



TECHNO SERVE
Business Solutions to Rural Poverty

WORLD

A Newsletter For Friends Of TechnoServe • Summer 2008

Since 1968 TechnoServe has remained focused on the core vision of its founder, Ed Bullard: to help men and women in the developing world build businesses that generate income, jobs and hope. Over the last 40 years we have helped to pioneer, refine and demonstrate a practical and sustainable approach to enabling people to lift themselves and their families out of poverty.



We remain committed to our roots, as illustrated in the inspirational story of Payson Bullard retracing his father's footsteps in the mountains of Nicaragua, where TechnoServe has assisted the members of a coffee cooperative who are building a better future for their community.

In this, our fortieth year, well over a million people will benefit from our programs. This is because of the strong foundation Ed laid, the hard work of many over the years, and the unwavering support of our donors.

And our opportunity is growing: our new Bill & Melinda Gates Foundation-funded coffee and dairy programs (which have the potential to transform the lives of nearly two million people over the next four years) are well underway, and our teams are pursuing numerous other opportunities with a variety of partners.

Ed dedicated his life to helping poor people help themselves, and with our donors we continue to pursue that mission.

You will also notice a new feature in this newsletter, providing a TechnoServe perspective on issues facing the development community. In this installment, we take a high-level look at the global food crisis and how we are working with our clients to address it.

*Bruce McNamer
President and CEO*

Ghanaian Farmers Begin to Cash in on Cocoa

Cocoa, which has long been the mainstay of Ghana's economy, generates much-needed foreign exchange for the country, as well as income for millions of poor farmers such as Yaw Dankwa and Susana Nsiah.

But many of these farmers haven't viewed their farms as businesses. As a result, they haven't been using optimal agronomic practices or investing in their farms, and their yields are barely half of what they could be. "I almost cut down my cocoa trees because of the low yields I was experiencing," Dankwa says.

Without the right business or farming know-how, such farmers have been struggling to make ends meet. So TechnoServe has begun working with an agricultural company to help them realize their potential.

Farmers are organized into groups and can buy supplies on credit. They are advised on the most effective farming practices, such as how to best apply fertilizer, prune the trees, and then harvest, ferment and dry the beans to ensure quality. They are also learning business skills such as record-keeping and are beginning to think of their farms



Susana Nsiah and Yaw Dankwa (center) discuss their cocoa farm's operations with TechnoServe business advisor Fred Phillips

as commercial enterprises.

"I never knew I could own a business, but now I know my farm is my business and will adhere to all business principles."

Dankwa and Nsiah have begun maintaining accounts on their farm operations, which helps them gauge how they're doing and make more informed decisions. "I am applying all the business skills TechnoServe taught me," Nsiah says. For example, "I keep

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Founder's Son Retraces Father's Footsteps through Nicaragua



Marcelino Chavarria Gonzalez and Payson Bullard on Marcelino's coffee plantation in the hills of northern Nicaragua

"When I planted this tree in 1994," Marcelino Chavarria Gonzalez told me on his small coffee plantation in Nicaragua, "I never expected to be alive to see it grow."

At that time, just as the civil war was ending, a handful of brave TechnoServe employees entered La Reforma, a small community in northern Nicaragua's Jinotega province. The war-ravaged area was in such turmoil, they needed letters of introduction from local generals.

TechnoServe helped reintroduce coffee trees, provided agricultural expertise and helped the farmers to access good markets.

They met with soldiers who knew only war. Realizing the volatility of the situation, TechnoServe began a

reforestation project that was part of the effort to stabilize the local economy, rehabilitate the damaged environment, and employ the idle soldiers – replacing the guns they knew too well with tools and trees.

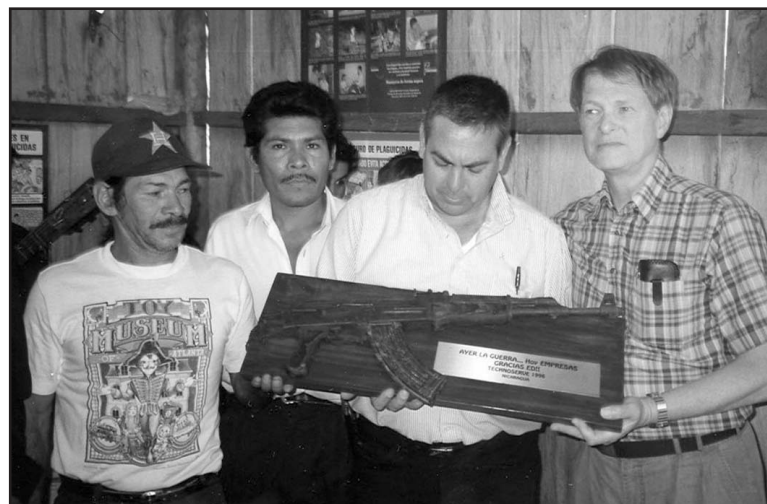
With TechnoServe's assistance, the soldiers built shelters, settled land disputes and started planting trees to help prevent land erosion. In time, the formerly barren land, decimated by years of war, was suitable for the soldiers-turned-farmers to plant more

lucrative crops. TechnoServe helped reintroduce coffee trees, provided agricultural expertise and helped the farmers to access good markets. The loose association of soldiers became the Enrique Bermudz Cooperativa.

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During his last trip, my father, TechnoServe founder Ed Bullard, visited this cooperative in 1996 to check on its progress. Weakened by cancer, he suffered through a bumpy three-hour ride deep into the mountains. Always his own harshest critic, and nearing the end of his life, he was trying to determine if his 28 years of relentless work had made a positive impact on poor people's lives in the developing world.

In response to this unasked question, 250 former soldiers – now successful farmers – stood at attention in honor of my father. After sharing tales of success, the farmers presented my father with a gift. Having little else as a means to display their gratitude, the cooperative gave my father a battered AK-47 mounted on a plaque with the following inscription: "*Ayer la Guerra.*"



TechnoServe founder Ed Bullard (right) receives an AK-47 from former soldiers in Nicaragua as a token of their appreciation

Hoy las Empresas." ("Yesterday the war. Today enterprise.")

My father shared this story with me weeks later with tears in his eyes. We inspected the heavy weapon and talked about its path through history, my father realizing that this symbol of death and war was now in his hands as a representation of peace and positive change.

Now linked to international markets and armed with training and knowledge, Marcelino is reaping the benefits of his involvement with TechnoServe.

Twelve years after my father's final visit, I returned to the hills of Nicaragua to retrace his steps and see if the soldiers-turned-farmers were still making progress. In line with TechnoServe's belief in self-help

and sustainability, the farmers of the Enrique Bermudz Cooperativa are no longer receiving assistance, and farmers like Marcelino are now flourishing on their own.

Marcelino is growing high-value specialty coffee with Fair Trade and organic certification and selling it to respected buyers such as Green Mountain Coffee and Pete Rodgers.

Now linked to international markets and armed with training and

knowledge, Marcelino is reaping the benefits of his involvement with TechnoServe. His enterprising spirit is not limited to farming – he has built his own home from the trees he planted, a safe and welcoming structure where he plays with his grandchildren. The house is something he never could have imagined 14 years ago, and it is tangible proof of my father's determined and dedicated efforts to improve the lives of the world's poor.



TechnoServe/Nicaragua country director Julie Peters (center) and Payson Bullard with members of the Enrique Bermudz Cooperativa

TechnoServe and the Global Food Crisis

This year we have been hearing a lot about the "global food crisis," referring to the doubling and tripling of world prices for rice, corn, wheat, vegetable oil and other basic food items that are very important to the poor. Commonly cited causes include: high fuel costs; increased demand from China and India; the use of food crops to create biofuels; world climate change; increased investor speculation in markets; trade liberalization; and lack of investment in agricultural technology. While there is no clear consensus on the causes, most observers agree on the results –

that these higher prices are likely to continue for some years.

Reacting to these turbulent markets, some food-surplus countries have been limiting exports to protect their own consumers – making things worse in low-income countries that need to import food. Higher food prices cause even relatively well-off Westerners to change what's in their shopping carts. Among the truly poor of this world – where food may account for more than half of a family's total spending – it can be devastating.

TechnoServe works with people in some of the hardest-hit regions, helping them build

businesses that increase incomes and, in many cases, ease the food supply. The current situation creates opportunities for entrepreneurial producers who can serve the food market, and the higher local prices permit them to make investments in their futures, such as introducing low-flow irrigation systems to intensify banana production in East Africa, and improving equipment and techniques to expand dairy production and processing in Nicaragua. These result in higher efficiency and productivity – increasing small farmers' incomes and keeping down local food prices.

Ghanaian Farmers Begin to Cash in on Cocoa *(continued from page 1)*



Susana Nsiah and Yaw Dankwa on their cocoa farm

records on my day-to-day business transactions; I know how much I paid as farm wages to all my farm hands during the season.”

“I never knew I could own a business,” she adds, “but now I know my farm is my business and will adhere to all business principles.”

Such improved techniques have enabled Dankwa and Nsiah to almost quadruple their yield. As a result, the couple can now afford quality education and health care for their children. They have also upgraded from a mud-thatch house to a more structurally stable cement-block house.

The couple’s farm has become a model for other cocoa farmers seeking a better future for themselves and their families.

TechnoServe business advisors are also teaching the cocoa farmers to reinvest their profits in their farms. Dankwa and Nsiah, who have opened an account with a local bank, have already asked bank officials for credit to expand their cocoa farm business during the next season.

News of Dankwa and Nsiah’s success has spread throughout the community. The couple’s farm has become a model for other cocoa farmers seeking a better future for themselves and their families.

TechnoServe’s 40th Anniversary Gala

Mark your calendars for Monday, October 20, when TechnoServe will hold its 40th anniversary gala at The Pierre hotel in New York City. At this special event celebrating women entrepreneurs, we will honor the following inspirational business leaders:

- Mary Callahan Erdoes, CEO, J.P. Morgan Private Bank
- Janet Tiebout Hanson, Founder, 85 Broads
- Trudy Sullivan, President & CEO, Talbots

Our **Spotlight on Women and Entrepreneurship** will applaud the creativity, leadership, drive, passion and accomplishments being made by women around the world – from chief executives in multi-national companies to women in developing countries determined to launch new businesses.

For more information on the TechnoServe gala, contact Camy Calve at 212-218-4080 or camyevents@aol.com.

WAYS YOU CAN SUPPORT TECHNOSERVE

Direct Contributions

Gifts of cash, real estate or personal property will support our work in developing countries.

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 (address below) or call Darlene Brown at 1-800-99-WORKS.



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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 thousands of businesses, benefiting millions of people in more than 30 countries.