



## SUCCESS STORY

### Processor's expansion benefits small farmers

Agroindustrias Bonilla, a company that processes bananas, plantains, cassava, potato chips and hot pepper and barbecue sauces, recently moved to new, larger facilities in El Progreso. The company has benefited immensely from opportunities provided by the USAID-RED program, experiencing a growth in sales of 243 percent from 2005 to 2009. And in the last three years they have generated jobs for an average of 30 people per year.

Thanks to USAID-RED, small and medium agribusinesses like Agroindustrias Bonilla are not only securing competitive positions in the Honduran market, but are also able to enter the export market with quality products. USAID-RED works with several such companies to guarantee consumers receive safe, quality food products and help make the businesses more profitable. The program assists with components such as business plan development and use of good manufacturing practices (GMPs),

Juan Carlos Bonilla, the manager of Agroindustrias Bonilla, explained how USAID-RED helped the company develop a new marketing plan and updated its business plan. The program taught them basic technologies for industrial production, how to streamline processes and cost structures, and how to increase processing capacity. USAID-RED also helped the company organize its sanitation records so that it could register products with the FDA.

From 2005 to date, Agroindustrias Bonilla has invested \$54,000 in facility improvements such as new floors, drainage systems, smoke extractors and equipment such as fryers and labeling machines.

Agroindustrias Bonilla has increased processing capacity from 1,320 pounds to 5,610 pounds per week, and now small farmers have an additional sales outlet for their produce. The processing company buys its raw material from more than 30 producers, most of them USAID-RED clients.

During the last four years USAID-RED has worked with more than 100 agribusinesses ranging from microenterprises to large companies. The success of companies like Agroindustrias Bonilla creates jobs and helps support the Honduran economy. The program works with 33 such businesses. In 2009 those businesses generated new sales of \$2.7 million and created more than 190 permanent jobs.

The Rural Economic Diversification Program (USAID-RED) is funded by the United States Agency for International Development (USAID) and made possible by the generous support of the American people. Its main objective is to increase incomes and employment opportunities in the rural communities of Honduras.



Photos by Fintrac Inc.

USAID-RED technician and Juan Carlos Bonilla (left) perform an equipment inspection.



Agroindustrias Bonilla participates at a product exposition fair