

PROJECT STATUS REPORT (FINAL)

JULY 2011 - DECEMBER 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Using Intellectual Property to Improve the Competitiveness of Jamaican MSMEs

Project Number: JA-M1014 - Operation Number: ATN/ME-11783-JA

Result: The purpose is to enhance collaboration on Intellectual Property issues among MSMEs that produce iconic Jamaican products and achieve improved market positioning for their products.

Country Administrator
JAMAICA

Beneficiary Country
JAMAICA

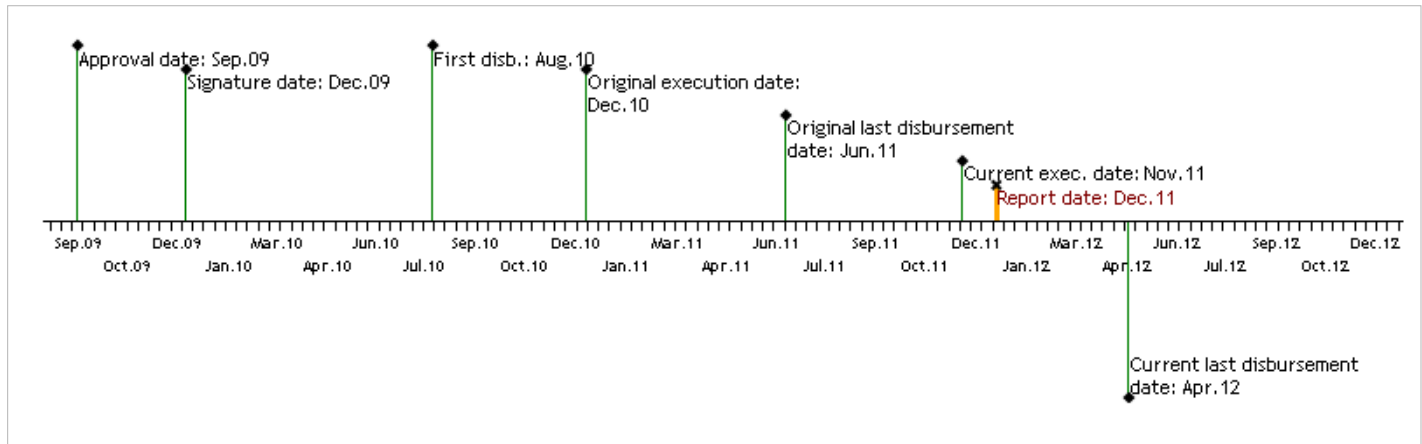
Group
SME - Small and Medium Enterprise
Development

Subgroup
TRIN - Trade and Investment

Executing Agency: The Competitiveness Company Limited

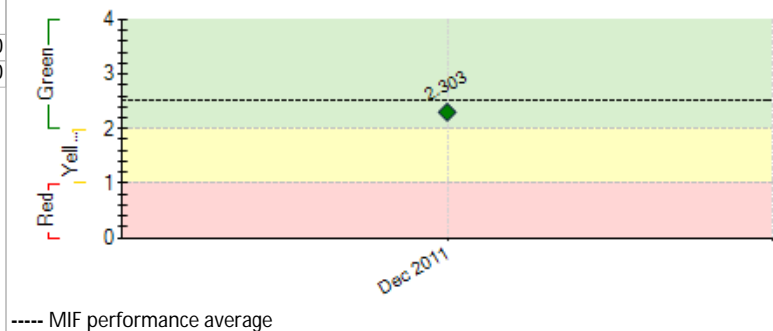
Design Team Leader: Cockburn, Carina
Supervision Team Leader: Beecher, Wayne

TIMELINE



FUNDS	Approved	Cancelled	Disbursed
FOMIN	\$149,050.00	\$16,500.00	\$132,550.00
Counterpart	\$0.00	\$63,800.00	\$93,842.00

PERFORMANCE SCORE



SECTION 2: RESULTS AND ACHIEVEMENTS

Performance once project is completed

The main achievements of the semester were (i) the design of Adhesive labels with high security features for placement on products that met requirements for using the Marks. This is important to the sustainability of the project and it relates to the purpose since consumers need to be able to identify those products which are iconically Jamaican. (ii) MSMEs learnt best practice packaging requirements, international market regulations and standards and other market access related issues including those relating to Intellectual Property, as a result of 2 training workshops held. This is critical to the purpose of the project because MSMEs must be aware of the international requirements for their products before they can export their iconically Jamaican products. (iii) Launches educating overseas communities on Marks were held in UK (London & Birmingham) and USA (New York). It provided publicity to the Marks making consumers in these markets becoming aware of those products which were approved, as well as to increase sales for MSMEs. This relates to the purpose as it will lead to improved market positioning for their products.

The only remaining critical action to be taken in the next semester is the Launch of the Marks in New York. Permission was received from the IADB and the event held January 24, 2012.

Comments from the Supervision Team Leader

The project achieves most the indicators except for the development of the ecommerce platform. However, the website has proven to be an effective marketing tool. Whereas the education and awareness seems effective, the initial take up, is limited by the cost associated with acquiring the marks.

Final evaluation

The project received a satisfactory opinion

Comments from the Supervision Team Leader

Agree with the Evaluators comments

[Final evaluation](#)

<http://mif.iadb.org/file.aspx?DOCNUM=37067079>

SECTION 3: INDICATORS

	Indicators	Baseline	Planned	Achieved	Percentage
Result: The purpose is to enhance collaboration on Intellectual Property issues among MSMEs that produce iconic Jamaican products and achieve improved market positioning for their products. Classification: Satisfactory	P.11 10% growth in membership of 3 clusters which will access IP services.	378	415	544	449 %
	P.12 At least 5 new MSMEs subscribe to each of the 8 existing Marks	0	40	57	143 %
	P.13 A total of at least 50 purchase transactions for products bearing Marks are completed using the e-commerce portal of the CC's website	0	50	0	0 %
Component 1: Implementation of Intellectual Property Initiatives Weight: 66% Classification: Unsatisfactory	C1.11 Design rules of operation for 9 existing Marks in US & 5 existing Marks in U.K.	0	14	14	100 %
	C1.12 Design of accreditation process for Certification Marks completed			Yes	100 %
	C1.13 Development of 2 new Marks (including design & industry consultation)	0	2	4	200 %
	C1.14 Design of authorization process for use of Collective Marks completed.			Yes	100 %
	C1.15 Design of Industry management programme for ackee completed.			Yes	100 %
	C1.16 Design rules of operation for 2 new Marks	0	2	2	100 %
	C1.17 Develop graphic designs for placement on products			Yes	100 %
	C1.18 Determine pricing of IP services relating to the use of the Marks.			Yes	100 %
	C1.19 Pilot Accreditation, Authorization, and Ackee Industry Management programs among a total of at least 10 MSMEs.	0	10	14	140 %
	C1.11 0 Improve functionality of E-commerce enabled website.			No	0 %
	C1.11 1 Marketing of at least 5 Marks and other IP services on website.	5	5	11	0 %
	C1.11 2 Complete registration & licensing of 9 existing Marks in the US & UK.	0	9	9	100 %
	C1.11 3 Complete registration & licensing of 2 new Marks locally and overseas (Jamaica, U.S., UK).	0	2	2	100 %
Component 2: Implementation of Market Penetration Initiatives Weight: 34% Classification: Satisfactory	C2.11 At least 75 promotional items for 8 existing Marks (excluding generic Mark) purchased	0	75	286	381 %
	C2.12 8 Advertisements promoting 8 existing Marks (excluding generic Mark) designed	0	8	8	100 %
	C2.13 50 Representatives of MSMEs trained.	0	50	46	92 %
	C2.14 Marketing strategy completed			Yes	100 %
	C2.15 Launch event for Marks held			Yes	100 %
	C2.16 Marketing of products of 10 pilot firms on website for 1 month trial period.	0	10	14	140 %
	C2.17 8 Advertisements promoting Marks placed in journals/magazines	0	8	8	100 %

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M1 [*] Conditions Prior	6	Jul 2010	6	Jul 2010	Achieved
M2 -First meeting of Steering Committee -Lawyer contracted to file and register marks	2	Aug 2010	2	Jul 2010	Achieved
M3 -9 Existing Marks filed in US & UK -Rules of Operation for Marks developed -Consultants contracted to develop procedural manuals for accreditation process, authorization process & industry management program.	3	Sep 2010	3	Sep 2010	Achieved
M4 -Procedural manuals for accreditation process, authorization process & industry management programme completed. -Training of 50 Representatives of MSMEs completed. -International Launch event held.	4	Jan 2011	4	Nov 2011	Achieved late

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[X] Legislative approvals
[X] Executing agency institutional capacity
[X] Supplier/contractor performance
[X] Bank efficiency (responde delays)
[X] Qualified external audit
[X] Bank Policy changes
[X] Borrower/executing agency commitments
[X] Community/political opposition
[X] Design of project/Components
[X] Purchase difficulties
[X] National political changes
[X] Lack of a tracking and evaluation System
[X] Lack of resources for the counterpart

[X] Inappropriate Consultants performance
[X] Delays in fulfilling the contract terms
[X] Environmental restrictions
[X] Political changes of the executing agency

SECTION 4: RISKS

CRITICAL RISKS MANAGED DURING IMPLEMENTATION

1. Producers are not able to supply required data for their products that are to be offered for sale on-line Level: Low Responsible: Project Coordinator Status: In effect Comments: Please note that while the website was established, the e-commerce aspect was not operationalized as the estimated costs were insufficient for this activity.	
2. Insufficient support for clusters by relevant agencies and entities Level: Low Responsible: Project Coordinator Status: In effect Comments: All the agencies engaged were supportive of the project.	
3. MSMEs do not believe that benefits of using Marks justify licensing fees. Level: Low Responsible: Project Coordinator Status: In effect Comments: Still in effect	
PROJECT RISK LEVEL: Low TOTAL NUMBER OF RISKS: 11 IN EFFECT RISKS: 3 NOT IN EFFECT RISKS: 2 MITIGATED RISKS: 6	

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable
The outputs of the project are now apart of the operations of the Competitiveness Company

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue	Comments
[X] A market is not generated for the project's services and/or activities (low payment capacity or low demand for those services)	Response from the MSMEs has been slow.

Actions related to sustainability which have been implemented:

A framework for management of Collective & Certification Marks designed and implemented; Participating MSMEs will pay annual subscription fees to use Marks; Other Intellectual Property services related to use of the Marks will also generate fee income; Accreditation programmes designed for food related marks have established international quality standards for producers with which they must comply in order to use the Mark, assuring consumers that each user of the Mark has complied with health & safety standards in manufacturing; Accreditation programmes have positive environmental impact as food production practices promoted amongst local manufacturers; Consumer assured of having environmentally sustainable and friendly features included in Marks; Through marketing programme, those MSMEs not direct beneficiaries should become subscribers to the Marks based on success of the programme; Greater access by MSMEs to those international markets in which the Marks have been registered – USA and the European Market; For The Competitiveness Company, the project will provide a source of revenue to administer the marks in the future with a small external injection of funds.

[Sustainability Plan](#)

<http://mif.iadb.org/file.aspx?DOCNUM=37066953>

SECTION 6: KNOWLEDGE

Lessons learned

1. WHAT WORKED

- The most significant lesson learnt from the project was that Intellectual Property protection cannot be separated from a suite of complementary requirements. Jamaican MSMEs needed to improve their standards so that they can compete internationally. This became evident during the conduct of technical audits, a crucial part of the project.
- The extensive network of The Competitiveness Company proved to be a success factor. The relationship enjoyed by The Competitiveness Company (CC) with several Government entities, such as the Jamaica Intellectual Property Office, meant that discussions and agreements were finalized speedily.
- The selection of consultants with proven track records was vital to the success of the project. The CC ensured that in its selection consultants were known to deliver in accordance with Scopes of Work. They were able to conform with The CC's mission and demanding culture. Finally, there was a spirit of collaboration and commitment from these consultants to ensure the success of the project.
- The commitment of the staff, Board and partners to the success of the project and ultimately Jamaica's economic development meant that the project was implemented with a certain amount of energy.
- The knowledge base of the CC staff on Intellectual Property issues, as well as the passion displayed by the staff, was of tremendous assistance in implementing the project.
- The enhanced website has provided for The Competitiveness Company another avenue for exposure of the Company's services.
- For the beneficiaries under the project, the project was successful in teaching them the value of their company's Intellectual Property value, and the potential for exports of their products and services. Here are some benefits for the MSMEs:

Relative to Implementation
Author
Mais, Margaret

- The training in Packaging and Labeling identified considerable weaknesses and some of these MSMEs have since requested The Competitiveness Company's assistance in revising their labels and label requirements.
- The technical audits which were undertaken on the pilot firms proved to be a learning process for the CC staff which accompanied the auditor on these sessions.
- The pilot firms benefitted considerably from the audits conducted. They were advised of weaknesses in their systems and recommendations made for improvement. The MSMEs did not have to pay for this expensive facility since it was a component of the project.
- The launches in the UK and USA alerted individuals and companies in these countries to the use of the Marks in protecting their genuine products.

8. The role of the Project Steering Committee was important in implementation. The diverse roles of the participants resulted in recommendations to improve delivery of the project.

2. WHAT DIDN'T WORK

1. There were some unforeseen circumstances. For example, it was a requirement of the United States Patent and Trademark Office that standards be prepared for each Certification Mark to be registered. This had not been included in any of the contracts; hence it became the responsibility of the Coordinator of Projects. Although this was a time-consuming exercise, the result was a set of guidelines which would allow the smooth processing of export shipments entering the USA.

2. As stated in the contract, all payments must be made in the currency of the Executing Agency. No arrangements were made in the contract on how to pay for bank charges which would accrue with these payments.

3. The training sessions were one day in duration. It is difficult to cover such a detailed topic in a one day session; however it is also difficult to engage MSMEs for longer than one day, since they tend to have small staff complements and so need to be at their places of business. In future, we will make arrangements that at least one of the training sessions should be held in a rural area, located near to a nexus of companies.

4. The funding estimated for the establishment of a fully functional e-commerce website was not accurately estimated and therefore the funds proved inadequate to complete the task. In addition, it was not foreseen that the cost to engage a company to provide payment facilities for the MSMEs to use, would be prohibitive. Many of these MSMEs cannot afford such facilities so setting up a central point for MSMEs to do e-commerce transactions will be explored in future work.

5. Most of the MSMEs were caught up in the work; however some were unable to meet the strict requirements and conditions of the project. For example, many had really unique products, but could not participate in the pilot, as some could not meet the minimum international standards required for factory facilities or for labeling and packaging. These companies will receive special dispensations in future work.

3. WHAT DIDN'T WORK

1. The requirements for First Disbursement by the IADB took approximately 8 months to implement. For example, the requirement that four Memoranda of Understanding should be signed was initially thought to be easily negotiated; however one Government agency took 6 months to indicate that it would not sign the MOU. This problem was exacerbated with the Board of the Agency being changed, which led to further delays. To compound this, time had to be allowed for the IADB to be advised of the Agency's decision and to alter this First Disbursement requirement.

2. The above had budgetary implications – expenses were accruing without these expenses necessarily relating to implementation of the project. For example, another Condition of First Disbursement was that the Project Officer must be hired. That entailed placing the advertisement for the position, short-listing of persons, interview and selection of a suitable candidate. Having selected a qualified person, he was being paid by the Company from its own resources while being unable to begin the substantive work.

Implementation

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Design

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Indicate which are the main products of the project, where they can be found, and how they could be "shared" with other entities or similar projects.

Process Designs for Certification Marks
Development of 2 new Marks
Design of authorization process for use of Collective Marks
Manual for Process Designs for Collective Marks
Graphic Designs for Marks for placement on products

Main products of the project

[No related products to display]

SECTION 7: DOCUMENTS

14/SEP/2009	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=2157582]
14/SEP/2009	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=2157614]
14/SEP/2009	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=2157619]
14/SEP/2009	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=2157625]
27/AUG/2012	Intermediate Evaluation Report	[http://www5.iadb.org/mif/file.aspx?DOCNUM=37067071]
27/AUG/2012	Final Evaluation Report	[http://www5.iadb.org/mif/file.aspx?DOCNUM=37067079]
27/AUG/2012	Sustainability Plan	[http://www5.iadb.org/mif/file.aspx?DOCNUM=37066953]

[Project profile](#)

<http://www5.iadb.org/mif/apps/public/psr/projectprofile.aspx?proj=JA-M1014&lg=EN>