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All photos courtesy of © Suzanne Becker Bronk unless otherwise noted
Dear Friends,

Thank you for another outstanding year! In a period of global economic downturn, we were able to grow our sales and strengthen our impact throughout the Guatemalan highlands. Your support allowed us to expand our business training and women’s leadership programs, equipping women with skills to address the needs of 28 rural communities in Guatemala. The income provided by Mercado Global helped artisans send approximately 2,700 children to school last year! Meanwhile, amid the famine that followed Tropical Storm Agatha, we harnessed our network of artisan cooperatives to provide immediate relief and create long-term income opportunities for those most affected by the storm. A year later, those communities continue to thrive, and the power of our model has never been more evident.

Across the world, people are beginning to recognize the transformative effect of empowering women and mothers in the developing world. At Mercado Global, we see this transformation each day. Women who may have never gone to school—who have suffered from discrimination, violence, and chronic hunger—are now able, through Mercado Global partnerships, to earn wages above Fair Trade standards and provide sustainable income for their families. From one of the most marginalized populations in the world, these women are rising to become leaders in their communities and an innovative source of change in the global marketplace.

The enclosed report tells the story of these incredible women. We are so proud to share their success with the supporters who make this progress possible. Thank you for your belief in our model and our artisans—you are truly to thank for the opportunities before them.

Warmly,

Garrard R. Beeney
Chairman of the Board

Ruth DeGolia
Executive Director and Co-Founder
Mercado Global is a not-for-profit organization that empowers women artisans in Latin America to become agents of change in their own communities.

Through business partnerships and educational programs, Mercado Global helps these women connect to sales opportunities in the U.S. on an unprecedented scale, breaking the cycle of poverty while gaining skills to help them address other local challenges.
At a Glance: The Women of Mercado Global

- 2 out of 3 indigenous children in Guatemala are chronically malnourished
- 90% of indigenous women in Guatemala’s highlands have experienced domestic violence
- 3 out of 4 of the women we work with cannot read or write
- One-third of our partner artisans have given birth to a child who died
- 20% of artisans lost a family member in the Guatemalan Civil War
The indigenous people of Guatemala remain on the periphery of the global economy. Although they make up a majority of the country’s population, 76% still live below the poverty line, and the average indigenous woman has only 1.8 years of schooling. Traditional development strategies attack the effects rather than the causes of cyclical poverty.

Mercado Global is unique in that it offers a market-based approach that helps indigenous female artisans gain direct access to the U.S. market, addressing the root cause of poverty—the lack of a sustainable source of sufficient income. By partnering with U.S. companies, we provide income opportunities to these women. Additionally, our training programs prepare them with the business skills and market understanding they need to successfully sell to U.S. retailers and other markets.
Our Model for Change

Mercado Global’s successful model is based on building partnerships. In Guatemala, we partner with indigenous female artisans and their cooperatives to provide access to the U.S. market, train them in business skills, and help them invest in advanced tools that increase their capacity to produce and market their goods. In the U.S., we partner with major companies to provide them with a means to source socially responsible products directly from Guatemala. Across the world, we build partnerships with like-minded individuals and institutions who invest their time, money, and resources in our mission.
Through these partnerships, we ensure that women in rural Guatemala have the income they need to care for their families and send their children to school. Our success has been recognized by the United Nations Fashion for Development Programme and the Social Enterprise Alliance, and featured on National Public Radio and the cover of Newsweek magazine.
Our Programs: Economic Empowerment

We have pioneered a model for connecting indigenous women artisan cooperatives in rural Guatemala with sales opportunities at major U.S. retailers. Our Economic Empowerment program is three-fold:

• We provide the market access that ensures women artisans have fair and sustainable incomes.

• We provide the market readiness training for women artisans to harness sales opportunities and build up their cooperatives.

• We provide asset-building assistance including helping to develop savings and accessing credit for women artisans to ensure healthy and sustainable futures.
Rural Women Entrepreneurs Education Program

Our community-based education program helps women artisans develop the skills and knowledge they need to build their community businesses and break the cycle of local poverty.

Training topics include:
- Business Development
- Financial Literacy
- Women’s Leadership
- Personal Health and Wellness

Photo by Mercado Global
Our Programs: Women’s Empowerment

Founded by young women entrepreneurs, Mercado Global is dedicated to promoting women as leaders in their work, families and communities. Our Women’s Empowerment program includes building self-esteem, leadership skills, and business skills so that these women have the confidence and ability to participate in financial management of their households, initiate and oversee community development projects, and take on leadership positions within their cooperatives and communities.
One of 10 children, Candelaria Chiroy Morales had to leave school at a young age to support her family. However, she was unable to find a market for the traditional woven goods that comprised her sole source of income. Candelaria joined the Mercado Global artisan cooperative Ajkema Kaslemal in 2006. After receiving a micro-credit loan for foot-looms and a roof for her cooperative, she has been able to put five of her younger siblings through school. Candelaria’s younger sister will graduate this year with an associate’s degree in accounting.

Candelaria says, “I am proud to know that I can provide a better future for my brothers and sisters.”
Our Programs:
Corporate Partnerships

Mercado Global’s unique model allows U.S. retailers to earn “profits through principles” while engaging Guatemalan artisans as true partners.

Our corporate partners include major retailers such as Levi Strauss & Co., Nordstrom, and Crate & Barrel. These companies are expanding the market for Fair Trade products and serving as examples of successful product sourcing for social good. Employees of our corporate partners are able to travel to Guatemala and work directly with our artisans, sharing tools for understanding the U.S. market, quality control systems, and new design techniques. Together, we envision a future in which sustainably sourced products are the new standard for the fashion industry.
Our programs build up artisan cooperatives that have never had access to international markets or have previously been exploited by middlemen who pay unfair wages. We connect artisans to sales opportunities that provide fair and sustainable earnings, on average tripling their daily income.

In a tandem effort, our educational programs build women up as leaders in their families and communities.
Our Impact: Increased Access to Education

Mercado Global’s mission helps women send their children to school—an opportunity many of them did not have growing up. Our partner artisans have on average less than 3 years of formal education. Through a combination of increased income and direct Mercado Global scholarships, 100% of elementary school-aged children of our original partner artisans are enrolled in school.

Studies show that putting a dollar into the hands of a woman in the developing world is the best way to ensure that this dollar gets to her children and that it is invested in their education. By educating these children, we help them go on to strengthen the local community and in turn provide an even brighter future for their own children.
Food security has more than doubled in the communities in which we work, and nearly 100% of our partner artisans now report having access to electricity and potable water. A vast majority of our artisans have also installed paved floors in their homes, reducing their susceptibility to disease.

Through our successful model and the contributions of our supporters, Mercado Global ensures that these women have the income they need to provide nutritious food and healthy homes for their families.
Weathering the Storm

Tropical Storm Agatha hit Guatemala in May 2010, dealing an especially heavy blow to the highland communities in which we work with our partner artisans. Many people in these areas were left without homes, water, or food.

Our network of rural communities granted us unique access to providing assistance to the highland region. Mercado Global cooperatives worked among themselves to administer food, supplies, medicine, and crop seed to more than 1,500 people in Guatemala. Thanks to the generosity of our supporters and the efficiency of our cooperative structure, these communities were able to take rebuilding efforts into their own hands.
Working with artisan cooperatives allows us to help hundreds of women using the resources and staff that it takes to help dozens. By building a cooperative structure, we have made rural, home-based manufacturing possible at 380 work sites throughout Guatemala.

Our investment in cooperatives allows artisans to help each other, empowering them to become leaders in addressing their own local challenges. The result is sustainable, community-driven development.
# Financial Statement for the Year Ended June 30, 2010

## Assets

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Cash</td>
<td>$82,679</td>
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<td>Accounts receivable</td>
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<td>Inventories</td>
<td>$27,566</td>
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<td>Prepaid expenses</td>
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<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$156,364</strong></td>
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## Liabilities

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<th>Item</th>
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<td>Accounts payable</td>
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<td>Accrued liabilities</td>
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<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>$19,592</strong></td>
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## Unrestricted fund balance

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<tr>
<th>Item</th>
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<tr>
<td>Unrestricted fund balance</td>
<td>$106,772</td>
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## Temporarily restricted fund balance

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<th>Amount</th>
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<td>Temporarily restricted fund balance</td>
<td>$30,000</td>
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## Net Assets

<table>
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<tr>
<th>Net Assets</th>
<th>Amount</th>
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<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td><strong>$136,772</strong></td>
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<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td><strong>$156,364</strong></td>
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## Revenues

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<tr>
<th>Item</th>
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<td>Contributions and grants</td>
<td>$255,978</td>
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<tr>
<td>Program service sales</td>
<td>$226,947</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>$482,925</strong></td>
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## Expenditures

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<td>Program services</td>
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<td>Supporting services</td>
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<td>Fundraising services</td>
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<td><strong>TOTAL EXPENDITURES</strong></td>
<td><strong>$478,217</strong></td>
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## Temporarily Restricted Net Assets

<table>
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<tbody>
<tr>
<td>Contributions and grants</td>
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<tr>
<td><strong>Total temporarily restricted net assets</strong></td>
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## Increase in net assets

<table>
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<td>Increase in net assets</td>
<td>$34,708</td>
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## Net Assets—Beginning of Year

<table>
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<th>Net Assets</th>
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<tr>
<td><strong>NET ASSETS—BEGINNING OF YEAR</strong></td>
<td><strong>$72,064</strong></td>
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Board of Directors

Officers of the Board

Garrard Beeney
CHAIR, PARTNER AT SULLIVAN AND CROMWELL

Karae Lisle
SECRETARY, EXECUTIVE DIRECTOR AT SHELTER NETWORK

Henry Webb
TREASURER, VICE PRESIDENT AT GOLDMAN SACHS

Directors

Rick DeGolia
EXECUTIVE CHAIRMAN OF CIMBAL, INC.

Ruth DeGolia
EXECUTIVE DIRECTOR OF MERCADO GLOBAL

Tracy King
CONSULTANT

Thomas McDow
PROFESSOR AT OHIO STATE UNIVERSITY

Mark Swedlund
PARTNER AT FIREWOOD MARKETING
Senior Staff

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Delia Mendoza  
**GUATEMALA PROGRAMS DIRECTOR**

Milly Miranda  
**SALES DIRECTOR**

Caroline Zawadzki  
**FINANCE DIRECTOR**

Vanessa Uhlig  
**DEVELOPMENT DIRECTOR**

Courtney Hardt  
**DIRECTOR OF DESIGN AND PRODUCT DEVELOPMENT**

Brenda Avery  
**PUBLIC RELATIONS DIRECTOR**

Lilian Xiquita  
**TEXTILES COOPERATIVES PARTNERSHIP COORDINATOR**

Bárbara Quiejú  
**BUSINESS SKILLS AND ASSET DEVELOPMENT PROGRAM COORDINATOR**

Lidia García  
**JEWELRY COOPERATIVES COORDINATOR**

Ashley Putnam  
**COMMUNICATIONS AND EVENTS COORDINATOR**

Jenny Marzuk  
**U.S. OPERATIONS MANAGER**
Our Supporters

Mercado Global is supported by contributions from individuals, corporations, and foundations. We thank the following donors for their generous gifts in 2010:

Change Makers
($10,000–$100,000)
Michael and Susan Dell Foundation
Hands on Tzedakah
Steven and Alison Krausz
Levi Strauss Foundation
Judy and Alan Zafran

Social Entrepreneurs
($5,000–$9,999)
Garrard Beeney and Evan Mason
Goldman Sachs Gives
Kim and Gene Haney
Jeremy and Sarah Kahan
Mark and Deborah Swedlund

Fair Trade Ambassadors
($2,500–$4,999)
A Better World Fund
Suzanne Becker Bronk and James Bronk
Karen and Rick DeGolia
Scott Evans Foundation
Steve Humphreys and Meredith McClintock
Michael and Kathryn Havens
Kurt and Sue Jaggers
Barclay Kamb and Barbara Kosacz
Nancy Pedot
Meredith and Ray Rothrock

Partners in Poverty Alleviation
($1,000–$2,499)
Chris Brandt
Marty Bronk and Sallie DeGolia
Matthew and Lisa Chanoff
Jennifer DeGolia
Peter and Rachel DeGolia
Pam and Craig Flower
Jack Jorgenson

Mercado Global Champions
($500–$999)
Ben Arkes
Ed Berruezo and Marcy Nielsen-Berruezo
Elaine and William Boyer
Brett and Diana Bullington
Henry and Terri Bullock
Mark and Renate Campbell
Paula and Bandel Carano

William and Carol Mince
Melissa Perez
Laurent and Michelle Philonenko
Socheata Poeuv
Margaret Rohrmann
Katherine Sanborn and Phillip Hellmuth
Dexter and Elizabeth Tight
Elizabeth and Roger Toguchi
Winnie Wan
Henry and Ivette Webb
Stacey and Robert Chess
Elizabeth Colton
Raul and Emilie De Brigard
Mark Farley
Irwin and Concepción Federman
Mary Jean Greenwood
Hamway Family
Michael and Janet Hanley
Nancy Havens-Hasty
Jewish Federation of Metropolitan Chicago
Paul and Deborah Johnson
Rich and Gina Kelley
Francesca Kirkpatrick and Kevin Crossland
Tracy King and Gary Magnus
Wendy Lea
Darren McClong and Carol Young
Carole Middleton
Arlene Morris
Steve and Elizabeth Moulds
Joseph Neuhaus and Cynthia Loomis
Soledad O’Brien and Raymond Brad
Karen Patton and Samuel Seymour
Laura Rampe
Elizabeth Ross
Rebecca Simmons
Jill Southard and Anthony Abuzeidi
Paul and Helen Stone
Harry and Charlotte Turner
Manuel Amieva and
Linda Yates and Paul Holland

Mercado Global Friends
($250–$499)
Maggie and Chester Brandon
Anthony and Theodora Brown
Linda Burgess
Julie and Jonathan Cohen
Jim DeGolia and Terri Hanagan
Jean Edmonds and Jane Balanoff
Jon Engelskirger and Julie Johnson
John and Carol Euser
Thomas and Susan Friel
John and Carol Glaser
Millie Gong
Mark and Maria Geenen
Henry and Mary Gundling
Carrie Hays and Bernie Peacock
Elaine Hill
David and Jessica Hunter
Nancy Isaac
William and Susan Lattin
Karae Lisle and Mauricio Valencia
Kate McClure
Courtney Moulds and George Tidmarsh
Therese Quinlan
John and Linda Reichel
Lisa and Steve Schatz
Serra and Mauricio Simbeck
Susan Smith
Vivian and Jeffery Saper
Becky Stradiotto
Anita Tenzer
George Thabit and Ellie Williams
Arto and Cheryl Toivola
Elizabeth Troedson
Brigid Van-Randall
George and Joanne Wakerlin
Mercedes and Duncan Williams
Miriam Wysocker
Irit and Norman Weir
Mercado Global’s work to empower women artisans is made possible through tax-deductible contributions.

Support our artisans by making a donation:
Visit www.mercadoglobal.org or call (203) 772-4292