



**USAID**  
FROM THE AMERICAN PEOPLE

**CROATIA**

# SUCCESS STORY

## From Backyard Business to Top Employer

### One man's vision energizes an entire community



Photo: DAI/Damir Buntic

Vladimir Tomaic with his wife and three children pose in front of their new "Mljekara Runolist" milk processing facility in Krasno, Croatia.

***After seeking technical assistance from USAID, Tomaic Commerce Ltd. became a major local business in the Krasno region, providing jobs and markets for dairy farmers.***

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In 1992, Tomaic Commerce did not exist on paper — it was merely a dream that Vladimir Tomaic had long nurtured. With help from his wife and children, Tomaic began processing milk and producing cheese in his backyard in hopes of starting his own company. His total capital was \$250 and the first batch of milk they processed added up to 73 liters.

Located in Krasno, a small rural town in central Croatia's Lika region that suffers from high unemployment, Tomaic Commerce had a slow start. As with many small entrepreneurs, Tomaic was facing problems including reaching a market for his product and collecting payments. At the same time, he needed to organize and improve raw milk supply. He turned to USAID. Over the course of several years, a technical assistance program showed Tomaic how to strengthen his company.

USAID helped Tomaic and other dairy farmers in the area form an Agricultural Cooperative, known as Velebitska Degenija. The cooperative worked to create market linkages with buyers on the Croatian coast, assisted farmers in creating new products and product lines, and promoted member farmers' products at specialty food fairs.

Tomaic Commerce is now a major dairy processor in Krasno. About 450 workers and 87 milk suppliers in the area are benefitting from the company's success. The fast-growing company constructed a new processing facility in 2003 that today employs 14 full-time workers and processes 1,942 liters of milk a day. In 2005, Tomaic Commerce processed 462,000 liters of milk in eight months, nearly exceeding the amount processed over the entire year in 2004.

In addition, one third of the farmers supplying milk to Tomaic now produce a better product — they have upgraded the quality of their milk from first, second, and third class categories to the high-quality "extra class" category of milk.

After years of hard work, Tomaic Commerce has become a prime example of how local businesses, working together with USAID, can create jobs, grow markets, improve lives, and even make dreams come true.