



SUCCESS STORY

Helping Farmers Turn a Profit

Farmers learn how smart business strategies bring profits



Women from the Paraxaj community in Guatemala pack lettuce for a new buyer.

USAID sponsored an agriculture expert to consult with local farmers on business practices. The expert “opened doors for us,” said Mariano Canú, head of the Asociación de Agricultores Paraxaj.

Telling Our Story
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In 2004, a farming association in the town of Tecpán, located about 45 minutes outside Guatemala City, was struggling to keep its vegetable farms profitable. The *Asociación de Agricultores Paraxaj*, comprised of 35 families during the dry season and 75 families during the rainy season, lacked the infrastructure and know-how to make improvements, penetrate new markets, and turn a profit. If the association continued on this path, participating families would likely face economic hardship and the future of the farms would be in jeopardy.

Photo: AGEXPRONT/Mario Lemus

In July 2004, the association requested assistance from USAID to help the farmers develop a strategic plan and more effectively organize their work. An enterprise development expert, Juan Rosado, was called to work with the farmers to develop a strategic plan. He conducted a business analysis and helped develop a mission, vision, and goals statement for the organization. He also helped the association create a business plan and train members in searching for and selling to new markets.

In just two months, the farmers accomplished their first goal of obtaining a Quality Certificate. Then, they obtained a \$200,000 loan to expand their irrigation systems, allowing more members to produce vegetables year-round.

Since then, the association has achieved many of its goals. It has constructed packing facilities that enabled increasing its client base, launched negotiations with a regional chain store to sell \$20,000 in horticulture products, initiated a search to find regional buyers willing to purchase at higher rates, and signed a contract with a national exporter to sell zucchini, peas, and radishes to U.S. markets.

Members of the Paraxaj community have increased their incomes and created 20 new jobs. With the additional income, families have made other important changes to their lives, such as improving their houses, providing better education for their children, and acquiring better sanitation facilities.