

ACTIVITIES 2022 | RESULTS 2022 | GOALS 2023



ACTIVITIES 2022

In our third year of the pandemic, we saw the virtual power of our University Connections program to catalyze essential research and knowledge building that serve the needs of our local partners and communities. This program seeks to co-develop programming that both satisfies students' academic and professional needs while creating a true benefit for the businesses and communities we support. This requires continually tailoring and improving the activities and relationship building between these groups.

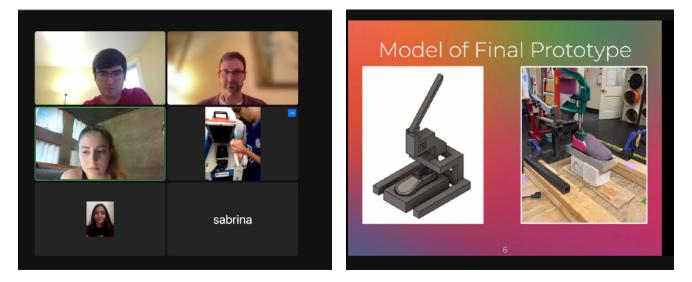
While justified anxieties prevented yet another year of student programming in-country, we delivered significant infrastructure improvements, machinery, professional videos for marketing and educational purposes, clear technological solutions sensitive to local needs, and strategies for overall business improvement. We also developed the Global Career Launch Oaxaca program with the University of Texas at Austin (hook 'em!) and established a new exciting partnership with Texas A&M University (gig 'em!). Both will launch in 2023.



International academic research collaborations serving Oaxacan rural businesses

1. Technological development with artisans: MIT and DAVA Artisan Design

Without a doubt, Oaxacan artisan craft is characterized by its creative handmade products, reflecting ancient roots, cultures, and traditions. How do you innovate within a tradition? Can technology play a role? With DAVA Artisan Design, we've learned that there is a delicate balance between maintaining the essential origins of their craft and employing small scale machinery, manually operated, to improve quality and production volumes. In 2022, we worked with engineering students from the Massachusetts Institute of Technology (MIT)'s D-Lab course, "Design for Scale," to prototype a solution for reducing risk of accidents during shoemaking when cutting materials. While the students originally considered designing a simple machine for simplifying sandal sole production, they settled on shoe sole manufacturing since DAVA's materials are purchased from suppliers in Northern Mexico and are not ecologically sustainable. The prototype was designed and tested to use pellets of bio-based materials which would melt into the molds of the shoes. They demonstrated the 25% increase in production volume and 55% improvement in profit due to increased sales using the prototype. The students recommended that the family consider investing in a larger industrial machine, which they calculated would increase production by 400% and profit by 720%.



By considering industrial scale technologies, would DAVA's products become less artisanal or authentic? In this case, since they already source shoe soles from other industrial

Above: (Left) Students learned about the process for making sandals and shoes via Zoom call demonstrations; (Right) The final version of the shoe sole press prototype designed and tested by students



suppliers, DAVA would in fact be able to employ more local indigenous women in their shoe and sandal production by converting sole fabrication to an in-house manually operated activity. This is a case in point in how traditional artisan craft might adapt to grow into viable sustainably growing businesses. It's a delicate balance that is subject to intense debate.

2. Building on prior research to laser in on viable customers in the US market: University of Texas at Austin and Casa Martinez

We have coordinated student research that creates a growing body of knowledge that benefits local indigenous-run businesses, such as Casa Martinez. Originally, the work focused on understanding the US market for sustainably produced artisanal mezcal, then further assessed particular market segments to identify which would be most interested in the product and which mezcal from the business. As we've seen with many businesses in rural Oaxacan communities, they remained in the dark regarding the specific steps to take and which players to line up in order to get their products into a particular region, which varies per state. For alcoholic beverages, state and federal regulations present a significant barrier to entry, especially without established partners in the supply chain. This iteration of research identified which importers and distributors would be ideal partners for Casa Martinez, whose concern regarding environmental sustainability and social impact require

partners who share the same values. As in Mexico, there are also cultural protocols or best practices in the US for establishing contact and developing relationships with potential clients. The students laid out a series of recommendations for Casa Martinez to leap that space into new territory.

3. Infrastructure design and construction: PUC Mexico 2022 and Xuchil Natural Products

We're very happy to announce the successful completion of another year of work with engineering students from the University of Texas at Austin. As part of the PUC Program (Program with Underserved Communities), this year's activities focused on the improvement of the raw materials storage





system used by Xuchil Natural Products. This was a critical step to protecting the year's harvest and enabling production of mesquite flour throughout the year in greater volumes. The research and coordination conducted remotely by students and the funds raised led to the construction of a new insulated room with proper ventilation, as well as the purchase of materials such as a flour sieving machine, and training of our local group in the use of the CO2 based system, which is frequently used by larger scale grain production companies. We're grateful for the student efforts to make this year's project a success. In comparison with the 2021 harvest which was nearly completely lost due to uncontrolled pests, in 2022 we successfully protected nearly 100% of all raw materials! Thank you to everyone that supported reaching this milestone!



Above: (right) Painting the final touches on the exterior of the new raw materials storage room; (Center) The Xuchil team loads a second batch of mesquite pods in the new CO2 based system.







Above: Drying the new materials delivery pathway; Right: Installing the new sieving machine.



LLILAS Educational Video Production

With Title VI funds made available by the Teresa Lozano Long Institute of Latin American Studies (LLILAS) and the LLILAS Benson Latin American Studies and Collections, Tejiendo Alianzas completed production and publication of professional videos which served both educational and commercial ends, thus serving students and rural enterprises. These resources promote the local businesses, their products, the human stories behind them, and the business challenges that students can tackle via research, consultancy, and/or digital content creation. Co-produced by the Oaxacan company, Maya Visual Studio, these materials are of a higher production quality and dive deeper into topics relevant to each business. The commercial videos also serve a critical need of these local groups-telling their story in a way that highlights the quality of their products and the human experience behind each one. We also co-produced and published a short video with an introduction on our work at Tejiendo Alianzas. With great pleasure, we share the links to the videos below:



The World of DAVA Artisan Design (19 min)



DAVA 1 minute commercial



The World of Xula Palm Craft (19 min)



XULA 1 minute commercial





The Mexican nonprofit Tejiendo Alianzas ("Weaving Partnerships") (3 min)

New partnerships and projects in development

We're happy that our director re-connected with his Spanish professor at UT from over 20 years ago, because they very quickly created a project together! <u>Dr. Kelm's</u> research and publications center on the cultural aspects of international business and the pedagogical applications of innovative technologies in language learning, focusing mainly on Latin America and Brazil. The collaboration with Tejiendo Alianzas, with funding from LLILAS, will include a series of video conferences between DAVA Artisan Design and his students around topics covered in Professor Kelm's book, "The Seven Keys to Communicating in Mexico: An Intercultural Approach." Students will also have the opportunity to try DAVA's products on and offer the family feedback on comfort and design, which will provide valuable insight into the Austin market.

We were also very fortunate to meet <u>Dr. Will Brown</u>, a professor at the Bush School of Government & Public Service at Texas A&M University and serves as the Director of the Center for Nonprofits and Philanthropy. Within Dr. Brown's course, "International Social Innovation Partnership Capstone," his graduate students will learn about how DAVA delivers a social impact while growing their business, visiting the family in January 2023 and then



hosting DAVA members at College Station to participate in popup sales events and present DAVA's vision to students and faculty on campus.

Global Career Launch (GCL) Program Development



After a number of years collaborating with MBA students from the McCombs School of Business, primarily for conducting research that benefits local groups and to create learning experiences through both in-person and virtual events, we began a partnership with the McCombs School to develop the <u>Global Career Launch Mexico program</u>.

During a period of six weeks in 2023, undergraduate students will explore business challenges faced by rural enterprises in Oaxaca, identifying with local entrepreneurs issues to resolve, then developing and testing solutions that can inform the future development of each company. With the supervision and guidance of an all star team of MBA students, UT McCombs professors, and Tejiendo Alianzas, UT undergraduates will first meet with representatives of Xuchil Productos and Oaxifornia to learn about their operations, before heading to San Dionisio Ocotepec to work with DAVA Artisan Design for the duration of their stay. The specific issues they'll tackle relate to improving operational efficiency, reducing bottlenecks, and streamlining the production cycle for all footwear handmade in their factory.



Beginnings of a Oaxifornia-Tejiendo Alianzas partnership

We envision our work expanding through partnerships with private commercial enterprises that seek to create greater social and economic impacts in the communities where key players in their supply chains operate. In 2022, we took initial steps in that direction through collaborating with the Oaxacan business, <u>Oaxifornia</u>. As part of a multi-step strategy, we offered support first to understand and make recommendations for streamlining a number of internal processes at the company before



assessing the needs of the hundreds of artisans in their network. Accordingly our work produced a report and supporting documents that included:

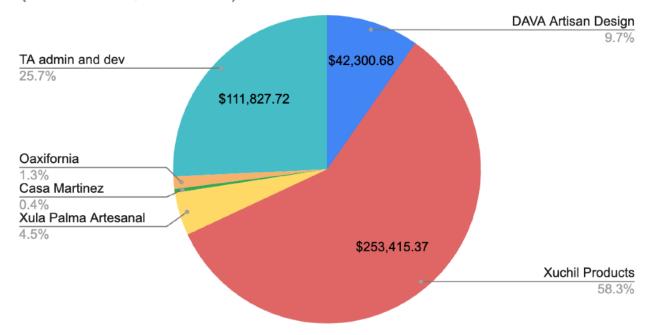
- Accounting and inventory systems research and recommendations;
- Business organizational chart and job descriptions development and report;
- Employee satisfaction survey;
- Recommendations for improving employee experience and their management

Based on this first collaboration, our goal is to establish a model for replicating the assessment and development of recommendations for their artisans and communities, then spearhead the implementation phase through projects.



Impact in Numbers

Community Business Impact: Funds and Services Allocated (Total: \$435,000 MXN)



*This chart does not include all hours worked by Tejiendo Alianzas staff in consultation, research, and coordination of activities.

RESULTS 2022

Activities: Community Business Support

Central Valley and Mixteca Regions, Oaxaca

- Three communities: Santa Maria Ixcatlan, Santiago Suchilquitongo, and San Dionisio Ocotepec
- Five micro-businesses: Xula Palm Craft, Xuchil Products, DAVA Artisan Design, Casa Martinez, Oaxifornia

RESULTS 2022

University Connections Program

- Products: 3 research and development projects to design technologies, create sales strategies, and construct infrastructure
- Beneficiaries: 35 Zapotec and Mixtec men and women
- Students involved: 16 undergraduates and graduates



RESULTS 2022

University Connections Program

Business impacts in detail:

- DAVA Artisan Design: 1 prototype shoe sole press and research report with guidelines for implementation; D-Lab Shoe sole press prototype would produce 55% increase in annual profit; Industrial machine would produce 720% increase in annual profit; 1 video documentary and 1 commercial video to promote the group
- Xula Palm Craft: 1 video documentary and 1 commercial video to promote the business and community
- Casa Martinez: 5 high potential clients identified, 1 report with strategies for client engagement
- Xuchil Natural Products: new dry storage room for raw materials, nearly 100% Xuchil harvest preserved, new sieving machine, 75% time reduction with new sieving machine, 5 project members with new skill sets for managing raw materials
- Oaxifornia: 1 report to streamline business operations



Home Depot donation

We cannot fail to mention a tremendous donation made to us by Home Depot Mexico at the end of the year! Soon we'll distribute the supplies to our local groups and share the results.

Tejiendo Alianzas AC, 2022



Tejiendo Alianzas' work in the press

After a pandemic related delay, we are over the moon to finally share a lovely article written by the journalist Laura Read, published in John Deere's Furrow Magazine, about our work with Xuchil Natural Products. Check out the link below!



"Secrets of Mesquite: A rural Mexico start-up turns a nuisance tree into food," by Laura Read.

Plans for 2023

This past year offered yet another wealth of learning opportunities and advances that will come to fruition in 2023. Below, we share a number of our plans for the new year:

- Texas A&M University capstone course collaboration supporting DAVA Artisan Design
- University of Texas at Austin programs: Global Career Launch Oaxaca and Professor Orlando Kelm's student conversations with DAVA Artisan Design
- Massachessets Institute of Technology research projects with Xuchil Natural Products
- Steps towards creating a 501(c)(3) in Austin to catalyze US based funding and partnerships



How to Support the Indigenous Businesses We Serve



Xuchil Natural Products:

If you are interested in purchasing Xuchil products, please visit their <u>Xuchil</u> online store and learn more about Xuchil's work on their <u>facebook</u> and <u>instagram</u> pages. At <u>Tejiendo</u> <u>Alianzas AC</u>, we accept donations to support our work with Xuchil and other projects in Santiago Suchilquitongo.



DAVA Artisan Design:

If you are interested in purchasing DAVA products, please visit their <u>online store</u> and learn more about DAVA's work on their <u>facebook</u> and <u>instagram</u> pages. At <u>Tejiendo Alianzas AC</u>, we accept donations to support our work with DAVA and other projects in San Dionisio Ocotepec.



Xula Palm Craft:

If you are interested in purchasing Xula products, please visit the <u>Xula Palma Artesanal</u> facebook page and request a catalogue. And don't forget to check out the <u>Xula</u> instagram page as well! At <u>Tejiendo Alianzas AC</u>, we accept donations to support our work with Xula and other projects in Santa Maria Ixcatlan.



Contributing to Tejiendo Alianzas

If you would like to support our work in the form of a **donation**, we can accept them through two channels:

- 1. Via our <u>Paypal account</u> (also accessible through our <u>home website</u>)
- 2. A direct transfer to our Tejiendo Alianzas bank account in Mexico:

TEJIENDO ALIANZAS A.C.

Bank: BANCO MERCANTIL DEL NORTE, S.A "BANORTE" Account number: 1001261809 CLABE: 072610010012618092 Branch: 3503 Swift code: MENOMXMT

You can find us on our <u>home website</u>, <u>facebook</u> and <u>instagram</u> pages, and by contacting us at: <u>info@tejiendoalianzas.org</u>.



