



**A REPORT  
ON  
22<sup>ND</sup> ENTERPRISE  
DEVELOPMENT NETWORK  
FORUM**

**February 12, 2008**

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## **1. ACKNOWLEDGEMENT**

On behalf of Enterprise Development Network (EDN), we would like to thank the presenters of the 22<sup>nd</sup> EDN Forum Mr. Suman Ratna Dhakhwa, Proprietor and General Manager of Valhalla Enterprises, an export company of Nepalese Handicrafts. Mr. Nabin Shrestha, Visualizer and Managing Director, Water Communication a company thriving to become fore most brand communication powerhouse by delivering world class strategic brand management and assist their clients build and maintain leadership in their business.

We would also like to express our gratitude towards Women Entrepreneurship Development Forum/FNCCI and Tips/WINNER for hosting the 22<sup>nd</sup> EDN Forum. Our special thanks goes to the entire participants who attended the 22<sup>nd</sup> Enterprise Development Network forum with the topic "***Branding- A viable option for SMEs?***"



## **2. PROCEEDINGS OF THE FORUM**

### **2.1 Program Overview**

The 22<sup>nd</sup> Enterprise Development Network forum was held at FNCCI building, Teku on dated February 12, 2008. The theme for the forum was “***Branding – A Viable Option for SMEs?***” Program schedule is in annexure 1.

Big companies, corporate houses and renowned business firms undertake BRANDING as one of their vital marketing strategies. Many international and national brands are floating around the market and are doing pretty good business. When it comes in considering the viability of adapting the recent market trend of branding of the services and products of a small and medium scale business and enterprises, there is always a big question mark (Is it really viable?) especially in Nepali context. In order to discuss, share ideas and information about this issue the theme of the 22<sup>nd</sup> EDN forum was decided “***Branding – A Viable Option for SMEs?***”

The resource people for the day were Mr. Nabin Shrestha, Visualize and Managing Director of Water Communication. A company thriving to become foremost brand communication powerhouse by delivering world class strategic brand management and assist their clients build and maintain leadership in their business. Mr. Shrestha presented on the theoretical aspects of Branding of services and product. Critical analysis on the scope of branding in SME's (Nepali context)

Mr. Suman Ratna Dhakhwa, Proprietor General Manager of Valhalla Enterprises, an export company of Nepalese Handicrafts. The Brand “Suman Dhakhwa” is one of the most popular Nepali brand names famous in Japan. He shared his experience and journey as how he started his small scale handicraft business and today became one of the most famous Nepali brand name "Suman Dhakhwa" in Japanese market.

### **2.2 Presentation by Mr. Nabin Shrestha**

The first presenter of 22<sup>nd</sup> EDN forum was by Mr. Nabin Shrestha. He initiated his presentation by introducing himself as a graduate in advertising from India. After his studies he was back to Nepal working with Water Communication and has provided services to number of SME's and renowned corporate houses in Nepal.

His response to the theme “***Branding – A Viable Option for SMEs?***” was very positive and without any hesitation he said Branding is 100% possible in SMEs. He shared a very popular definition by Revlon to participants - “***In factory we make cosmetics, in shops we sell hope***”. He said brand is not physical being but a positive relation with its customer. A strong brand always distinguishes one's product from the similar other products. Along with a brand name one should never overlook to have an attractive LOGO and good PACKAGING of the products because one LOGO is just enough to buy a product. He gave an example of Apple brand computer and LG brand electronic products.



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He mentioned SMEs' of Nepal have very low budget to spend on advertisement and money (bullet) being very essential for them. Each bullet fired from their gun should not miss its target. Failing to do so, could turn out to be a huge loss because every entrepreneur are selling their product among customers who have their own preference amongst hundred of brands available.

He elaborated the definition of brand by distinguishing it from product. In this regard, he differentiated the brand image between Cola and Coke. Both the products have some feature but different brand names. He stressed on the Promise that a Brand always gives to its customer, which creates a relationship between the customer and the producer.

He also talked about identifying customer touch points and to convert them into positive touch points. The important customer touch points includes names, logos, packaging of the product, advertising contents and media literature, promotions, distribution channels: web site, co-branding activities, trade shows demonstrations, events sponsor, public relations, charities trade associations.

He discussed that to reach positive touch point, packaging is very important. Packaging carry 40% effort on product sale. He personally suggested SMEs' to consult good designers for packaging of their product. He gave some examples of products packages designed by him e.g, Nebico Glucose Biscuit, Aqua Smile Water, ND's etc.

According to him SMEs' with limited budget, instated of advertising their products in the newspaper and magazines should involve into writing articles about them and their company and publish them on any daily or weekly newspapers available. They can also participate in exhibitions and give interviews so that people will recognize them. These activities help entrepreneurs to inform its customers about their brand and hence create positive relation with them and are cost effective as well.

With his closing note he suggested SMEs' to have brand name of their products. SMEs' mostly focus on marketing but they do not spend on branding as most of the entrepreneurs think branding is expensive. But this is not true. One should use current technology and consult a good designer and create his or her own brand and venture into the market.

### **Question, Answers and Discussions:**

**Q.** Who guarantees that others cannot copy your product and brand? Or how do we protect our brand and product from getting copied? (Sunil Shrestha, Manager Nepali Pashima Industry Pvt Ltd)

**A.** Branding in Nepal is a new concept. Product of successful brand is mostly copied but the brand name is never copied.

Mr. Suman Ratna Dhakwa added entrepreneur should register his product name in Nepal Gharelu Udhayog.

Ms. Bindira Manandhar, General Manager, Lotus Bizport shared the process of registration in Nepal Gharelu Udhayog. In the case of copy of the trademark Gharelu would take action



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against it but one has to have registered his product or brand. The most important thing is to have get registered your brand and should get it renewed timely.

Ms. Indira Sapkota, Nepal Gharelu Udhayog shared her experience with the participants that there was a case few years ago that someone sold the product with her company logo (Nepal Gharelu Udhayog) in it but there was no action taken against by the Government despite her complaints made in the issue.

**Q.** How much do you (Nabin Shrestha) charge to design logo and package of a product especially for SMEs'? (Member of WEAN)

**A.** Being himself one of the SME's, He charges high to big and popular companies like Mayos and others but for regular clients he charges less. His charge ranges from Rs. 4000 to Rs 50000 and plus.

### **2.3: Presentation by Mr. Suman Ratna Dhakhwa:**

The second presenter of the 22<sup>nd</sup> EDN forum was Mr. Suman Ratna Dhakhwa, the proprietor and General Manager of Valhalla Enterprise. In his presentation he shared how he established his business (Valhalla Enterprise) 15 years ago and his journey towards creating his own brand after his own name "Suman Dhakhwa".

According to his experience of 15 years into handicraft (Jewelry) business he has learnt that it is never an easy task to satisfy a customer with a product that has been design by customer developed by the craftsman. In this regard, he did lots of handwork and research to verify the demand of customers and accordingly made his own samples of jewelry. To give more perfection on his work he even participated in different training programs.

In an attempt of exploring his innovation of making jewelry by mixing more than one metal, Japanese got more attracted because the technique of mixing of metals to prepare a jewelry was adapted by ancient Japanese. This was very famous in Japan because people were happy to have their rare culture being preserved and more of such products were in high demand and his export of products to Japan got increased.

The way his business flourished in Japan encouraged him to register a company in the country. He invested \$10,000 for a registration of a company there. There were lots of difficulties to be faced during the process such as he could not register his famous company Valhalla because the name was already registered. He had to register the company Suman Dhakhwa later on, which became one of the most famous Jewelry brand names in Japan.

At the end of his presentation he showed photos of his self designed jewelry's and manufactured by him to the participants. The photos of his product being displayed among the products manufactured by world's famous brand were very impressive and encouraging. The participants really appreciated it. Participants also got chance to see the cases of the jewelry he usually exports which were very attractive and of great quality.

### **Question, Answer and Discussions:**

**Q.** Do we need any official letters to register our brand?



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A. Mr. Suman Ratna Dhakhwa: No official letter is need but there would be forms available, which should be filled up and submitted to the Registration Office. The registration office would take three months for the process of documentation for which they would charge certain fees.

Mr. Nabin Shrestha: The brand will be expired in three or four years. Hence one should remember the expiry date so that it gets renewed timely.

### **3. WRAP UP AND CLOSURE**

The EDN coordinator, Ms. Tashi Penzom wrapped up the forum stating that Branding of product and services is possible for SMEs' but they really have to concentrate on providing and delivering quality services and products to its customers as per their needs. Not to forget, get Logo designed by professional designers.

Towards the end Ms. Tashi Penzom thanked TIPS/Winner and FNCCI for sponsoring the 22<sup>nd</sup> EDN forum. She also thanked resource persons and all the participants for giving their valuable time to attend the forum and also requested all the participants to visit the stalls of the three women entrepreneurs displaying their food products (food items like cookies, honey, green tea,). She also promised to come up with more interesting topics to be discussed in the upcoming 23<sup>rd</sup> EDN forum scheduled for April 11 2008.





4. ANNEXES

Annex 1: List of Participants

| Sn | Name                 | Organisation              |
|----|----------------------|---------------------------|
| 1  | Bandana Sharma       | Embassy of Denmark        |
| 2  | Dhan Lal Shrestha    | Embassy of Denmark        |
| 3  | Reema Shrestha       | ECCA                      |
| 4  | Rabin Bajracharya    | Lalit Mandap              |
| 5  | Manita Singh         | RNAC                      |
| 6  | Damini Vaidya        | Entrepreneur              |
| 7  | Nibedan Baidya       | GTZ                       |
| 8  | Ratna Rai            | Ninam Ridum Biohandicraft |
| 9  | Min Narayan Dangol   | Rahishna Craft            |
| 10 | Angel Chitrakar      | ECCA                      |
| 11 | Ami Maharjan         | IDLO- Nepal               |
| 12 | Ratneshwori shrestha | Ratna Art, Thamel         |
| 13 | Sagu Baba Shrestha   | Sampada Lasim             |
| 14 | Puspa Sharma         | Gharelu Cookies           |
| 15 | Medina Shakya        | Lotus BizPort Pvt Ltd     |

| Sn | Name                   | Organisation          |
|----|------------------------|-----------------------|
| 16 | Amit                   | Water communication   |
| 17 | Indira Sapkota         | Nepal Gharelu Udhayog |
| 18 | Urmila                 | Pignani Handicraft    |
| 19 | Bed Rraj Gyawali       | HAN                   |
| 20 | Sunita Vaidya shrestha | WEAN- Coopretive      |
| 21 | Darshana Shrestha      | WEAN                  |
| 22 | Mahalaxmi Shrestha     | Beeking Shop          |
| 23 | Birendra Livi          | Divya Herbal          |
| 24 | Ishwari Dulal          | Loktantra Nepal       |
| 25 | Kalawati Rai           | WEAN- cooperative     |
| 26 | Ashish Adhikari        | FTG Nepal             |
| 27 | Edna Shrestha          | Planet Finance        |
| 28 | Florena Solnica        | Planet Finance        |
| 29 | Nanu Rajbhandari       | L.N Chemical Industry |
| 30 | Bindira Manandhar      | Lotus BizPort Pvt Ltd |