



**Lucia's Farm
Business
University of
Southern California**

Jan 3rd – Jan 9th 2015



USC BUSINESS BRIGADE



| | |
|---------------------|--------------------------------------|
| NAME | Lucia Gonzalez |
| AGE | Around 40 |
| PROFESSION | Farmer |
| STATUS | Married to Locany |
| NUMBER OF CHILDREN | 3 sons, 1 daughter |
| BUSINESS | Agriculture (Plantains, Yucca, Rice) |
| NUMBER OF EMPLOYEES | Varies between 2-4 people |



BUSINESS OVERVIEW

The farm currently consists of 4 hectares of rented land. As of now only 1 hectare land is utilized with 500 plantain trees consisting of 200 mature trees and 300 baby trees. The mature trees are ready to be harvested, while the baby trees will be ready in a matter of months. Lucia is planning to use the remaining 3 hectare of land as follows: 1 hectare for another 600 plantain trees and 2 hectare of land with 2000 Yucca each (4000 yucca plants in total). Once harvested, her son sells the crops in Panama City. Her farm is around 45 minutes walk from Pueblo Nuevo and she has never been robbed. She also rents her land from the Arimae community for \$100 per hectare per year.

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| | |
|----------------------------|---------------------------|
| NAME | Locany Gonzalez |
| AGE | Around 40 |
| PROFESSION | Farmer |
| STATUS | Married to Lucia |
| NUMBER OF CHILDREN | 3 sons, 1 daughter |
| BUSINESS | Agriculture (Rice & Ñame) |
| NUMBER OF EMPLOYEES | Varies between 2-4 people |



BUSINESS OVERVIEW

Acts as a middle man for local farmers by purchasing various crops in Darien and selling them in Panama City. He has an established client base and owns his own car use to transport goods. He currently grows rice and has future plans to grow Ñame as well.

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BUSINESS: Lucia's Farm

| | FACTOR 1 | FACTOR 2 | FACTOR 3 | FACTOR 4 |
|-----------|---|--|--|---|
| STRENGTHS | Her husband has a lot of know-how with farming, but could use some more professional help | Has relatively strong financial abilities and has repaid all her loan payments on time | Has strong goals and vision for her business given her clear expansion plans | Financially endowed immediate family, her sons are all college educated. Her household owns a lot of capital within the community (e.g. the community kiosk and two other houses) |

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BUSINESS: Lucia's Farm

| | FACTOR 1 | FACTOR 2 | FACTOR 3 | FACTOR 4 |
|------------|--|---|--|----------|
| CHALLENGES | Lack of financial record keeping. (*note: We have created a simple accounting system that the next brigade should review to ensure correct usage) | Could use more agricultural education to even better manage her farm. | Her household revenue streams are so various they are difficult to track and are subject to fluctuation. | |

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| | Day 3 – 1/05/2015 | Day 4 – 1/06/2015 | Day 5 – 1/07/2015 |
|--|---|--|--|
| <ul style="list-style-type: none"> - Describe meeting - What did you and the business owner(s) do? - How did the business owner(s) react? - What questions did the business owner(s) have? - What specific requests did the business owner(s) have? - What recommendations did you provide? - What are some next steps? - etc. | <p>This was the first meeting with Lucia. We asked her numerous questions to establish a base understanding of her business.</p> <p>We learned about the whole process of producing and selling plantains. We also gleaned a lot of information about price points and cost which we can consolidate later. Then we learned about Lucia's goal for taking future loans and expanding her farm to produce yucca.</p> <p>We notice there isn't clear bookkeeping so it would be useful for her to start keeping records. We want to figure out what she wants from us as to figuring out what is realistic and what is achievable for the future of her business.</p> | <p>We started by clarifying information about her farm. Using a drawing helped a lot. She then brought out her husband, who gave us more answers. He also wanted agricultural education and help with bookkeeping. They then showed us around their various properties in the community and told us about their goals to farm Ñame.</p> <p>We are planning on creating sheets for record keeping so that they can use them to keep track of their money and business operations.</p> | <p>We brought a diagram of their farm and an example bookkeeping sheet on a poster for them to keep. We showed them how to keep records of transactions on the sheet. At the end of each month, we showed them that they can add up their revenues and costs to figure out how their business is doing.</p> <p>The last thing we will give them is a notebook that is formatted to keep track of all transactions for their farm business. It will have one page for each month for 3 years.</p> |

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BUSINESS: Lucia's Farm

| | SOLUTION 1 | SOLUTION 2 | SOLUTION 3 | SOLUTION 4 |
|--------------------|---|--|------------|------------|
| PROPOSED SOLUTIONS | Recommended an accounting system to keep track of revenues and costs, allowing them to calculate monthly earnings. (*note: Puget Sound Brigade should look to make sure they are using this system correctly) | Recommends that Environmental Brigade assist Locany & Lucia with agricultural upkeep and proper utilization of their land. They want to be taught techniques that ensure their lands' nutrients aren't depleted. | | |

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FURTHER DETAILS & OBSERVATIONS

Price for Plantain Sales: \$12 per 100 Plantain in Darien & Avg \$18 per 100 plantains in Panama City (Price fluctuates with quality and demand of plantains)

Goals for Yucca: Taking out \$600 loan for 2000 Yucca Seeds. Her Yucca, due to good quality soil, sells for \$15/50 lbs. She estimates that 3 yucca plants are around 50 lbs.

Land: Leasing 4 hectares for 3 years and is clearing more forest to grow the farm even more. The land costs \$100 per hectare per year to lease.

***University of Puget Sound:** Locany has a very diverse agricultural business. Locany not only acts as a middle man, but also grows additional crops separately from Lucia. He owns a number of properties in the town, including the house where the kiosk is which he rents to the kiosk operator. Finally he does forestry-based projects for the government.

INFORMATION GATHERED AFTER INITIAL QUESTIONS

What is the process of growing plantains?

Usually plant in November and are first harvested in August. Bundles are harvested every 15 days with a range of 25-45 plantains per bundle. Lucia currently cuts down the plantain trees she harvests because she wants the seeds from the trees. She says that when one tree is cut, four new ones grow from the same spot.

What are your operating costs?

Labor: \$12 per worker per day to help harvest. Fertilizer: \$50/bag and uses 2 bags/year. Pesticide: \$40 per year. Anti-Warm Bag: \$6/bag. Rent: \$100 per hectare per year and she has 4 hectares. Loans: \$500 loan with monthly loan payment of \$98 and a total of 6 payments, 3 payments have been made with 3 payments left as of Jan 8th 2015.

Who do you sell to in Panama City and related costs?

Diesel Gas for Car: \$5.50/gal (about \$40/trip). Pay for Son: \$40/trip. Pay for an additional worker: \$30/trip

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| NEXT STEPS | |
|--|---|
| IMMEDIATE CHANGES | <ul style="list-style-type: none">• Check progress on Accounting Books• Check Loan Status (Of Lucia, Of Locany, etc.) |
| SHORT TERM CHANGES (WITHIN 3 MONTHS) | <ul style="list-style-type: none">• Provide Lucia and Locany with agricultural education so they can manage their diverse product portfolio (plantains, yucca, Ñame, rice, etc.)• Find permanent/long-term buyers for products |
| MEDIUM – LONGER TERM CHANGES (+3 MONTHS) | <ul style="list-style-type: none">• Investigate means of acquiring title to tribal land (Arimae)• Look at farm mechanization (tractors and other farm equipment)• Consider hiring permanent employees if appropriate |

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BEST PRACTICES FOR DELIVERING WORKSHOPS

- Conduct small talk with group to make them comfortable
- Show them pictures of your home/ your experiences
- Speak to them and not the translator, maintain eye contact even if you're speaking in English
- Make presentation interactive and utilize games/simulations
- Utilize visuals

ADVICE FOR FUTURE BRIGADES

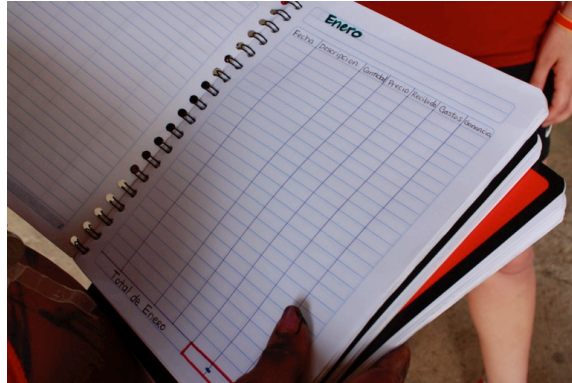
- Make sure Lucia is keeping up with the books and that they are organized. We gave her three separate books to last her for three years.
- Always have a positive attitude. Don't get discouraged if you aren't immediately successful at connecting with the community members.
- As much as this is a teaching experience for the brigade, it is also a learning experience.
- Don't be afraid to speak Spanish. Even if you only know how to say hi, making an attempt to speak their language allows them to feel more comfortable and ultimately open up.

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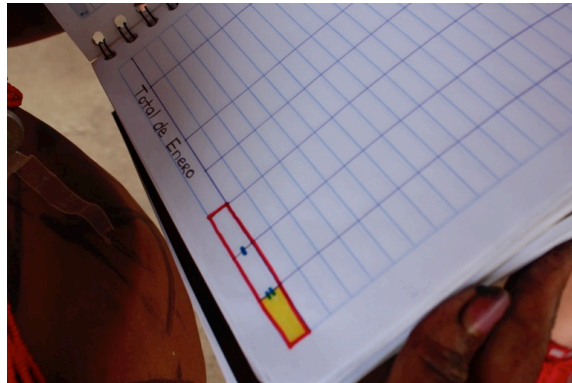
| CONTACT DETAILS | | |
|-------------------------|--|--------------------------|
| BUSINESS OWNER(S) | Name: Lucia Gonzales | Name: Locany Gonzales |
| COORDINATOR | Name: Mel Brown | |
| TRANSLATOR(S) | Name: Maggen Martinez | Name: Phone Email: |
| USC BUSINESS BRIGADE | Names of all students: David McClain, William Chen, Andrew Schmidt, Simone Geller, Chris Funaki | |

USC BUSINESS BRIGADE PHOTOS



The accounting system we created and gave to Lucia and Locany. There is one book for each of the next three years. The transaction headings read, left to right:

- Fecha (Date),
- Descripcion (Description),
- Cantidad (Quantity),
- Precio (Price),
- Recibido (Received),
- Gastos (Costs),
- Ganancia (Profit).





Above: A plantain bulb. Below: Ñame.



Panorama View from Lucia's farm. Rice stands in the foreground, with plantain trees in the back.



The entrance to Lucia's plantain field.