



# AL-INVEST IV INFORMS

N°16 - NOVEMBER 2010



AL-Invest IV - Eurochambres - Avenue des Arts, 19 A/D - B-1000 Brussels - info@AL-INVEST4.eu

www.al-invest4.eu

## CONTENT

### Special Issue on Jewelry and Beads

**Letter from the Editor**  
The significance of fashion and beads in the European Market .....1

**Central America, Mexico & Cuba**  
Mexico, "The Silver Country" .....2

**Andean Region**  
Colombia, "Bogota, a large supply of emeralds" .....2  
Peru, "The silver jewelry in Peru, an economic activity that creates jobs" .....3  
Bolivia, The Golden Heart of Bolivia .....3

**Interview to...**  
Martha Vargas, General Manager of the company Martha Vargas, México ....4

**Activities**  
Happily baking (Turin, Italy) .....5  
Seafood (Vigo, Spain) .....5  
Looking for excellent coffee (Veracruz, Mexico) .....5  
Innovative Biotechnology (Hannover, Germany) .....6  
Informative Mission (Madrid, Spain) .....6  
Plan for the future (Santa Cruz, Bolivia) .....6  
Quality Marble (Verona, Italy) .....6

**Brussels talks about...**  
Europe congratulates Brazil's New President .....7

**Coming up...** .....7

**Contact...** .....7

## Special Issue on Jewelry and Beads

### LETTER FROM THE EDITOR

## The significance of fashion and beads in the European Market

### Beads

The international bead industry is booming due to the "accessorizing" fashion trend, which is fueling the sector's expansion. This phenomenon has grown in Europe in the last few years and has brought about the apparition of chains such as Claire's, with shops in Europe, Japan and North America, as well as the British company Accessorize, with shops in Europe, Asia and Brazil.

In addition, other players bring it up a notch using more silver or semi-precious materials to differentiate themselves in the market. Competition is more and more intense in the high-end bead sector, where luxury brands have been playing for a long time. Their diversification strategy consists of adding jewels or beads to exploit the fame of their fashion brands and mitigate the slowdown of their traditional market.

The European Union presents a clear opportunity for exports of Latin American countries in this field due to the growing trend of imports, with a steady increase of 15% approximately in the last few years.

### Jewels

The European Union is the second world consumer of jewels, second only to the US. During the last year, certain countries have experienced a slight decrease in imports of these products due to the economic crisis. According to data from Eurostat, extra communitarian imports have grown from almost € 5 billion in 2006 to € 4.7 billion in 2008.

In 2008, the average expenditure per capita in the EU was € 47.20 for jewelry. Italian and Greek nationals are the biggest consumers, averaging € 96.60. Between 2003 and 2008, the jewelry market has profited from the economic growth, the economic independence of women, the increase in the number

of marriages, the higher influence of fashion and the greater diversity of jewelry designs.

Europeans tend to use and buy jewelry ever more often. Since 2003, sales increased at an average rate of 0.9% yearly. However, during the second semester of 2007, jewelry sales have decreased due to the recession and the high increase in prices of precious metals. Consumers have exerted caution when buying precious stones (gold, platinum and diamonds) and they have finally chosen other more economical products, such as silver and beads. Jewelry sales in the EU decreased for 2008 whereas bead sales increased.

In the last few years, the trend in the European market has been dictated by the significance of fashion, innovative designs, the arrival of new materials, affordable qualities and prices that have spurred higher consumption. In addition, it is important to bear in mind gender and age, since there is a specific market for men, teens and children.



Stefan Unseld  
Project Manager  
Inwent

**Support to the SMEs' internationalization in Latin America**

AL-INVEST IV program has European Union funds

This publication has been made with the assistance of the European Union. The sole responsibility for its content lies with AL-INVEST IV and in no case shall it be deemed to reflect the EU point of view.

## Central America, Mexico & Cuba

Mexico is the biggest producer of silver worldwide. The production of jewelry and goldsmiths 'ware is worth \$ 700 million.

### MEXICO

#### The Silver Country



The jewelry production in Mexico is traditionally and mainly handcraft. However, there is a growing trend to produce high added value items by professional artisans.

Mexico is the main producer of silver in the world, and it is second to Peru in mining silver. Therefore, Mexico enjoys a strong position in European markets, where the demand is high but the raw material is scarce.

The Latin American country possesses many silver deposits throughout the country. Due to this material's properties, it has positioned itself favorably in different industries, such as photography and jewelry.

The global value of Mexican jewelry exports in 2008 was worth \$ 2.591 billion. There are currently 12,000 companies in this Latin American country working in this field. 12% of them are exporters.

Jewels and goldsmiths 'ware are massively sold in national tourist centers and big cities. Some 40% of the national production is exported to the US, to European countries and Japan.

During 2010, through the AL-INVEST IV Program, a high number of jewelers have been able to participate in activities oriented to improving their business. Last April and May they were given basic notions to grow their companies internationally.

In September, the Intergift international Fair invited small businesspeople to first-contact missions and business rounds to expand their knowledge on European markets and learn about new trends in Europe.

Until the end of the year, work will be done to develop lines of products in jewelry and decorative articles and gifts to tap into European markets with mature ideas and innovation in 2011.

## Andean Region

The Andean region countries enjoy a strong tradition in the jewelry sector. Peru became the n1 producer worldwide of mining silver and Bogotá enjoys a large supply of emeralds.

### COLOMBIA

#### Bogota, a large supply of emeralds

Associations of jewelry producers, mainly manufacturers, group in the city of Candelaria, downtown Bogota. They create contemporary jewelry with alternative materials such as steel, wood and fibers.

Bogotá enjoys the advantage of having the largest number of raw material and industrial machinery shops and a large supply of emeralds. In addition, the country possesses mining resources, a strong jewelry tradition and a wide selection of production proposals.

In this sense, the National Association of Foreign Trade (ANALDEX by its Spanish acronym), an Andean partner institution of the AL-INVEST IV Program in Colombia, has developed activities to improve their design processes for over a year. For example, 20 businesspeople profited from the Technical Assistance on Product Design and Process Innovation, focused on training in 2D and 3D modeling Programs.

Twenty jewelry companies are currently working on their Business Plan to learn how a company works and what procedures it should follow.

Nevertheless, the jewelry industry in Colombia has a long ways to go and it presents some weaknesses to consolidate its internationalization, for example, the lack of a business culture, bad practices in product manufacture and limited access to technological and professional training.

To face the challenges of the Latin American country, Colombian institutions partnered with AL-INVEST IV and European partners have planned several activities to support small companies.



## PERU

### The silver jewelry in Peru, an economic activity that creates jobs

Jewelry in Peru is more competitive and profitable every day, it creates new jobs and development opportunities. The Latin American country is a specialist in working the silver metal and has become the n1 producer worldwide of mining silver.

This sector has gradually attained an interesting position in foreign markets through the participation in international fairs or commercial missions where Peruvian products are exposed. The National Chamber of Trade, Production and Services, PERUCÁMARAS, in collaboration with the AL-INVEST IV Program, is one of the institutions in charge of supporting jewelers from regions outside the capital city, such as Cusco, Cajamarca, Huánuco, Lambayeque, Piura and Puno among others.

The jewelry sector has received technical assistance, mainly on: Collection design, follow up on collections, development of the corporate image and design of the stand to participate in Peru Moda and Peru Gift 2010, costs and price setting, jewelry finishing, specially padding.

This has been done to adapt the product design to fashion trends without losing our cultural identity, while improving finishes, finding

the balance to negotiate the price of our products with potential clients and finally, improving the presentation and access to markets through the appropriate corporate image.



A taste of Silver jewelry from Catacaos in Peru Moda 2010

Source: RA

## BOLIVIA

### The Golden Heart of Bolivia

Two years ago, seven businessmen in the jewelry sector decided to relinquish competition and joined efforts to start up the company "Kory Chuyma". Located in La Paz, the owners make original, beautiful jewels with their own hands. They are then sold in the Lanza market.

The founders of "Golden Heart" have over 20 years of experience as goldsmiths and they learnt their trade from their ancestors. The manual craft they use is unique and legendary.

Their creations are successful among locals, but their dream is to export products to neighboring countries. A dream they still see as "faraway" because their scarce machinery and meager operational capital does not enable them to undertake their expansion to national and international markets.

Although the owners are happy to have a legally incorporated company, they feel they are a marginal sector of the Bolivian economy and they cannot access highly-pure gold, a great barrier when seeking to improve the quality of their jewels.

The company is among the first to start attending the AL-INVEST IV Program meetings within the jewelry cluster created by the National Chamber of Trade.

Businessmen said it gave them the opportunity to learn about new technologies and develop the goldsmith craft professional and business-wise.

<http://www.alinvest4can.org/KoryChuyma.aspx>

### Magazine Jewels

Because of its geological conditions, Bolivia is rich in raw materials. There are endless semi-precious stones that become a priceless treasure through creativity and talent. The Chamber of Exporters of Santa Cruz (CADEX by its Spanish acronym) has developed several activities to promote the jewelry sector within the so-called "Creative Hands" group, in the framework of the AL INVEST IV Program.

The training to support the internationalization process has strengthened the skills of this sector in internal management, and they have developed a market perspective.

Among their activities is the printing of the "Creative Hands" catalogue, where the best of Bolivian jewelry is listed. The publication was distributed nationally to strategic points to position this type of product.



Source: RA

Bolivianita as raw material for jewelers: Natural precious stone you will find only in Bolivia

## Martha Vargas, General Manager of the company Martha Vargas, Mexico

Good taste, creativity, effort and training have given Martha Vargas the key to success in her business. This master in jewelry makes elegant, original and colorful jewels out of silver and wood. All her creations show her Michoacan roots. Martha's workshop is in the Indian community where she was born and where she transforms her materials in beautiful earrings, necklaces and rings.

She has gradually learnt the necessary skills to expand her business abroad.



Your company was incorporated in 2002. How did you start and evolve?

I started alone, designing and crafting the product. A very small company where I did everything. I grew little by little to a point where I needed to hire staff. Now I have 19 full staff members and 45 national sales points.

Your products are very tasteful...

My training helped. I studied design and specialized in textiles and jewelry techniques.

Your production is very original...

Competition from Mexican silver is fierce, and they sell everywhere. I have tried to differentiate myself with unusual materials and techniques. I combine manually carved wood and industrially produced silver, which has drawn lot of attention to my product.

How did you grow so fast?

The AL-INVEST IV courses on socially responsible business management have helped me tremendously. The Program offered me the help of European advisors and experts than came to my business to see how I manage my production. They gave me advice and recommendations thanks to which I have progressed at a speed I would have not achieved otherwise.

Did you participate in some Fair through AL-INVEST?

I was invited to a fair in Italy and to courses on how to express and sell my collection. Vicenza's training course was very helpful.

Teach to Indian communities...

I empowered and trained an Indian community in Michoacán, where I was born, to do my own jewels there. This is how I have managed to avoid copies of my designs and technology while helping my community. At the same time, I have trained other groups to teach them how to work on their own materials, such as copper, wood or textiles.

What is your challenge?

Internationalization. My production capacity is ready to jump ahead, and I would love to have formal contacts. My experience so far has been very informal. People like my product and they sell it abroad.

So your products are sold in Europe?

A German company found me and started selling my products there. They liked my jewels. But I was no sales expert. I would like to find people who are better prepared and have more experience.



To the left, Martha Vargas, a design expert.  
To the right, Sergio Durán, a Cozca businessman.

Source: Martha Vargas

FICHA

Sector: **Design, production and sale of silver and wooden jewelry.**

Headquarter: Porfirio Díaz 138-301 Mexico

Number of employees: 19

Web: <http://www.marthavargas.com/>

## Happily baking

International Taste Fair, October 21-25, Turin, Italy

Cuñapés, meat cakes, calitas, pies, buns, paraguayos and cookies were some of the typical recipes from the San Javier municipality (Santa Cruz, Bolivia) tasted at the International Taste Fair last month in Turin. Six bakers and patissiers showcased their cooking skills at this event.

The Chamber of Industry, Trade, Services and Tourism of Santa Cruz (CAINCO by its Spanish acronym) and Retecamere (an institution grouping Italian chambers of commerce) organized this mission in the framework of the AL INVEST IV Program. In addition, the CAINCO-CEPAD Mission Project and the European Iberoamerican Foundation (FIE by its Spanish acronym) collaborated in the organization of this mission.

The Fair was visited by 200,000 people. It was a tremendous success for the guests. "We are proud to hear our products had a warm welcome. We will continue to work, improve our products and adjust to all international requisites to export", said Heisa Montalván, president of the Bakers' Association of San Javier.

Claudio Cipollini, general manager of Retecamere, commented on the Bolivian participation in this fair and mentioned there are many business opportunities in the Italian market for traditional artisan production and organic, natural products.

[http://www.salonedelgusto.it/welcome\\_esp.lasso](http://www.salonedelgusto.it/welcome_esp.lasso)

## Seafood

October 4-8, Vigo, Spain

The Fair CONXEMAR in Vigo welcomed a business round last month. The main goal was to present to European companies the supply and the demand from Mexico, Honduras and Panama for octopus, shrimp, fish, squid, processed and frozen foods, etc.

In addition, specialized workshops and guided visits were organized for Latin American business people to learn about the European market and industry. The mission ended with a technical visit to the Fishing Harbor El Berbés, to learn about its logistics and distribution system.

<http://www.conxemar.com/feria.htm>



## Looking for excellent coffee

October-February 2011, Veracruz, Mexico

The Mexican State of Veracruz enjoys extraordinary characteristics to produce exquisite coffee. However, due to the lack of best practices to process it, the product loses its quality. Therefore, the NAFIN Eurocenter in Mexico, in the framework of the AL-INVEST IV Program, is undertaking several initiatives from October 2010 to February 2011 to develop high-quality coffee with denomination of origin.

The goal is to obtain a most important added value to export to European markets. The project seeks to involve small regional business men in the training sessions and workshops.

The work will take place through six months in two regions of Veracruz (Huatusco and Coatepec). Fifteen companies will participate through six progressive modules to learn about agro-industrial quality processes to obtain excellent coffee.



## Innovative Biotechnology

October 4-8, Hannover, Germany

A delegation of Latin American researchers visited the Biotechnica Fair in Hannover. The fair is organized by the NAFIN Eurocenter and the German Federal Ministry of Education and Research (BMBF by its German acronym).

The group of Latin American scientists from several universities, research centers and technology-based companies attended the event to learn about German innovations in environmental biotechnology and agro-industries, and to promote cooperation projects with German institutes and centers.

<http://www.biotechnica.de>

## Informative Mission

October 4-8, Madrid, Spain



Source: CAMC

The Eurocenter NAFIN and COEXPORT organized a first-contact mission at the SIMO Network Fair from October 4 to 8. The main goal was to provide Mexican and Salvadorian companies with a forum to present, compare and do business with Spanish companies developing software and mobile applications in the information technologies industry. Besides, a technical visit to the Scientific Park of Madrid was made to visit the facilities, requirements and benefits for foreign companies from establishing themselves in this country.

Thanks to the mission, small Latin American business men could network with Spanish companies to make long term business.

<http://www.ifema.es/web/ferias/simonetwork/default.html>

## Plan for the future

October 20-22, Santa Cruz, Bolivia



Family picture of Andean and European delegates to the Meeting

Source: RA

The partners of the AL-INVEST IV Program and the Andean region met last month in Santa Cruz, Bolivia, to plan actions to support the internationalization of Latin American SMEs from 2011 to 2012.

Organized by the Chamber of Industry, Trade, Services and Tourism of Santa Cruz (CAINCO), some 50 institutional representatives from Bolivia, Colombia, Ecuador, Peru and Europe met to program the budget, share their methodologies on the program's yearly planning and improve

communication. In addition, Joaquim Cordeiro and Paolo Baldán represented the Services Consortium.

Julio Silva, director of the Bolivian Competition Center of CAINCO said that during these three days the partners also shared their experiences and progress in the AL-INVEST IV program nationally and their expectations for the next years.

<http://www.alinvest4can.org/Web/Default.aspx?id=07813d07-c8c4-44ab-a2ca-2f456803e52b>

## Quality Marble

September 29 to October 2, Verona, Italy

Thirteen Mexican companies in the marble sector traveled to Italy for a Business Round with Marmoracc, organized by the NAFIN Eurocenter. They held 20 meetings on average with Italian companies to buy machinery and they attended technical seminars with the engineer Paolo Marone, president and director of the International Marble Institute. The small Mexican business men learnt about new technologies to transform marble and the trends in modern machinery. The results were very positive, since deals were closed with European businesses.

Additionally, and based on this action, work is being done with business people in the field through workshops and sessions. It is a training process for businesses

in the marble cluster that will enable them to enter new markets and become stronger at a national and international level.

<http://www.marmomacc.it/en/index.asp#>

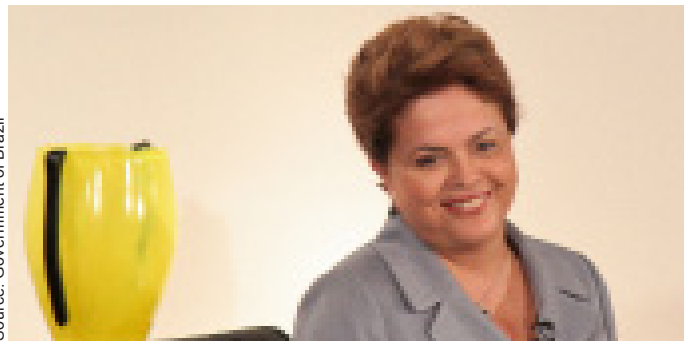


Source: Marmomacc

## Europe congratulates Brazil's new President

European institutions congratulated Dilma Rousseff, the first woman to become President elect of Brazil. Herman Van Rompuy, President of the European Council, congratulated Rousseff and remarked the great relations between the EU and the South American country.

Source: Government of Brazil



The member of the European Parliament conveyed her support to the future president and highlighted that the priorities of the Brazilian Government are "economic stability, fight against poverty, commitment with fundamental human rights and gender equality".

José Manuel Barroso, President of the European Commission, congratulated Rousseff on her victory, which is a "confirmation of the Brazilian democracy's liveliness and maturity".

In addition, Herman van Rompuy, president of the European Council, congratulated Lula's successor and said that he was sure the support of the citizenship will provide Rousseff with "the necessary energy to face Brazilian challenges".

Both the socialist member of the European Parliament, Van Rompuy and Barroso highlighted the relevance of Brazil as strategic partner to the EU. As they said, Brazil has become a key partner for the EU, economic- and trade-wise and also to resolve conflicts and world threats.

The EU warmly welcomed Dilma Rousseff's victory in the Presidential elections held the last weekend of October in Brazil. Citizens backed the future president with 56 million votes.

The Spanish socialist delegation at the Eurochamber said that Rousseff's political project is "ambitious and committed". The Spanish member of the European Parliament, María Muñoz, said that the Brazilian woman "will consolidate the upward trend Brazil has experienced the last few years".

### Coming up

#### Events

BIOFACH 2011 TRAINING AND TECHNICAL ASSISTANCE TO IMPLEMENT BEST PRACTICES IN SUSTAINABLE TOURISM MANAGEMENT BASED ON THE GREAT GREEN DEAL PROTOCOL

November 30, 2010 (CAMC)

TRAINING AND TECHNICAL ASSISTANCE TO IMPLEMENT PRODUCTION MANAGEMENT SYSTEMS FOR SMEs

November 30, 2010 (CAMC)

TRAINING AND TECHNICAL ASSISTANCE IN QUALITY MANAGEMENT SYSTEMS, ISO STANDARD 9001:2008

November 30, 2010 (CAMC)

BIOFACH 2011

February 16, 2011 -- February 19, 2011 (CS)

CeBIT - Hannover 2011

March 01, 2011 -- March 05, 2011 (CS)

BUSINESS AGENDA FOR GCP GLOBAL IN SPAIN

April 01, 2011 (CAMC)

SIMM Madrid 2011

September 01, 2011 -- September 03, 2011 (CS)

Anuga 2011 - Köln

October 08, 2011 -- October 12, 2011 (CS)

FIMMA-MADERALIA, Valencia 2011

November 01, 2011 (CS)

#### Publications

Sectorial analysis "Jewelry & Beads":

<http://www.al-invest4.eu/minisite/joyeria/europa/europa1.html>

\*CAMC- Central America, Mexico & Cuba

\*CS- Sevices Consortia



For more information

visit our website

[www.al-invest4.eu](http://www.al-invest4.eu)

Check out a Facebook profile



<http://www.facebook.com/pages/AL-Invest-IV-Consortio-de-Servicios/175340069146180?ref=ts>

Contact:

[info@al-invest4.eu](mailto:info@al-invest4.eu)

Share your comments!

