

ROAD TO INDEPENDENCY

A BRIEF LOOK-BACK AND A SIX MONTHS PLANNING

JULY TO DECEMBER 2017

by

Jeannine and Billy's Children's Foundation

(JBCF)

Brief history

Jeannine and Billy's children's Foundation (JBCF) has been founded with the main objective to "Making a Significant and Lasting Difference in the life of Children and their families affected by HIV/Aids (and other vulnerable children)". The means used in the past ten years and strategy followed was to create job opportunities for family to improve permanently the quality of life of parents, foster parents and other caretakers. To reach this goal JBCF set up sewing centres and a restaurant attached with vocational training centres.

Sewing centres

As a start-up JBCF set up a big sewing centre at the house of the founder of JBCF with over 20 sewing machines. It was first set up at ground floor level and later moved to the top floor. Around 18 women were working in this centre with around 45 children as the final beneficiaries. They all have moved on to set up their own sewing place or are working in garments factories in order for properly taking care for their children.



Another sewing centre was set up in Anlong Khrnang with approximately 15 women, while a child care centre was established to provide pre-school education for their children. However, the attitude of the women required a change of motivation and this was not possible with the present group. The consequence was that JBCF had to close the centre and move back another area.



The sewing trainer of JBCF advised to set up a sewing centre in Prey Veng province and this was followed by the establishment of a sewing centre in a village in Prey Veng province with around 10 women being trained in sewing. After training the women started their own group with support from JBCF and should be running now by themselves.

Another move of the machines followed, this time again to the house of the founder, where a sewing centre was established on the roof top. In this situation around ten women stayed in the house and have been trained for six months. Once trained, they have moved back home to start their own business.

Two other moves followed being one to Takeo province and later to Takmao. In both cases people were trained and started their own business. Furthermore there are two small centres in Phnom Penh city which are taking orders when JBCF received them.

At the moment the sewing machines are at the house of the founder standing dormant and waiting for further action.

Restaurant business

A restaurant was set up near the house of the founder and in the vicinity of two educational centres, which would attract enough customers to keep the restaurant running. After three months the restaurant already made some profits with gross income per month of around 2000\$. With the profits and some sponsorship JBCF was able, in cooperation with LICADHO, to provide food to HIV/Aids infected prisoners in the biggest jail in Cambodia.



However, this model was followed by other families in the location though with much lower prices, as they didn't need to pay salaries to staff. The consequence was that the income of the JBCF restaurant dropped drastically to around 500\$ per month. Good example creates followers!



The first restaurant

This urged JBCF to move the restaurant to the house of the founder, where JBCF were offering one dollar meals to customers. This worked reasonable well which an income covering just the costs.



Restaurant at home



At a certain moment JBCF received the offer to start a restaurant in a newly built factory in one of the Industrial Zones on the outskirts of Phnom Penh. For one year JBCF was able to serve to around 80-100 workers lunch and dinner for each 1\$ per meal per person six days a week. Logistically it was difficult as JBCF restaurant staff slept in the house of the founder, had to wake up early (4 am.), move to the market to buy ingredients for the day's food, drive to the factory for one hour and start immediately preparing lunch and later dinner. After cleaning the restaurant the staff had to drive for another hour back home. Another factor came up, as one of the factory managers was smart enough to offer the factory the services of her family to run the restaurant in a cheaper way. Again good example finds followers.

In the meantime the founder had to move houses, as the rent of the previous house became too high and he moved to the outskirts of Phnom Penh. With some earnings a car was bought and a small food centre for travelers driving to the provinces was set up beside the highway. Within a year this activity had to stop, as construction work at the road made it impossible to provide food in a hygienic way.



Planning for the coming six months

After careful searching the market and after unsuccessfully starting some import business from South Korea, it was first decided to set up an import trade for the construction of bathrooms and toilets. Though even the Netherlands Embassy was behind the set up, it was advised not to continue after some bad experiences with constructors.

A short research was made into the cooking oil business, though what was looking first promising, the outcome at the end was low profitable because the prices at the world market were rising. Finally the decision was taken to research in depth two popular markets.

There are two huge markets in Cambodia: the construction industry and the tourism industry. After trying the construction market and finding it difficult to get a foot into this market because of cheating by constructors, the outcome of the research was easy to decide. Why not try the tourism market? What activity has the opportunity to grow in the tourism branch? The Operational Manager already had played with the idea to set up a laundry service, though because of the huge investment, it was decided to wait till a better situation would arise. Besides her work for JBCF, the Operational Manager was working in in the Spa/massage sector and later in a Korean Cassava company. Both experiences provided her the opportunity to gain the necessary experiences in the business establishment.

Aroma/Massage Oil import and sales

The easiest activity was to set up the import of aroma/massage oil to Cambodia and sell it to the present Spa and Massage Parlors all over Phnom Penh. Because of her past working in a Spa/Massage Beauty Parlor, the Operational Manager was able to find the necessary contacts in the Spa sector to be guaranteed that these spa centres would buy the aroma and massage oil from JBCF. A month of testing to find out from which country it was profitable to import this oil and after a business trip to Thailand the JBCF decided to import the oil from Thailand. Transport costs are not that high and import taxes are low, as the trade between ASEAN countries is almost tax free. Though business is going slowly because of other activities for JBCF by the Operational Manager, it is going steady. Very soon JBCF might expect the first earnings

The intention is that first the Operational Manager will establish the contact with Spa sector and that afterwards staff will be recruited to deliver the oils to the parlors. To cover all the known parlors, it might be

necessary to recruit 5-6 staff. People will be trained to deliver in time and handle the transactions. JBCF expect that only for Phnom Penh 5-6 families will benefit from this business with a total of 15-20 children as indirect beneficiaries.



Laundry services

The opportunity to start a laundry business showed up when a company from China offered to assist in the set-up of a laundry shop. The Chinese company offered a deal of around 10,000\$ for which it would provide washing machines and dryers. However, this was far too much for JBCF. The Operational Manager struck another deal worth 3000 to 5000\$ for which JBCF is trying to find funding.

Hotels and Spas are in many cases connected with each other. This means that the contacts in the Spa world are helpful in the contacts with the hotels. These hotels need their laundry to be done and always will try to find the best quality and the cheapest way to get their laundry done. When they can assist an organisation working for the benefit of children with that, the better it is. So, at the moment there are many hotels and Spas promising to bring their laundry to JBCF and buy their oils from them, as long as the services are excellent, the quality is outstanding and the timing perfect.

Training of staff is provided by the Chinese company, which is also delivering the washing powder and other items to keep the laundry running. JBCF bought initially four washing machines, as the orders from several hotels kept coming in. In the past two weeks four staff has been trained to work the washing machines and the dryer. It was difficult to start, as the quality standard of the laundry didn't meet the required wishes from the hotels. Though they showed patience and requested to do it again. By try and error the staff might have found the right formula to bring the quality as required by hotels and spas. Hotel and Spa management are satisfied with the present results and will continue their support to JBCF.



Business plan

Once the laundry business will become profitable, more machines can be purchased and more staff can be recruited. Once staff will be able to run their own laundry business, they might start up their own business. With the four present staff JBCF is assisting three households with a total of seven adults and a total of ten children. This number looks low, though it can grow very fast. With more washing machines more hotels and spas can be served and more staff is needed. JBCF has the vision that this could become a nationwide project and will grow out to a programme. The tourism industry is growing tremendously and the need to support this industry will be huge in the close distant future.

The final objective will be that JBCF will become independent from donors and that the aroma/massage oil and laundry business will be the strong financial pillars for the organisation to “Making a Significant and Lasting Difference in the Quality of Life of Vulnerable and HIV/Aids Affected Children” in Cambodia.

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Founder JBCF