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Save the Date: "Metrics from the Ground Up"

Greetings from GBF

We are pleased to welcome you to the second edition of the Grassroots Business Fund's newsletter.

In this issue we focus on ways GBF is advancing its support for handicraft businesses. Handicrafts can play an important role as an economic driver in many developing regions; sales translate to income and resources for impoverished rural and urban communities which in turn are used to improve overall quality of life and preserve cultural traditions and skills. The craft initiative will focus on supporting the growth and advancement of companies such as SUrEvolution, a crafts design and trade enterprise based in Bogota, Colombia, and United Holding, a wholesale furniture company based in Cambodia. Read the articles "[SUrEvolution sponsors exhibition of Wayuu weavings at Miami International Airport](#)" and "[GBF supports large United Holding order](#)" below to learn more about how GBF's investment is supporting the progress and success of both organizations.

GBF is also proud to announce an upcoming workshop, "Metrics from the Ground Up," that will explore issues and approaches in monitoring and evaluating the impact of social enterprises. For this workshop, we've done an evaluation of metrics and communications work for a few of our previous clients, as well as some of our current investees. You can read more about the workshop in the side bar below or you can join the "Metrics from the Ground Up" group site at www.metricsworkshop09.collectivex.com.

Please take a few minutes to read the content below and to visit our website, www.gbfund.org, to learn more about the organization's progress, our projects, and our team. And do let us have your comments and suggestions



GBF and the Aspen Network of Development Entrepreneurs (ANDE) will be hosting the "Metrics from the Ground Up," workshop on Tuesday, May 19, and Wednesday, May 20, at the Aspen Institute headquarters in Washington, D.C.

GBF and ANDE teamed up with Keystone Accountability, Dalberg Global Development Advisors, and Ogilvy Public Relations Worldwide to create this two-day workshop to explore the different approaches to monitoring and evaluating the impact of social enterprises.

The workshop will focus on several key topics, including:

- An overview of the tools in the metrics and evaluation (M&E) landscape;
- Client feedback mechanisms;
- Best practices in communications marketing.

Representatives of the ongoing IRIS initiative—a collaborative effort of multiple organizations, including the Rockefeller Foundation, Acumen Fund, B Lab, and the Global Impact Investing Network—will be at the workshop. The group will provide an update on their effort to develop a comprehensive reporting framework (or taxonomy), common definitions and measurements for social and environmental impact metrics, as well as a look at the road ahead and how attendees can adopt the benefit from the taxonomy.

We encourage you to visit and join the workshop's group site, www.metricsworkshop09.collectivex.com. We currently have more than 90 members that have joined. The group

SURevolution featured in this month's Elle and Harper's Bazaar magazine



GBF craft initiative SURevolution was featured in this month's Elle and Harper's Bazaar magazine for their work with coral and turquoise cuffs. Founded by social entrepreneurs Marcella Echavarría and Dina Rothstein, SURevolution is a crafts design and trade enterprise based in Bogotá, Colombia that works closely with indigenous artisan groups throughout the developing world to design and distribute high quality handmade crafts to wholesalers and retailers in the US and Europe.

SURevolution currently works with artisans from seven unique countries -Colombia, Bolivia, Peru, India, Cambodia, Indonesia and South Africa - providing them with critical entrepreneurial and technical assistance to improve the sustainable use of natural resources, enhance the level of training provided to artisan groups and preserve local cultural heritages that have defined these regions over time. SURevolution's sourcing, training, product development and design approach allows indigenous, rural and urban artisan groups an opportunity to preserve their cultural traditions while generating a positive economic impact for their communities.

GBF's pilot financial facility, Crafts Incubator Facility (CIF), is supporting SURevolution with a working capital loan to fund commercial purchase orders, and to directly engage with small craft producers to ensure they receive the necessary capacity building support for production. With CIF's help, SURevolution is expected to grow and strengthen the network of 2,000 artisans currently integrated in its supply chain. As a result of the engagement, artisan communities should see increased employment opportunities, income-generation and improved living standards for those artisans.

SURevolution will be co-sponsoring Siesta, an exhibit at Miami International Airport focused on celebrating handcrafts from around the world while raising awareness to the socio-economic issues facing these cultures.

site allows members to view speaker bios and member profiles, upload documents and join an interactive blog.

Even if you are unable to attend, we still encourage you to upload your photo, complete a profile and participate. Members are able to interact with fellow participants by joining "hot topic" discussion groups such as "Cross-checking/Verification, when is it too much?", viewing the most up-to-date information on the workshop, and more.

We posted several substantive background documents, several reviews of social enterprise and tools/approaches in this field, a piece on GBF's metrics framework, and a fast-growing bibliography of materials relevant to the workshop.

For more information, contact us at workshop@gbfund.org.



GBF STAFF SPOTLIGHT: Natasha Barantseva

As GBF's Investment Officer for the Latin America and the Caribbean (LAC) portfolio, Natasha manages the overall financial and social performance of current and prospective grassroots business organizations (GBOs) in the region.

Natasha joined the GBF team in 2008, after working with GBI for two years as a member of the LAC and the monitoring and evaluation teams, while completing her M.B.A. with a focus on Finance at Georgetown University. While at GBI, Natasha also spent time in Bolivia, Perú, and Colombia--consulting for a client GBO and building relationships with partners in these focus countries.

Natasha earned her B.A. in Economics with a specialization in Management and Marketing at the International University



The exhibit will feature the handcrafts and cultural traditions of the Wayuu people from the region of La Guajira in northern Colombia and will be on display from April 30 to October 31, 2009 at the South Terminal Gallery on the fourth level mezzanine of Terminal J.

SURevolution's suppliers include the Indian group of women entrepreneurs, the Wayuus, whose work with colorful woolen bags called "mochilas" will be featured at the Siesta exhibit this summer in Miami. The "mochilas" - an indigenous name for a traditional bag-take one month to make and are used in daily Wayuu life for transportation, traveling, and hauling food and water.



SURevolution is an established brand in the world of high-quality fashion and home décor and has been featured in numerous major international publications. You can find SURevolution products throughout the US and associated with major brands like: Donna Karan, Calvin Klein, Ralph Lauren, Takashimaya, Gumps, Hermes, Neiman Marcus, Tory Burch, BCBG Max Azria, Barneys New York, Saks Fifth Avenue, Pottery Barn and many boutiques around the world.

PROFILE: Crafts Incubator Facility (CIF)

By: David Krieger, Investment Consultant

in Moscow, Russia. During her junior year, she spent a semester at the Universidad de León, Spain, where she perfected her Spanish and developed an interest in the Latin American cultures. The semester abroad inspired her graduate studies and passion for international business and development.

Outside of work, Natasha is a language junkie (so far, she has picked up Italian and Portuguese, and she is working on her French), and likes to practice these while traveling the globe. She also loves performing arts, Latin dance, sports that involve rackets or skis, and a good dinner conversation with friends.

She recently spent time in Bolivia where she was able to take part in the 45 km biked ride dubbed "El Camino Muerte" or Road of Death. It is the rated the most dangerous bike trail in South America. Natasha thoroughly enjoyed the trip and the beautiful scenery.

GBF's Website

The GBF website (www.gbfund.org) is up, running, and a great source of information!

We hope that the website will serve as a useful resource for those seeking to learn more about GBF's work or keep informed of current activities.

On the website you can get to know our team members; learn about our objectives, approach and current projects; catch up on the latest news and events; and much more.

We welcome your input as the website continues to evolve, so if you have issues to discuss; experiences or ideas you would like to share; or suggestions for activity areas where GBF can add value, please take a moment to email us at communications@gbfund.org.

Follow-up Links

[GBF Website](http://www.gbfund.org)

["Metrics from the Ground Up" Workshop Site](#)



While working at the Grassroots Business Fund I have been spending a valuable portion of my time developing creative investments and technical assistance programs for GBF's Crafts Incubator Facility (CIF). CIF is a pilot finance facility that aims to strengthen the sustainability of indigenous artisans and small enterprises by improving their access to markets and offering them affordable working capital to facilitate commercial transactions.

Earlier this year, I had an opportunity to directly work with three of our successful crafts organizations in Cape Town, South Africa: Streetwires, mielie and Kunye. All three organizations have received GBF-sponsored technical assistance over the past year (thanks to support and funding from the Oesterreichische Entwicklungsbank - the Development Bank of Austria), to help them focus their sales on marketing strategies, developing their financial literacy and design seasonal product lines. GBF has also assisted the organizations to increase sales by making important connections with retail and wholesale purchasers at regional and international trade shows.

Streetwires creates and markets contemporary African wire and beaded products with a local workforce of over 100 formerly unemployed South Africans. Kunye has created an innovative niche in the crafts market by thinking environmental; training groups of unemployed South Africans to recycle material, like old magazines and plastic wrappings, for home décor. Similarly, Miele (Afrikaans for corn - reflecting the importance of meeting basic needs) also uses recycled materials and traditional craft techniques to employ village women, allowing them to earn income from home where they can also tend to their families. During my visit, I followed-up with each of the companies to monitor their progress and lay a foundation for further support through CIF. Considering the current global strain on export-focused businesses, I was encouraged to see the progress and strategic adjustments these small crafts companies were making to ensure they were well positioned to succeed.

Through the ongoing support from GBF, these organizations reached some impressive milestones including some large orders from well-known international retailers. Milestones which included, for Kunye, a large Bongi doll order from a major

[SURevolution](#)

[Streetwires](#)

[Kunye](#)

[Mielie](#)

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U.S. retailer and, for Streetwires, a large order from ABC Home.

Through the GBF connection, these organizations are also currently working with SURevolution, one of CIF's current investments and also featured in this newsletter. Their products will be marketed by SURevolution in hopes of increasing sales, allowing these organizations to survive the economic challenges and take advantage of opportunities in the horizon such as the 2010 World Cup in South Africa.

GBF supports large United Holding order

As part of its ongoing crafts initiative, GBF has provided United Holding with a \$40,000 working capital loan to finance the production costs for a \$280,000 order for a major international retailer. United Holding, a Cambodia-based furniture and crafts company known for its [water hyacinth](#) weaving, provides employment for poor villagers near Phnom Penh whose access to income would otherwise be limited to basic subsistence farming.



The order, placed by a major global retailer, represents a major milestone for United Holding as the single order constitutes a 33% growth in sales from the entire previous operating year. United Holding employs 80 team members at its main factory and utilizes weavers and farmers from 6 Kandal villages in Cambodia to fulfill orders. Approximately 2,000 farmers and weavers are currently generating income as part of this purchase order (Between 500 and 650 families, averaging to 3 to 4 weavers per family--see weavers above right and below).

GBF's intervention will provide United Holding with the necessary up-front capital to ensure their order is fulfilled on time and that farmers and weavers are paid in a timely manner. The investment will significantly improve the chances that United Holding becomes a trusted supplier for future orders from global retailers, significantly improving United Holdings growth prospects as well as its ability to continue providing gainful income to rural Cambodian villagers. The loan will also improve United Holding's ability to access alternative sources of capital more easily in the future.



Peng is a weaver and a community production controller at one of the United Holding Kandal villages.

Prior to joining United Holding in 2000, Peng was working at a plywood factory and was

Spotlight On



Peng Dountry

barely able to support her family. She joined UH after seeing the company's advertisement for the free training on her way to the market. She then attended the trainings and seminars on water hyacinth weaving in her community and at the United Holding factory.

She now works from home with six other weavers in her community. She earns 50 USD a month from United Holding for her production control work and makes extra income of between 80 USD- 120 USD from her weaving. With this income, she can now afford medical help for herself and her family and is able to send her child to school.