

FPS - A producer profile for the year 2004/05/06/07

Producer Type:

FPS is a producer Society for its members.

In 2004 the number of 28 individual workshops were registered members, as well as 245 + 715 = 960 weavers in 18 + 47 = 65 groups.

History:

Getrade- as an export house for Ghana small scale producers found in 1986.

Handicraft export since 1991. Producer Society – as an autonomous department – found in 1999. School Fund inaugurated 2003.

Type of business:

Export handling for our members and partners

Marketing for our members

Freight services

Domestic Sales

Products:

Baskets – Bolga baskets

Woodcarvings – toys (oware), furniture (stools), authentic African art

Musical instruments – drums, xylophone, rhythm instruments

Farm produce – lemongrass tea, cinnamonleave tea, hibiscus tea

Others on request

Terms of business:

Orders up to US \$ 1000: no prepayment necessary, upon receipt full payment

Orders over US \$ 1000: 50% prepayment ; 50% 30 days after goods are received.

All prices quoted are FOB TEMA/ACCRA

Shipment cost are either prepaid and invoiced or payable at destination.

Europe/Antwerp: 600- 900 Euro/20ft.

Europe (BA): 1,80-2,80 US \$/kg (volume weight)

Documentation: Form A1, 3x invoice/packing list, B/L or AWB. By DHL

Our Bankers: Swift transfer to Standard Chatered Bank, Ghana; Shared Interest Society, UK, Sparkasse Dachau, Germany

Lead Time: 20ft Container: 3 month

Detailed Terms attached

Product development and Marketing Policy:

At FPS we market exclusively the products of our members. A few exceptions are: textiles from market, once a year inquiries, pieces of art and individual deco and interior requirements.

Our **core products** are: Straw Baskets, Musical Instruments (Drums, Rhythm, Xylophone), Woodcarvings (traditional, decoration, furniture, toys and utilitarian). From the farmside we offer Hibiscustea, Lemongrastea, Cinnamonleave tea.

We do our own Designing (Marketability, Pricing and improvement of Design, colour, combination, shape and QC control process).

- In Baskets we do an annual design workshops and design a collection of forms, designs and colours.
- In Drum production Standards and integrated Quality management are part of production
- For woodcarving a Mask selection (in 2003 it was an Akuaba collection) has been made with the producer during the last year.
- With two new members (female Enterprises) Rhythm instruments offers have been widened and Drum accessories (Bags and covers) are produced.

Aims and objectives for the coming developments are: improved rationalisation and production effectiveness in order to reduce costs. Competitiveness by improved design and colour.

Very limited product marketing is done with Clay Products, Beads, Brass, Metall and Textiles. Here we count on our partners to "know, what they want" and facilitate with our producers.

Our products are marketable over a long period. Experience shows a constant reorder of the following (with constant or even growing demands in the Fair Trade Markets, where 86 % (2002: 96%) of our sales are being exported to)

- Oware games
- Stools
- Standard Baskets in 3 sizes
- Different types of rattles (out of over 50 models)
- Beginner drum (type kente drum S)
- Professional drum

Core on improved baskets, competitiveness in times of sinking market and an extensive programme to get new market partners are determining the Policy for 2004.

Marketing activities

1. Fair Trade Marketing
 - Continuous Sales
 - 2 major partners visited us (Gepa, El Puente)
 - Member Marketing committee in Ifat
 - Several new partners in different markets (Slovenia, Hungaria, Israel, Thailand)
2. Market extension
 - Trade fair participation (London, Bangkok, BIG April 04, BIG Oct. 04)
 - One large and a few small customers resulted from this activities till end of 2004, however programme to be continued in 2005 (BIG April 05, LA Gift show, Singapore)
 - Website
3 inquiries a week, but freight/logistics are uncompetitive. Increased possible turnover of 25,000 US \$ does not justify the employment of a sales person
3. Marketing materials and communication
 - Website www.getradefps.com , with B2B form
 - Printed 8 page catalogue
 - Funds newsletter
 - E-mail photo databank for Basket designs
4. Production, Design and Collection
 - For Bolga baskets:
 - 1:1 copy of basket
 - Standardisation of form, colour, pattern
 - Custom-made design possibility
 - Competitor study (visit to Vietnam) and adaptation
 - Productivity improvement
 - Straw programme self administrative in Bolga
 - For musical instruments:
 - Rope import programme
 - 2 year's storage programme
 - New ranges and products (20 new rattles) introduced
 - New product line:
 - African building materials (poles, straw roof, Bamboo)
 - Authentique African collection
5. Social Marketing
 - Bolga School fund (2003/04 40 pupils, 2004/05 52 pupils)
 - Coordination of Bolga School fund activities and its fund raising
6. Ebay Marketing
7. New product range development:
 - Agricultural and natural raw materials

8. New marketing activities in 2005 completed

- Premium one design
- Test orders showcase
- Present baskets high volumes

Essential Business conduct in FPS:

1. Our producer prices are based on the buyers price. 63% of Sales is going to the producer; the Society operating profit (1,6%) is redistributed in form of awards, bonus and straw donation. A comparison of market prices and fair prices shows a difference of 30% (baskets). All order are prefinanced 50%, if needed 75%, Baskets are prefinanced and paid 100% at delivery in Bolga.
2. Though there is hardly a production control in the home based industries it is assumed that work is organised in a safe and healthy environment. We do as an intermediate organisation lectures and awareness raising on hazardous production methods, have however realised that cultural patterns deny the implementation of better working conditions as well as other forms of equal labour pays, gender and environmental issues.
3. In order to strengthen participation and responsibility for social and welfare issues we have formed the society. The Board – 7 members elected by the AGM is the main decision taking body. Since 2002 ending the development officer is the main co-operator between weavers, Board and Export office. Individual craftsmen and groups in Accra co-operate directly with the office, concerning order, payments, delivery, quality.
4. Our product range shows a small – but indigenous – spectrum of Ghanaian handicrafts. We use only (mostly, e.g. textiles, fittings, drum ropes, glue, certain polish are imported and purchased on the local market) local material and are produced in a non mechanical way. They have been suiting taste, saleability and consumer needs of the Fair trade market (e.g. drums for schoolchildren learning music) over the past years.
5. The export office provides all functions:
Documentation, invoicing, delivery, packing labelling, shipment, internal transport, financing, banking, accounting.

Development is our mission: the partner FPS:

1. Our major focus, the deprived area of the Northern Ghana receives the most attention: A development officer coordinates the activities of the schoolfund and the weavers. In its inauguration year (2003) 40 pupils are sponsored their fees and received material support at the cost of 4465 Euro . The academic year 2004/2005 has 52 children enrolled in the project.
2. The Schoolfund is a programme for 10 years budgeted and finances itself with donations and sales. Extra info available.
3. Regular development programmes in the Society are: Straw programme (2004 20,9 Mio Cedis, the first time selfmanaged by Bolga Board),
4. Reforestation at Konkronu: In 2004 no efforts have been done.
5. Business and management training are hardly provided as resources for that are lacking. Regular design and quality improvement training is done.
6. Our wood species are NOT Cites listed, however no FSC could be obtained for them (no FSC for Ghana). Straw is growing wild and others are seeds, calabashes ect. All natural re-growing materials. Our food products (fruit tea) can not have any organic certification, despite the responsible farmmanagement.

Development activities

- Institutional fundraising and premium Marketing (KFW)
- Adult Literacy and social development as well as production enhancement of weavers by Development officer
- Prepare and utilise a value chain for bolgabaskets to increase share of producer (premium for producer)
- Capacity building workshop with german volunteer service 2006 in Bolga
- Straw programme 2007 : 31,000,000 Cedis = 3000 US \$

R.Boos
Marketing

30.7.2007