket," says Cesar Eduardo. "We are going to buy more land and begin supplying La Colonia with more products."



Filadelfo Sotelo (left) and his son Cesar (right) display their produce.

TechnoServe Members Group Gets its First Chairperson



Members group chairperson Louise Middleton.

We are proud to welcome Louise Middleton as the first chairperson of TechnoServe's members group. Louise, a member since 2001, and her husband, Tom, live in New York and are long-time TechnoServe supporters.

TechnoServe members share a common vision and dedication to combating global poverty through sustainable business solutions. When first incorporated, TechnoServe's bylaws defined the members as a group of individuals whose primary responsibility was the election of board members. Today, the group has evolved to become a vital and critical element of TechnoServe's mission. Members are active in the organization in a

variety of ways, ranging from the election of new board members to making financial contributions to lending their resources, talent and expertise.

"I am extremely honored to be the first chairperson of the members group," Louise says. "Many of the members have long and personal histories with TechnoServe – many of us have traveled to project sites, helped in specific industry development, and provided much-needed individual support. Whatever our previous involvement, all of us now have a unique opportunity to continue to advance TechnoServe's mission and participate in alleviating poverty in the developing world."

Turn your IRA Distributions into Tax-Free Donations to TechnoServe

If you are at least 70½, you may want to consider making gifts to TechnoServe directly from your traditional or Roth Individual Retirement Account (IRA). As part of the Pension Protection Act of

2006, Congress has made it possible to make tax-free charitable gifts of up to \$100,000 from your IRA. Giving in this way assures that these funds will never be subject to income or estate tax. This may

make it possible to give more at the same or lower cost than in the past. If you would like additional information, please contact Darlene Brown at dbrown@tns.org or 1-800-99-WORKS.

WAYS YOU CAN SUPPORT TECHNOERVE

Direct Contributions

Gifts of cash, real estate or personal property will support our work in Latin America and Africa.

Appreciated Stock Contributions

Gifts of stock or other investments which have recently grown in value can be more advantageous than cash as they can leverage your tax benefits.

Memorial and Honorary Gifts

Contributions can be made in memory or honor of a relative, friend or colleague. Your gift will be acknowledged to the honored person or family.

Bequest Contributions

By including a gift to TechnoServe in your will, you can provide a meaningful contribution to either current operations or TechnoServe's endowment.

Pooled Income Fund Contributions

Contributing to TechnoServe's Pooled Income Fund results in income for you proportionate to your contribution and a tax deduction based on the estimated principal that will be left to TechnoServe.

Charitable Gift Annuities

A charitable gift annuity contract with TechnoServe provides a guaranteed lifetime income for you and a tax deduction based on the estimated principal that will be left to TechnoServe.

Charitable Remainder Trusts

A charitable remainder trust naming TechnoServe as a beneficiary can provide income for you and a tax deduction based on the amount that will be left to charity.

For more information please write or call Darlene Brown at 1-800-99-WORKS.



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Bruce McNamer, President and CEO

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TechnoServe is a private, nonsectarian, nonprofit organization as defined by IRS code section 501(c)(3). TechnoServe is a member of Global Impact. Contributions to TechnoServe are tax deductible to the extent permitted by law.

Since its inception in 1968, TechnoServe has helped to create or expand more than 2,000 businesses, benefiting millions of people in 31 countries.