



CURAÇAO

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# BUSINESS®

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Coverstory:

## Sun, Sea and Software: Export of Services

Clark Russel and Andrew Solomon

## Rise to the Top:

Family Gonçalves from Mangusa Supermarkets

## Holland House

Bogotá, now open for business

## Sustainable heritage

N.V. Stadsherstel  
Willemstad, Curacao



# Curaçao

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Commerce  
& Industry***

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- Inspiring Progress • Achieving Sustainable Growth.



## Letter from the Editor

Our island Curaçao never ceases to amaze me. Its diverse culture, ethnicities and languages provide a melting pot that is very unique. These assets provide the ingredients to bring this island to a potential that can be unstoppable when its resources are tapped correctly.



This realization became more and more evident as we were interviewing some of our island's greatest minds and achievers for this issue. Between these covers, we have an eclectic mix of what we currently have going for us in Curaçao, the potential of where we can go and some great resources on how to get there – from the mouths of a few of those who have done it already.

Curaçao's strength of being a multi-cultural society enables leaders in business to relate to their respective international sectors. This allows for success in exporting services, which has become one of the top assets of business in Curaçao today and, looking at the trends, is destined to only grow in the future. In each issue, we will feature a subsector exporting its services on the island — this issue highlights the IT industry. We had the pleasure of meeting with Clark Russel of IBIS Management and Andrew Solomon of Ictual to find out how they became successful in exporting their IT services internationally.

I'm very proud of our features for this issue, both a little lengthier than usual, but well worth it. The Beyond the Glass Ceiling feature highlights the impressive accomplishments of Jeanette Bonet, first female general manager of a hotel chain, both locally and internationally, as well as the first female president of the Curaçao Hospitality and Tourism Association. The Rise to the Top feature is a true success story of hard work and dedication. I had the pleasure of speaking with the pioneers of Mangusa Supermarkets, Belmira Sousa de Lira and Francisco Lira do Estreito, Jr. to learn firsthand how this very successful company got its start – from its very humble beginnings and, with humility and love of family, how they continue to work hard together to make it the huge success it is today.

Finally, what completes this issue is a positive message about Curaçao's economy by Leo Rigaud, president of the Curaçao Banking Association, the origin of Curaçao's very own North Sea Jazz and how it greatly contributes to the tourism sector of the island, and other helpful information for entrepreneurs and business owners to either get a head start in business and/or to keep abreast of new information that may help make his/her business even better.

If there are any topics you would like to see in future issues or if you would like to write an article for the magazine, please let us know.

Heather de Paulo, editor

Curaçao Business is available in print in English and online in English and Dutch at [www.curaçaobusinessmagazine.com](http://www.curaçaobusinessmagazine.com).

## Letter from the president: Historic Agreement signed will put Curaçao at the next level



At the beginning of the year, in my 2014 annual speech to the business community at Brakkeput Mei-Mei, I said that for Curaçao to go to the next level we need a New Game Plan, which was the title of my speech. I also stated that it is necessary to change the way we do business. What the Chamber means is that we have to change the way our system as a whole works for the development of the country. During the last decades there has been only one important change in the structure in the economy, which was based on a decision we made together: putting the sector Tourism as our number one priority. That change has made tourism the engine that powers our economy; going from producing 200 million ANG a year to a billion ANG a year, in less than 20 years a 5-fold increase. We still have to make some concerted decisions as to where we want to stand in the coming 20 years when it comes to our other exporting sectors. Each and every economic development is related to confidence; it is the confidence, which is the compass for entrepreneurial behavior, resulting in economic activity.

As a result of the employers' association, the VBC, signing a letter of intent with the political leaders of the government coalition, aimed at a closer relationship between government and the private sector with the goal to facilitate economic and social development, we have been discussing mutually important issues that needed adaptation in order to contribute to a better investment climate and an improvement in the way business is conducted in Curaçao, and help create the confidence we needed to start moving forward again. After meetings with the coalition party leaders an historic agreement has been reached. It is the first agreement of its kind in the short history of our new country of Curaçao, but also for the former Netherlands Antilles, where public and private sector have agreed to make some fundamental changes in our entrepreneurial environment. An interesting note is that we have even reached an agreement on a deadline, by which the points agreed upon should have been executed, namely October 15th, 2014.

An agreement has been reached on the following:

- introducing a competitive system of permits, where companies, start-ups and expanders, which removes all red tape, and in fact, abolishes red tape;
- amendment of immigration policies, focusing on facilitation of the target groups which we want to attract to the island due to their economic significance, i.e. investors permits, foreign students, 2nd home owners, etc;
- cooperate in formulating and executing a comprehensive plan to address youth unemployment issues;
- we also agreed to stimulate a better and positive way of doing business through introduction of a concept similar to what is known as a "Better Business Bureau", and to develop and execute a program aimed at stimulating a culture of "social corporate responsibility".

Dear reader, with this historic agreement we at the Chamber of Commerce and Industry believe that we managed together to turn the corner when it comes to growing our economy; this platform has all the potential to fuel confidence in our economic development and getting it to the next level, making Curaçao a better place to do business!



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- 6 Sun, Sea and Software: Export of services**
- 10 Export facility**
- 12 The Role of Curaçao's Banks on the Economy**
- 14 Holland House Bogota**
- 18 Rise to the Top – with the Mangusa family**
- 24 North Sea Jazz**
- 26 Curaçao's International Financial Services Sector**
- 28 Insel Air Keeps Reaching Higher**
- 30 N.V. Stadsherstel Willemstad, Curaçao**
- 34 Global Competitiveness Survey – Curaçao Competes 2014**
- 36 Email etiquette**
- 38 Mobile devices: Blessing or Health Hazard?**
- 42 Beyond the Glass Ceiling with Jeanette Bonet**
- 47 News items**
- 48 Embrace BYOD**



Export facility: an important step in creating competitive tax legislation



The ideal gateway for Curaçao businesses to access the second fastest growth market in Latin America.



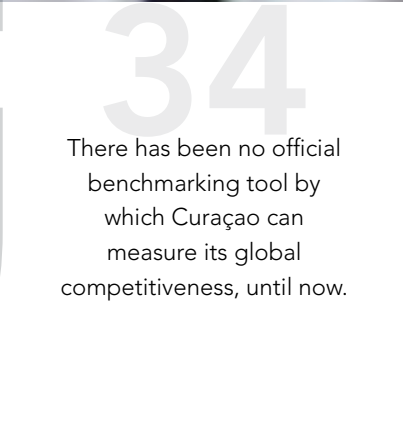
Leo Rigaud: "every loan the bank approves directly benefits our economy."



Nowadays, Curaçao is an established, secure and reliable international financial center.



A Sustainable Economic Input



There has been no official benchmarking tool by which Curaçao can measure its global competitiveness, until now.



"This is what I really would like to see back on this island – sincere unity and that we all have one common goal."



Clark Russel and Andrew Solomon  
- approaching the software market  
from two different perspectives,  
but equally successful.

# Sun, Sea and Software

Curaçao has a rich history in the service sector. However, it may be surprising that IT services only make up a very minor portion of GDP<sup>1</sup> – despite a rapidly growing global market and Curaçao’s potential to be the Caribbean leader in this area. TEXT KATY BRANUM

## Solid Growth

According to the International Data Corporation (IDC), the worldwide software market grew by 3.6% in 2012 reaching a total market size of \$342 billion, comprising of both technologies and solutions.<sup>2</sup> This high growth presents a firm opportunity for new entrants to this market to capture the increasing demand and high likelihood of business success that an expanding market delivers.

## Leveraging a Core Competence

Fortunately, the service industry in Curaçao has classically dominated GDP figures, representing 75% of GDP in 2011.<sup>3</sup>

Typically this is driven by service industries such as: tourism, financial services and the oil & gas industry. More recently, however, there has been a fresh type of service industry that has begun to gain traction on the island — the IT software industry. Although the software industry with brand titans such as Google, Facebook and LinkedIn make this market highly attractive, it is also very, very competitive due to the low barriers to enter it. For software companies to thrive they must keep improving, innovating, networking and expanding. These demands are overwhelming and perhaps don’t naturally resonate with the laidback approach of the Caribbean. However, due to Curaçao’s unique strengths and service sector foundation, it has nurtured successful software companies that are active in the region as well as further abroad.

## Rising to success, on the strength of the past.

Curaçao’s unique history and location means that whilst it holds strong ties to Europe, it is also a gateway to the Caribbean, as well as Latin and North America. This dynamic has bred a complex and highly successful financial services

industry that is characterised by a multi-language, multi-currency and multi-island environment. Evolving from this dynamic came IBIS Management Associates, a software company that specializes in servicing the financial services market. IBIS Management Associates develop and sell software that calculates a financial institution's transactional costs. Initially servicing the local financial services industry, today the customer base extends throughout the Caribbean, Central America and South America.

Clark Russel, CEO IBIS Management Systems explains what he believes to be the key to his company's success: "I ask myself why are we so different? Then I realised that we have a very complicated financial sector here on Curaçao, so when we developed and designed our software product to service this industry, it had to handle a high degree of complexity within the banking system. Now when we go out to visit other markets, we find our product is easy to sell and implement because most other financial sectors are much simpler — a single currency, single regulatory requirements, etc. The unique environment on Curaçao has led to the development of this software system, and ultimately to our success."

Other factors that have greatly helped IBIS Management Associates effectively compete in the very challenging and highly regulated finance market is the clear understanding of how they help their clients. When discussing their software products with customers, they discuss the challenges within the business and how their software solves them. According to Clark, his style of communication provides IBIS Management with a unique approach to customer discussions and differentiates them from other software vendors. "When we approach clients we don't talk about technology, we talk about how we can help them progress their business, such as, improving their profitability, lowering costs, or reducing business risk."

For IBIS Management Associates, being unique is the secret to their success. Perhaps in the end they might be selling software that is similar to others, however, the market clearly sees them different than their competitors.

#### **Tailoring software solutions to local business needs**

Many international entrepreneurs look to Curaçao as the perfect hub to service local demand and as an ideal launch point to access other markets in the region. It was these factors that led to the foundation of Ictual – a local company offering software solutions to the business community within the region.

Established 20 years ago, Ictual offers software solutions from other vendors, as well as locally developing custom made software, to address its customer's unique needs. This successful business model has resulted in strong



Andrew Solomon, Managing Director of Ictual

brand recognition across the Caribbean. The company's headquarters are based in Curaçao, with business units in the Netherlands, as well as Brazil and formally the USA. Initially launching as an Oracle business, Ictual learned that the Caribbean business software requirements differed slightly from larger businesses found in Europe and the US. Consequently, they evolved their product suite to meet these needs.

Andrew Solomon, Managing Director from Ictual, explains, "Our approach to solving a customer's need is not looking at a software solution that is "one size matches all." We look at the best of breed software that is the perfect fit for the specific needs of the client. Sometimes this can lead to recommending a lesser known brand name, but it is exactly what the client is looking for."

Ictual also recognised the value in partnering with local businesses as a strategy to penetrate the market in other islands. This approach has delivered success in Aruba St Martin and Surinam.

According to Solomon, "What makes us different is that we understand the local way of doing business. When we go to another island in the Caribbean, we are always seeking to find a local partner that knows the local scene



Clark Russel, CEO of IBIS Management Associates

even better than we do. They will be the first to hear about needs being discussed and, hence, be the first to spot new opportunities.”

To further drive costs down and remain competitive, Ictual has now set up client online support services; many software implementations are also completed online. These changes dramatically reduce the costs for bringing a new client on board, as well as significantly reducing the costs for the ongoing servicing of customers. From a sales perspective, Ictual utilizes technology such as Skype and online presentations as part of their sales engagement processes, thus reducing the number of face-to-face meetings. Effectively leveraged technology across operations and management of the business has kept overheads low whilst still delivering a high level of service.

#### Challenges that local business face

Curaçao’s lifestyle and location is a powerful drawcard to attract new IT services and top talent to the island. However, there are also large obstacles that currently jeopardize new investment and local IT service success.

#### Harnessing technology to improve service and efficiency

A common subject is that service is not at the level that it needs to be as many standard processes are currently taking unacceptably long periods of time to fulfil. This is the case in both private companies as well as government bodies, hampering the citizens as well potential investors from abroad. It has been suggested that making greater use of technology would facilitate more efficient work practices which would increase productivity, thereby resulting in improved service. This enables the best of both worlds in one location — the Caribbean lifestyle and a thriving business environment.

#### Attracting top talent

For businesses, such as software companies, it is very important to be able to attract top talent to help ensure that they continue to develop new products and thus remain competitive. Great difficulty is currently experienced when trying to secure residence permits and work permits swiftly, placing local businesses at a disadvantage to other companies that they are competing with on the international stage. Solomon comments, “if you want to be competitive in the international scene, you need to make sure that paperwork such as the permits and red tape are not pushing international investment away from Curaçao or handicapping local businesses that need to attract the best talent globally.”

#### Knowledge bank

Education in Curaçao is viewed as competent and culturally there are strong ties to family life. The majority of students travel to Holland to complete their university degrees and stay on to transition into the Netherlands workforce, as they are able to secure adequate income to service student loans.

“The biggest hurdle for young professionals to come back to Curaçao is wage level,” explains Clark. In this phase of your life when you have finished your studies and you start working, you are thinking – how can I earn the most money to quickly reduce my student loan? In Holland you earn a much higher salary than here.”

Curaçao could benefit greatly from providing powerful incentives to attract this knowledge back to the island, sparking the next generation of entrepreneurs. In many cases, local businesses in Curaçao are not in a financial position to take on the burden of their employees’ student loans, and are therefore at a disadvantage in regards to attracting top talent. For Curaçao to be successful, a solution to assist with the burden of educational debt should be considered.

#### Combining the best of both worlds

Being able to export services is vital to the sound development of the economy and provides much needed foreign exchange. With the combination of local government’s new legislation to encourage the creation of new export services and Curaçao’s ability to partner with successful software companies in the Netherlands, the software service industry is an attractive segment to develop further on the island. Considering its vast resources, Curaçao has the potential to emerge as a leader in this market in the Caribbean. ■

<sup>1</sup> Curacao eye on export official research report – Chapter 4

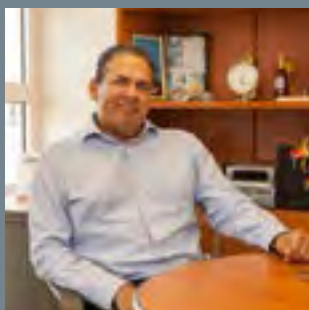
<sup>2</sup> Press Release: Big Data, Analytics, and Cloud Drive Enterprise Software Growth, According to IDC. 22nd April, 2013. The Wall Street Journal: [www.wsj.com](http://www.wsj.com)

<sup>3</sup> Curacao eye on export official research report – Chapter 4





**Clark Russel**  
 CEO of IBIS  
 Management Associates



Here is some input on my favorite productivity and leisure apps. These I use daily whether on the go or at the office, ...



• **Web-ex:** for reaching my prospects with our presentations wherever they are in the world.



• **Skype:** for staying in touch with my team and clients wherever they are in the world.



• **Whatsapp:** for staying in touch with friends and family



• **World clock app:** for making sure I'm tuned in the correct time zone when contacting clients & prospects.



• **Linked in / FaceBook & Google:** for doing research on our prospects.



• **Open Table:** for easily making dinner or lunch reservations with prospects when travelling.



• **iHeart Radio:** to listen to my favorite online radio stations



• **iTunes:** for my music, movies and TV shows



• **Netflix:** for TV shows and movies ...



• **Nike running:** for guidance to stay in shape

**In terms of business books:**

- All books by Jeffrey Gittomer (Sales, networking etc.)
- How to sell Technology (Paul DiModica)
- Buying customers (Bradley Sugars)
- Many more...



# Export facility

The Curaçao export facility, introduced in the Curaçao profit tax legislation on January 1st, 2014, forms an important step in creating competitive tax legislation for companies that are established in Curaçao or wish to establish an export business on the island. The facility can also apply to companies that are currently applying for the Curaçao offshore tax regime.

The export facility was brought forth to compensate for possible competitive disadvantages of Curaçao and as an incentive to stimulate the export industry of Curaçao. It's also beneficial to export sector-related employment opportunities. In this article, we will outline what the export facility entails and how it can benefit certain companies.

## Tax incentives

The export facility is a tax incentive for companies and branches in Curaçao whose activities primarily revolve around the export of goods and/or services; i.e. at least 90% of their profits must be derived from activities outside of Curaçao. The export facility will allow enterprises to have their income taxed against an effective profit tax rate of approximately 3.9%. This effective tax rate is comprised of a combination of the general profit tax rate of 27.5% being applied to 5% of the profit, and the remaining 95% of income being taxed against 2.75%. In the future, the effective tax rate may even become lower if the general profit tax rate is further reduced. Furthermore, enterprises that have an exchange license will not be subject to turnover tax in Curaçao. Most international operating companies fall into this category. Additional benefits are that the incentive is not restricted to certain designated areas and that (advance) permits are not required to apply the facility.

### Qualifying activities

As mentioned previously, one of the requirements for the application of the export facility is that a company derives its profits exclusively or almost exclusively (at least 90%) from activities outside of Curaçao. The following activities allow a company to qualify for the export facility:

1. The export of goods
2. Maintenance and repair of goods of companies established outside of Curaçao
3. Maintenance and repair of machinery and other materials located outside of Curaçao
4. E-commerce activities
5. Other forms of services that are oriented abroad, including storage activities, financing and licensing activities, the granting of the use or user rights of assets, the holding of shares in other companies or the membership in a cooperative.

### Substance

In addition to fulfilling the criteria laid out in the qualifying activities, certain substance requirements should be met. For a company to qualify for the export facility, the company, or the concern of entities in Curaçao to which the company pertains, should have real and appropriate substance in Curaçao for the nature and size of the activities in Curaçao. By codifying this already international standard requirement in national law, Curaçao shows its commitment to comply with international standards and its focus on substance business. The latter is also important in ensuring that the facility will be sustainable in the future, considering the international developments and the focus on substance. The Minister of Finance will issue further guidelines on how the substance requirements should be interpreted in practice.

### Potential candidates

The combination of the export facility's focus on both the export of goods and services, as well as substance, makes the facility especially interesting for service centers, international mobile activities, trading companies, so-called offshore banks, coordination centers and headquarters of multinationals or companies that already have a presence in Curaçao but want to extend their activities to clients abroad.

For companies that are already established in Curaçao and are still subject to the offshore tax regime, the export facility might also be of interest. The offshore tax regime was abolished in the year 2002, but grandfathered up to and including the year 2019. Although there are still six years left, many business commitments are made for a longer period of time, making it impera-



tive to assess well in advance the impact of the expiration of the offshore tax regime in 2019. As such, in specific cases, it could prove interesting to start applying the export facility as soon as possible, even before the termination date of the grandfathering period of the offshore tax regime.

### Summary

In short, the new export facility provides an interesting incentive for companies that want to set up a business in Curaçao and provides continuity for certain companies currently applying the offshore tax regime on the island. These incentives, combined with Curaçao's geographical location, its strong tax and legal infrastructure, its multilingual and highly educated workforce, plus the fact that it forms part of the Dutch Kingdom, make Curaçao a very attractive hub for business. ■

\*Article prepared by Ron Van der Born and Kimberly Schreuders of Ernst & Young Dutch Caribbean (+5999 4305000).



# The Role of Curaçao's Banks on the Economy

One of the most important roles of banks in driving the economy is to intermediate between those who have financial resources and those who need financial resources. Supply and demand of financial resources compliment each other, enabling those without adequate resources to start up a company or buy a home.

TEXT ELISA KOEK AND HEATHER DE PAULO

According to Leo Rigaud, the president of the Curaçao Banking Association, every loan the bank approves directly benefits our economy. "It's the bread and butter of a bank of a bank," Rigaud states. "The daily business of the banks is to evaluate projects, and almost every project that's approved tends to generate more business for someone. More business means more money and a growing economy."

## Worldwide vs Curaçao banking

In 2009, banks around the world crashed. While the crisis affected most of the world, banks in Curaçao managed to stay stable. According to Rigaud, the conservatism of Curaçao's banks is what saved them. "We were offered the

same deals, maybe not as big, but the same idea. However, we decided not to invest. Perhaps it was just too complicated. Warren Buffet said, 'If I don't understand it, I don't invest.' That's us. This allowed us to survive the whole financial crisis we saw in the rest of the world."

However, last year this changed. Rigaud believes that the economic recession Curaçao experienced was the result of its own mistakes. "Our financial problems weren't the result of the worldwide crisis. What happened politically on the island a few years back created a crisis, so in 2013 we had to take measures to recover. Our recession was the effect of the recovery measures in combination with the shaken confidence of the community." After a rough year in 2013, the economic situation is showing some signs of recovery. Investors are regaining confidence and new projects are finding a way to start. This year, Curaçao is already on track to normalcy. According to Rigaud, normal is workable.

## Risk in banking

After years of growth in the Curacao banking sector, the economy started to decrease and many businesses went bank-

rupt over the last couple of years. Banks are trained to estimate the risk of a business going bankrupt, but Rigaud emphasizes that this cannot always be predicted. “I have seen great business plans and ideas which looked profitable and promising, but the moment the economy went into recession, their target group stopped spending money. Such developments cannot be predicted.” The effects of the recession are tangible for everyone, including the banks. Investors are more cautious and providing loans to businesses entail more risks than before the recession. At the same time, taking risks can greatly benefit the economy. “It is the bank’s job to help promising projects come to fruition,” Rigaud explains. “Banks need to play an active and constructive role in trying to get these projects running, even if this means taking more risks.”

### The Art of Credit

According to Rigaud, there are two arts in the credit business: the art of building the business, the commercial part – getting clients in, keeping them happy, etc. The other art is working with clients who are having difficulty. Rigaud believes that banks need to be active when dealing with clients, working with them to keep them going through tough times. This is when the role of the banks is very important. Generally banks try to help businesses work things out when they run into difficulty. “This is an art that I find very interesting,” Rigaud states. We don’t want problems like what we saw with DAE where people lost jobs, etc. We want to have a smooth ride with big projects getting started and everybody feeling good. It’s complicated, but the main thing is to keep the communication open and try to work with people to keep the business going. It’s a lot of hard work. In these difficult times, this is our focus; the most important part of the business is helping people to keep things going. By helping others, you help yourself and the community.”

### Options for Curaçao businesses

Although the conditions for business loans for big companies all around the world have eased in the last years, loans for small and medium businesses are still frequently rejected. In Curaçao, there are resources for these businesses to get the help they need. Those wanting to start a small to medium business can approach the Curaçao Chamber of Commerce for help. Curaçao’s Ministry of Economic Development set up a project to help young entrepreneurs with start-up capital on the condition that they invest 10 percent themselves. This capital can run up to the maximum amount of 15,000 guilders.

Curaçao Banks have also developed programs for young entrepreneurs looking for financing. Rigaud believes that someone with a good business plan is still perfectly able to get his/her loans approved. “A professional business plan and a little private capital is enough to get a bank interested,” Rigaud explains. “A bank does not typically invest in full funding to start a business; an entrepreneur must show the bank that he has some responsibility too, by putting up 30% of the start-up capital. What you see with good business people is that they are able to save a little capital of their own, even though their income is low. Banks are willing to help these people.”

### Working together with the government

While banks, pension funds and insurance companies are the big three that invest in big projects, Rigaud believes that more cooperation with the government is of the utmost importance to obtain progress in working towards a healthier economy. He’s not the only one



Leo Rigaud, President of the Curaçao Banking Association

who applauds this idea. The Curaçao Trade & Industry Association or the Vereniging Bedrijfsleven Curaçao (VBC) stated last year that the initiative lies with the Government because most entrepreneurs are still unwilling to invest. A report from the Ministry of Economic Development shows that the government, in cooperation with the private sector, already has plans for investment projects until 2016 for over a billion dollars. According to the VBC, these projects all stagnate due to issues within the government. Rigaud expands on this by explaining that while the financial sector is disappointed that they have not been given a role in the financing of the new hospital, the sector is more than willing to work together with investors and the government to get promising projects financed. “The government, in some cases, could be the missing link in making promising projects feasible,” Rigaud explains. “The government is willing to deliberate about this and we are now in the preliminary stages of debating these ideas. We are trying to come to a solution for projects we can make happen together.”

### Final Word

Curaçao is a small island, but the structure of the banks is nearly the same as the rest of the world. When it comes to technology, Curaçao isn’t far behind either. Rigaud proudly explains that the addition to chips in the Curaçao’s credit cards is a great move forward. “I think our banks have done a great job staying abreast of international technical developments. We don’t have to be totally at the same level as the US or Europe, but we can’t afford to fall too far behind either. We are doing a good job so far and we need to continue to strive to be as forward thinking as possible.” ■

If you are interested in starting a small to medium business and would like to seek financial support, you can contact the Curaçao Chamber of Commerce at 461-3918 or email at [businessinfo@curacao-chamber.wv](mailto:businessinfo@curacao-chamber.wv)



Jan-Willem van Bokhoven  
with King Willem-Alexander  
and Queen Maxima

# Bogotá, now open for business

When Holland House recently opened in Bogotá, Colombia, it created the ideal gateway for Curaçao businesses to access the second fastest growth market in Latin America. It also provided a solid jump off point for entering other markets within the region.

Uniquely positioned between Latin America, Europe and North America, the Curaçao business community has a powerful advantage over other countries due to its proximity to Colombia, the multiple languages spoken, a

diverse culture, as well as a strong regional trade history. The Chamber of Commerce recognised this opportunity and partnered with Holland House to provide the professional resources required for businesses to enter the Colombian market.

#### Joint Initiative

Holland House is also known as the Dutch Colombian Chamber of Commerce. It is an initiative of the Dutch Ministry of Foreign Affairs, Dutch Ministry of Economic Affairs, The Embassy of the Kingdom of the Netherlands in Colombia and the Netherlands Council for Trade Promotion (NCH). It is responsible for promoting exports and international trade between The Kingdom of the Netherlands and Colombia. As the first Holland

House to be opened, it is indicative of the strong trade relationship that the Caribbean region of the Kingdom has with Colombia.

### One Stop Shop

Holland House is a “one-stop shop,” offering businesses a variety of expertise including market research and match making services to secure contacts and new customers. Assistance with office space, reception personnel and a Colombian phone number for local business enquires can also be supplied.

### Top Quality Service

Although Holland House initially receives partial public funding to get started, it must be self-sustaining in just three years. This is good news for businesses that pay Holland House to help them, as it ensures top quality service and the delivery of impactful market insights.

### Access All Areas

Colombians have great respect for official organisations; therefore as a bi-lateral chamber of commerce, Holland House has significant weight in the Colombian business community. Consequently, they are uniquely positioned to open doors that would otherwise remain closed. Numerous businesses from Curaçao are already trading with companies based in Colombia. Activities include exporting goods and services to the Colombian market, as well as importing goods and services to Curaçao.

### Meet Your Man On The Ground in Bogotá.

*“There is a lot of entrepreneurial energy in Bogotá today; in some ways you can compare Bogotá to NYC,” Jan Willem van Bokhoven.*

Heading up the team at Holland House is the very experienced Jan Willem van Bokhoven. Jan has been active in European-Caribbean-Latin American business relationships for over eight years.

He started his career as a consultant at TRANSFER Latin Business Consultancy, where he became Director for Latin America. In this period he led several trade missions to Colombia, set-up various branches within Latin America, and supported over 750 organizations in a wide variety of sectors to increase business relations within this region. In July 2013 he was appointed as Executive Director of the Holland House in Colombia.

Under Jan’s guidance more than 70 companies have become Holland House members and over 10 companies from both Curaçao and Aruba have been aided with their expansion into Colombia.

Many are Already Active in the Colombian Market  
Companies in the Curaçao financial services market, such as PwC and Ernst & Young, have already tapped

## How Holland House ensures business success

Jan shares the key to success in a proven step-by-step process:

### Step 1: Market Assessment.

The first step for a business when considering entering any market is to determine if the business will be profitable. Accordingly, one of the most popular services requested is market information and research. This service provides businesses with information related to how the market works, where there is demand for the product or service, who the competitors are and associated pricing information.

Holland House can also supply additional information such as routes to market, transport costs, import duties, and other insights that enable clients to make a fully informed business decision.

### Step 2: The right contacts

The most popular service that Curaçao businesses utilize is the match making service since it is the key to doing business in Colombia. This service is tailored to each client and includes accessing the correct Colombian contacts. It also facilitates scheduling meetings with important local businesses.

### Step 3 – Establishing a local presence

The third service is the realistic next step to developing a local presence; its the opening of a local branch office, or employing a local representative to manage customers and handle enquiries.

Holland House can provide practical assistance here through reception services and shared office space to keep overhead costs down. They can also assist with paperwork submissions such as licensing a business in Colombia, work permits, taxation registration and banking services.

### Step 4 – Follow up and closing the deal

Furthermore, Holland House can assist with following up on agreements with local businesses, thus helping to ensure commitments are honoured and contracts progress to income.

into the Colombian market. These firms have regular scheduled visits with their Colombian clients each month, demonstrating that maintaining a business in Curaçao and accessing the Colombian market works well.

Recently the Curaçao Oil industry has also begun to investigate expanding into Colombia, with a plan to contact local oil suppliers, as well as building infrastructures that will allow them to compete within the domestic Colombian market.

The Curaçao small business community is also active, as businesses seek to offer their local Curaçao customers’ greater product and service diversity. A common initiative is the expanding of product offerings from the USA or the Netherlands to include competitive products from Colombia. Applicable product categories include: agriculture products, building supplies, hospitality industry products and services.

### Spotlight: Local company Ducasa Handelshuys

Ducasa Handelshuys is the local distributor for LED lighting and leather products, which are designed to enhance homes, and commercial spaces such as restaurants, nightclubs and retail spaces. Following the successful establishment of the business in Curaçao and Aruba, they are now looking to the Latin American market to keep growing.



Patrick Slobbe

Co-Owner Patrick Slobbe, explains: “Colombia is the perfect entry point for the South American market because it is the second fastest growing economy in South America, thus a solid place to start our business. Further, there are already many businesses from Curaçao engaging in business there.”

Patrick chose to partner with Holland House on this project and as a small business owner, he was pleased with the services that Jan and his team were offering. When he visited Holland House in Bogotá, he was also immedi-



“Colombia is the perfect entry point for the South American market because it is the second fastest growing economy in South America”

ately impressed with their office as well as the welcoming and professional staff.

“Jan is very enthusiastic and on the ball, you send him an email - you don’t have to wait long for a reply. It is one of the things I like and it gives me confidence to trust him with my business“ said Patrick.

To explore market opportunities, Patrick engaged with Holland House to access their match making services. Patrick shared with Jan information about the type of businesses that purchase Ducasa products. Holland House then surveyed the Colombian market and came back to Patrick with a long list of companies that would welcome their products.

Patrick believes the key for him as a small business was leveraging the power of Holland House. Patrick explains: “When Holland House calls the local Colombian businesses, they get access to senior decision makers. If I as a company from Curaçao picked up the phone and tried to call them, I would not get the same result.”

Holland House is now open for business in Bogotá, and offers excellent services for those Curaçao companies that are ready to expand into Colombia. More information can be sourced from the Holland House website or alternatively please join our webcast in September with Jan Willem van Bokhoven from Holland House, see details below. ■

Holland House website address: [www.hollandhouse-colombia.com](http://www.hollandhouse-colombia.com)

#### Curious to meet Jan and learn about business in Colombia?

Join our live webcast with Jan from Holland House as he steps through a short introduction to Holland House and the Colombian market.

**Date:** 18th September

**Time:** 3pm (local Curaçao time)

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Rise to the Top feature story:

# Family Gonçalves from Mangusa Supermarkets

This issue's "Rise to the Top" feature story is about the family that founded Mangusa Supermarkets. Curacao Business magazine had the honor of speaking with Belmira Sousa de Lira, the matriarch of the family and the woman who worked behind the scenes in genesis of the Mangusa supermarkets that we know so well today. However, the story would not be complete without the insight and wisdom of Francisco Lira do Estreito, Jr., the eldest child in the family and the man behind the expansion of Mangusa Supermarkets who, along with his three brothers and sister, brought the company to where it is today.

TEXT HEATHER DE PAULO

## HISTORY IN THE MAKING

Mrs. Sousa de Lira recounts the very beginning — the many hours of hard work, the challenges they faced and how they overcame them with a devout faith in God.

**Curacao Business Magazine (CBM):** What is the history of how the Mangusa supermarkets got started?

**Belmira Sousa de Lira (BSL):** We come from a plantation in Madeira and always worked on the land. In 1958, my husband, Francisco Gonçalves, went to Curaçao to look for the opportunity to buy land and find work. I stayed behind in Madeira with my eldest son, Francisco Jr., the only child I had at the time. Six years later, my husband

returned to Madeira and in 1966, the three of us moved to Curaçao. When we returned, Francisco, Sr. bought some land in the Seru Grandi area and we worked on it. I watered the plants and he took care of the planting, harvesting and bringing the vegetables to the grocery store and market. When Francisco Jr., was nine years old, he worked helping his father while he was going to school. It was at this time that Francisco Sr. started to suffer with bronchitis. Since he was not very healthy, Francisco Jr. and I worked together with him on the land to lighten his workload. When Francisco Jr. was 14 years old, the friar at the Dutch school he attended said he was eligible to continue his education for another four years. However, since his father was ill, it was decided that he would discontinue school and focus on working with the family business.

We opened our first store in 1973. It was a small toko near the Janwe church called Maria Teresa. My husband supplied the store with produce from our land and supplemented the rest of what was needed with produce from the floating market. My son would work in the store and I would take care of the cooking and housework.

After a while we were looking for another location, but Francisco Jr. didn't like many of the properties he saw. He finally found what he was looking for on Cascoraweg and in 1977, we opened Toko Mangusa there. It was convenient



Mrs Belmira Sousa de Lira, the matriarch of the family

for us because we lived behind the store. We did well at this location, so we kept growing, building it up slowly. In 1984 we had our first expansion and Toko Mangusa became Mangusa Minimarket. Five years later, in 1989, we went even bigger and the store became Mangusa Supermarket. Later on, Francisco Jr. took a look at some other land and made an offer to the owners. We then bought four more lots in the same area. On November 4, 1996, Mangusa Rio Canario was born. People kept asking us to get bigger, bigger and bigger! After this, I felt that I could not go bigger anymore!

However, Francisco Jr. had other plans and on November 14, 2011, the Mangusa Hypermarket on Cascoraweg opened its doors.

**CBM: How many children do you have? How many are working in the stores?**

**BSL:** I have five children – Francisco Jr, who is eight years older than the next child, Jose. After Jose came Paolo, Anita and Gilberto, all two years apart. All of the children stayed working in the business, plus one niece is working with us too. They all worked while they went to school; they all wanted to work and help. Also, two grandchildren work in the stores part time while they are in college and the younger grandchildren come in to help out on the weekends.

**CBM: All businesses experiences challenges. How did you overcome those challenges over the years?**

**BSL:** I've been working since I was a little girl in Madeira, so I'm used to hard work.

When we were expanding our store, I had to juggle being a housewife, a mother to small children and also helping my husband in the business. We had it tough during those times. There weren't any disposable diapers then – only cloth diapers! Some days we would have only one loaf of bread, but we always had plenty of good quality vegetables and papaya that my husband grew on our plantation at Seru Grandi. At one point, my husband planted banana trees and a storm came and broke them all. Rather than getting discouraged, he chose different crops and planted chard, sweet potatoes and other vegetables instead.

One day my husband became very ill with his bronchitis and went to Colombia to see a doctor. From there, he went to Madeira and



I stayed behind on Curaçao with our children. After five months on Madeira, they didn't treat him because we didn't have the money to treat his ailment. At this point, Francisco Sr. asked us to come to Madeira. I went with all of the children except Francisco Jr. who stayed behind to take care of the business. Francisco Sr. wanted to stay in Madeira, so I returned to Curaçao with the children. We later received news that he died from the bronchitis. He always said he would die in Madeira. He was a patriotic person and loved his country!

What kept us going during difficult times like these is hard work and our faith — we are Catholic. I always taught my children good morals, which I believe formed their base. A priest where I used to go to church a long time ago told me, don't forget to go to church. We believe in God, so we accept everything that comes our way. We keep going and pray.

**CBM:** What do you think was the key to your success over the years?

**BSL:** When we started with the minimarket at Janwe, I never thought we would end up with

such a big supermarket! What helped us is that we had people who knew us and trusted us in the community. For example, the bank would lend us money because they knew we would pay.

**CBM:** Do you have any advice for people starting their own business?

**BSL:** Work hard and God will give you compensation later.

**CBM:** Do you have anything else to add?

**BSL:** When the business was smaller, the workers were family. The family knew that it took hard work to make a business successful. Nowadays, people seem to have forgotten what it's like to work hard for what you earn. In the past, people struggled to get somewhere. We cannot forget that what you gain is what you put into something, in everything in life. People have to help themselves.

### THE LEGACY CONTINUES

Mr. Francisco Lira do Estreito, Jr. gave a few minutes of his precious time to tell his side of the story. He is a man of humility, with a love of family, and a very keen businessman. His

success is based on hard work, experience and instinct. His words provide insight in to what it takes to make a dream a reality.

**CBM:** Your mother gave us a very insightful story of how the Mangusa supermarkets started. How did you start working in the business?

**Francisco Lira do Estrito Jr. (FLDE):** I started working in the kunuku when I was eight years old and at the time, my father paid me 10 guilders a week. Later as I got older, I earned 100 guilders a month. I love working the land; I miss it sometimes.

**CBM:** How did the stores get the name Mangusa?

**FLDE:** The address of the first store on Cascoraweg was Seru Mangusa #1, so it was the first house in the area. My father told a good friend that he didn't know what to call the store. At the time, the stores were named after saints, for example, Maria Teresa. The friend said that since the street is Seru Mangusa and the house is the first, call it Toko Mangusa. From there, it caught on and grew. It's actually pronounced



man-goo-SAH. We are happy that this friend gave us the idea; we like the name because it's a krioyo name — it's something from the island and the culture of Curaçao.

**CBM: What has been your motivation over the years to keep expanding?**

FLDE: The clients kept telling us the store was too small, to make it bigger, so we kept getting bigger. In the end, we have a big family, hopi boka pa kome (a lot of mouths to feed). The main goal was for everyone in the family to have a job to provide for his or her children and for everyone to have a secure future.

**CBM: What prompted you to open the Mangusa Hypermarket?**

FLDE: Our customers are always telling us to go bigger and they were complaining that the original Mangusa Supermarket was too small. If you make it double the size, they still say it's too small, so we decided to make the hypermarket a size that we can live with for more than 10-20 years the first time around. Now people are telling me Rio Canario is too small, but we can't get bigger in that location.

**CBM: How long were you running the business before you started paying yourself at each store? How did you get through those first years?**

FLDE: It takes time with every business; you need time to recover your debt. When we first started, on Cascoraweg, we bought everything local from agents on Curaçao. The profit was so low that the accountant would tell me that I had to carry less stock, only enough for one month at a time. After a very tough first year, I decided to import my own goods to increase the profit margin and that helped improve the profits considerably. Due to the reputation that Mangusa had for paying its debt on time, we were able to get the financial support we needed. Soon after, because of our good reputation, others started coming to us and offering us opportunities. This helped me greatly to bring the business to a different level.

Our good relationship with Maduro and Curiel's Bank helped us open the Rio Canario store. The Rio Canario store is now 18 years old and was our best investment in our busi-

ness history. I'm not saying more so than the hypermarket because we still need to give that a little time.

**CBM: How did you overcome obstacles on the way?**

FLDE: It was very difficult when my father died; it was tough, very tough for me. Our mother supported us and encouraged us to keep going for our goals. Her values that she always taught us — to keep going and that whatever we do, we have to give it our best — contributed to our success. She taught us that with hard work and dedication, you can surpass all obstacles. Life isn't always easy; you will always have ups and downs. However, if you focus on your main goal, you can accomplish anything. You have to dedicate a lot of time to your business if you want to be successful. Some people think when they make a profit, it will all be for their pocket, but you have to continually be innovative and invest in your business.

**CBM: The Mangusa stores started small, as a toko, and now have become huge with the Hypermarket. What do you find is the biggest difference in management style with the growth of the company?**

FLDE: When a business becomes bigger, you need to trust other people who are not your family; you need to hire good managers who you can trust and who can do the job to maintain control over what's happening. However, don't forget, you still need to be there. You can't leave the entire responsibility of running the business to others — you still have to maintain control of everything yourself. Some people leave the business in the hands of the supervisors. There is a saying in Spanish: el ojo del amo, engorda el caballo, literally translated as, "the eye of the owner fattens the horse." What this means is, if the employees see that the owner is around keeping an eye on what's happening, it makes a difference. You need to be there.

**CBM: How do you balance home life with work?**

FLDE: Success in a business is when your wife and family understand how the business



MS Sousa de Lira with her granddaughter (r) and our editor, Heather de Paulo

runs. If your family understands that, you can be successful. I am lucky because my wife's family owned Toko Portugal, so she understands that it's a tough business. If you have a wife who doesn't understand, it becomes much more difficult. The supermarket business is one of the toughest businesses in the world. You need to work hard, you need to dedicate your time completely to the business and, of course, you need time for your family. The supermarket business is like a slavery business. Sometimes my wife tells me to take my bed to the office! You need to like what you do and you need a good family that understands the commitment it takes.

**CBM: Did you have a mentor?**

**FLDE:** My father and mother educated me well on how to do business. However, I have to say my instincts are what got me to where I am today. I started young in this business, at 15, and I learned a lot through on-the-job training.

I make mistakes and I learn from my mistakes. You always need to be honest with yourself; if you are honest and you do things well, everything will go well.

**CBM: What advice would you give to someone starting his/her own business?**

**FLDE:** First and foremost, the key to success is that you have to be willing to work hard and dedicate yourself to your business. Beyond that, I have a four pillar theory: 1) You need a good location 2) You need a good variety and assortment of products 3) You have to maintain good prices 4) You have to provide good service. These are my keys to success in business.

**CBM: Do you have anything else to add?**

**FLDE:** My advice to people who are starting a business is that you have to dedicate a lot of time to the business and work hard, so you

need to have a passion for what you are doing. A lot of people think when you open a business everything comes easy and that you start making a profit right away, however, you have to work a long time before you see profit. Business success comes with hard work, dedication and the willingness to work long hours – you can't expect to always be home at 6:00pm. Customer satisfaction is also very important. You want to be sure the customers are satisfied and will keep coming back – you want to gain customer loyalty. You need to hear all the complaints. From the complaints you can learn what you need to change in your business to make it better. ■

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# The Curaçao North Sea Jazz Festival

This year, Curaçao North Sea Jazz will celebrate its fifth anniversary – five years of the most exciting, celebrity-filled event to hit the islands, on the 29th and 30th of August 2014 at the World Trade Center near Piscadera Bay. This year is expected to be just as entertaining as ever, with performances by internationally renowned artists such as Rod Stewart, Joss Stone, Smokey Robinson, Bruno Mars and Chaka Khan.

TEXT KARELIAN WILLIAMS

There will also be a free pre-concert show on the 28th of August, paying homage to Doble R (Rignald Recordino), one of the longest active and most famous Caribbean composers, and not to mention “yu di Korsou” (child of Curaçao). In the weeks running up to the event, the island will be submerged in the sounds of Jazz, Soul, Latin, Hip Hop and R&B, all with a Caribbean touch.

### Good deeds for Curaçao

Although the North Sea Jazz festival was recently brought to Curaçao in 2010, it has been in existence since 1976. Dutch Jazz promoter Paul Acket created the festival. The first concert took place in the Netherlands and attracted an audience of about 9,000 people. Little did he know back then that it would spiral into the international spectacle it is today. Now, the festivals command a global audience in the hundreds of thousands, with over 200 entertainment acts across several stages. On Curaçao alone the festival has attracted, on average, a staggering 12,000 visitors since its inception five years ago.

In 1999, Mojo Concerts, Dutch organizer of pop concerts and festivals, had the intention of bringing the festival here through

the Curaçao Tourism Development Bureau in the Netherlands. Negotiations however, were moving too slowly, so they decided to contact local entrepreneur, business management expert and philanthropist, Gregory Elias.

According to Percy Pinedo, Director of International Career Services and right hand to Gregory Elias, “Gregory is a yu di Korsou and he is indeed one of the bon (good) yu di Korsou for the island.”

Gregory Elias, among other things, is founder of the local charity Fundashon Bon Intenshon. The primary focus of his charity is education, culture, sports, poverty reduction, healthcare, tourism, sports and creating better opportunities for disadvantaged kids. It is through this charity that he decided to bring the festival to Curaçao. The North Sea Jazz Festival is therefore currently a not-for-profit activity – all proceeds from the festival are donated to charity. Pinedo explains why Elias took on Curaçao North Sea Jazz, “They wanted to combine doing the concert with doing something for tourism and the hospitality industry on the island. The purpose of the foundation is to do good deeds for Curaçao and the festival definitely provides many benefits to the island.” The months of August/September were chosen for the festival because it is the off-peak season for tourism in Curaçao. The event helps to maintain a steady influx of tourists all year round and has contributed to putting Curaçao on the map as a holiday entertainment destination in the Caribbean.

Elias’ second motivation for bringing the festival here was, according to Pinedo, simply because of his interest in music. It is well known that Gregory Elias is one of the co-founders of one of the leading Latin independent labels in the US, Top Stop Music, formerly representing Grammy® winners Luis Enrique and Prince Royce and with current multiple Grammy® nominated artists and winners like Tito Nieves and Jorge Villamizar.



Elias could have easily turned the festival into a mega profit-focused event. However, even though the festival is still not even close to the break-even point, Elias insists on keeping the price more or less the same and refuses to oversell tickets at the expense of the quality of the event.

#### How good things can get even better

A few years ago, the Curaçao Tourist board (CTB) commissioned the Dick Pope Sr. Institute for Tourism studies (at the Roden College of Hospitality Management within the University of Central Florida), to conduct an analysis of tourist perceptions with regard to the Curaçao tourism product, the tourist profile, and the spending behavior of tourists frequenting the island. The ongoing study entitled “Through the Looking Glass,” highlighted a number of issues to be addressed, which can contribute to this festival being even bigger contributor to the island’s economy:

- Advertising

Pinedo explains that despite the fact that the Curaçao community is “talking with pride about ‘their’ CNSJ,” local businesses, particularly those that interact on a daily basis with tourists, can put in more effort to create awareness of the event with tourists visiting the island. As this festival has the capacity to have a significant positive impact economically, it is vital that local businesses are more involved in sustaining this event through word of mouth promotion and advertising.

- Flights

Most attendees of the Jazz festival originate from overseas, namely, Surinam, the Dutch Caribbean, Colombia, Venezuela, the US and the Netherlands. At the moment there is a shortage of flights both internationally and regionally to the island during this period. Pinedo acknowledged, “We need more flights. Airlift is a problem for us; getting people to the festival.” On a positive note, Fundashon Bon Intenshon, along with the CTB, is currently holding meetings with Insel, Surinam, Copa airlines, American airlines and the government with the hope that this issue can be resolved in the future.

- Accommodation

Around this time of year, many of the hotels on the island have a tendency to double their fees to such an extent that the room rates are significantly higher than in the peak tourist season. They are also placing a minimum length of time guests can stay during the days of the festival.



Percy Pinedo

The exorbitant prices of hotel rooms are not only keeping tourists from flying in to attend the festival, the minimum duration of stay is also keeping locals, who may just want to get a room for one or two nights, from staying in the hotels. Pinedo is very disappointed with this behavior from the hotels. He mentioned, “I’ve attended a lot of festivals all over the world and I know what’s going on. When I attend North Sea Jazz in Rotterdam, for example, you will see an increase in room rates by something like 10 to 25 euros, but not double the normal price, making it ridiculous.” Currently, Elias and Fundashon Bon Intenshon have been talking to the Curaçao Hospitality and Tourism Association (CHATA) and the government about the situation. However, Pinedo is still skeptical, “Let’s see what happens and hope for the best. In 2015 if there is no more CNSJ, the rooms of the hotels that would have been filled for the festival will stay empty.”

#### 2014 and beyond

The ultimate intention of the organizers is to keep the festival here indefinitely (as our fellow Dutch Caribbean islands would love to have the privilege of hosting this event); they refuse to compromise on quality, as seen in their ability to put on a spectacular show for the past four years. There is also potential for the number of high-status celebrities featured to increase

even more, as many of the artists in the past have given feedback on how impressed they are with the friendly hospitality but yet hands-off, respectful nature of our locals compared to other celeb-crazy societies.

As more directly described by Pinedo, “When the artists come here, they experience the island and what the audience brings to them — the satisfaction they are getting back from the people. The people aren’t bothering them with anything, touching them and things like that, just being themselves, expressing themselves and being simple. The experience these artists have in Curaçao is incredible. Sting (multiple Grammy-award winning singer/song-writer/musician) felt comfortable enough to walk from the Renaissance to Princess Beach, just to stroll and see.”

The 2014 Curaçao North Sea Jazz Festival is set to be the best yet. Already, the bonus of a free concert paying homage to Doble R, backed by the full 65-person Dutch Metropole orchestra from Rotterdam, has already generated an incredibly positive reaction. Support your community and our beautiful island this August by attending the Curaçao North Sea Jazz Festival!

To get your tickets and for more information, log on to: <http://www.Curaçaonorthseajazz.com/en/tickets/> ■



# Curaçao's International Financial Services Sector

Since the 1950's, the international financial services sector has been an important economic pillar for Curaçao. For over 70 years, Curaçao has shown its strength in its multilingual and highly educated workforce. Nowadays, Curaçao is an established, secure and reliable international financial center.

TEXT CURAÇAO INTERNATIONAL FINANCIAL SERVICES ASSOCIATION (CIFA)

Due to its long history, the island has developed a sophisticated international financial sector. A wide variety of international companies are managed from Curaçao, such as investment companies, (group) finance companies, holding companies, mutual funds, captive insurance, international banking institutions, intellectual property holding companies, family offices and hedge funds.

## History

After Germany invaded the Netherlands and Dutch multinationals shifted their legal domiciles to Curaçao, the island became a safe haven for Dutch multinationals to conduct international business and to protect their (international) business interests. The arrival of Dutch multinationals during the Second World War also brought accountants, lawyers, and other professionals to the Dutch islands, a crucial ingredient for the development of the international financial services sector.

After the war, the government created a special low-tax regime for foreign companies that legally reside in Curaçao, but with most of their physical business being conducted outside of Curaçao. With this special low-tax regime, Curaçao could persuade Dutch multinationals to locate subsidiaries on the island. It was then that the international financial sector of Curaçao was born.

The island's connection with the Dutch Kingdom has always been very important for the international financial sector. In the 1960's the Netherlands' post war Tax Treaty with the USA was extended to the Dutch overseas territories and Curaçao became a major player in the Eurobond market. In the 70s, 80's and 90's, the international financial sector continued to be an important economic pillar.

Curaçao has taken great strides over the past years to meet international standards set by intra-governmental bodies and non-governmental organizations like the European Union, the Organization for Economic Cooperation and Development (OECD), the G20 and the Financial Action Task Force. In early 2000, Curaçao abolished all tax legislation that was perceived to be harmful by the international community. A well-balanced, transitional regime was introduced for existing international structures. Nowadays, there are no longer distinctions in the tax laws between foreign and local tax payers.

Curaçao is regarded as a cooperative jurisdiction and is mentioned on the white list of the OECD. Furthermore, Curaçao is FATF approved, which confirms that the necessary anti-money laundering, anti-terrorist financing, know your customer, suspicious transactions and related processes and legislation are in place, adequate and in conformity with international FATF standards. This was last acknowledged during the plenary meeting of the FATF in Paris in October 2012.

### Current Situation

The Curaçao international financial services sector offers products and services tailored to the need of high net worth individuals, families and closely held businesses, up to and including internationally listed corporations. Curaçao's financial services sector offers a wide range of products and services in the area of Asset Protection, Inbound and Outbound Finance and Trading.

The independent and high-quality legal system of Curaçao is based on the Dutch civil law system. Additionally, Curaçao falls under the jurisdiction of the Supreme Court in The Hague in the Netherlands, which is also the Supreme Court for the Netherlands itself. The supervision of the financial system is under the rigorous supervision of the Central Bank of Curaçao and St. Maarten and is executed in close cooperation with the Dutch Central Bank. The regulatory and supervisory environment in Curaçao is com-

| DTA                        | TIEAs               |                                  |
|----------------------------|---------------------|----------------------------------|
| Aruba                      | Antigua and Barbuda | Iceland                          |
| Malta                      | Argentina           | Mexico                           |
| Netherlands                | Australia           | New Zealand                      |
| Norway                     | Bermuda             | Saint Kitts & Nevis              |
| Republic of the Seychelles | Canada              | Saint Lucia                      |
| St. Maarten                | Cayman Islands      | Saint Vincent and the Grenadines |
|                            | Colombia            | Spain                            |
|                            | Denmark             | Sweden                           |
|                            | Faroe Islands       | United Kingdom                   |
|                            | Finland             | United States                    |
|                            | France              | Virgin Islands, British          |
|                            | Greenland           |                                  |

parable to that of the Netherlands, meeting high standards and compliance with the anti-money laundering and anti-terrorist financing guidelines of the G20's Financial Action Task Force.

In comparison to the size of the economy, Curaçao tax legislation is highly sophisticated. In addition, Curaçao has concluded a large number of treaties such as more than 40 foreign investment protection agreements, 24 tax information exchange agreements (TIEAs) and six agreements for the avoidance of double taxation (DTAs). The tax system, including treaty eligibility, is also linked to that of the Netherlands.

### Curaçao: Connecting Markets

Despite the fact that Curaçao has historically always been a center of commerce and business between Europe and the Americas, the international financial sector was operating independently and was predominantly focused on facilitating Dutch and US companies.

Currently, Curaçao is focusing on Latin America more than ever before. Its geographical location and the available cultural mix of European and Latin American nationals and languages makes Curaçao the ideal hub for international operations conducting business with Latin America. A number of opportunities exist and are already being developed. In the beginning of 2014, Curaçao, for example, signed a Double Taxation Agreement (DTA) with the Republic of the Seychelles and a Tax Information Exchange Agreement (TIEA) with Argentina, showing Curaçao's commitment to transparency and the development of the Latin American market.

CIFA's vision is to make Curaçao the gateway of choice, both inbound and outbound, for cross border international financial service transactions with Latin America, the US, Europe

and Asia. As representative organization of the international financial services sector of Curaçao, CIFA acts as a sounding board and advises the government, regulatory agencies and monetary authorities on issues concerning the international financial services sector. Furthermore, CIFA initiates and endorses the development of new concepts, products and services by actively lobbying for new state of the-art laws and regulation (fiscal, corporate and compliance).

### CIFC

Another important organization active in the international financial sector is the Curaçao International Financial Center (CIFC). CIFC is a public private partnership between the Government of Curaçao, the Central Bank of Curaçao & St. Maarten and the private sector. The goal of this public private partnership this year is to promote Curaçao as international financial center in the defined target markets, namely Latin America.

In 2014, the promotional activities of CIFC will concentrate on the promotion of the jurisdiction at five international conferences in the region. For every conference, CIFC invites companies of the international financial sector of Curaçao to participate and promote Curaçao in a joint effort.

This year, CIFC successfully promoted Curaçao in Bolivia at the IFA LATAM conference and at the 7th annual U.S. - Latin America Tax Planning Strategies Conference in Miami. In the beginning of September, CIFC will be present at the STEP LATAM Conference in Mexico. In October and November, CIFC will be present at the Latin Markets Private Wealth Latin America & Caribbean Conference and the Private Banking LatAm and Americas Family Office Forum, respectively, which are both held in Miami. ■



# Insel Air Keeps Reaching Higher

Insel Air is currently Curaçao's only local airline and it provides transportation to at least 50 percent of Curaçao's residents who need to travel to and from the island. The airline started seven years ago and today it services 17 destinations in the Caribbean, South America and the United States. TEXT ELISA KOEK

When asked about the airline's slogan, "reaching higher," Albert Kluyver, CEO of Insel Air explained, "We always try to accomplish more and reach higher. Look at what we have managed in the last seven years. We're the only private airline in the Caribbean that is IATA-certified. This is the highest certification an airline can get. On top of that, we always use the newest technologies and we are doing everything to provide the best service. We want to reach as high as possible in every possible way."

Edward Heerenveen, co-founder of Insel Air, always wanted his own airline. In 1993 he incorporated the airline, but didn't have the financial resources to make his dream a reality. "In December 2004, Heerenveen walked into our office", Kluyver explains. "I was an investment banker with our firm, Corporate Financial Solutions, at the time and Heerenveen was formerly part of the management team at the Antilliaanse Luchtvaartmaatschappij (ALM). I looked at the figures of ALM and Heerenveen's idea. After studying the figures, they, as well as Heerenveen's idea, seemed promising; I could see a lot of opportunities." Kluyver prepared a business plan for the future airline and decided to come on board. Based on the business plan, four more businessmen, plus two banks joined, and the deal was financially closed. "It was a big plan, but we carried it out step by step, plane by plane." In August 2006, less than two years later, the first Insel Air flight hit the skies.

Now seven years later, the airline services 17 destinations, with plans to expand to 28 destinations in the near future. The

Albert Kluyver, CEO of InselAir



airline also has interline agreements with almost every airline providing service to and from Curaçao. “These interlines have great benefits for our passengers”, Kluyver says. “For example: all travelers who use Curaçao as a hub station can check in for all flights at once due to the interline agreements.” Passengers get one booking code for all flights so the system knows the total flight plan. Kluyver adds, “If you wish, your luggage can be labeled to the final destination so you don’t need to stand in line again.”

Insel Air hopes to sign these interline agreements with more airlines in the future to provide better service and more destinations. One of these destinations is Brazil. There have been negotiations in the past that didn’t pan out. However, according to Kluyver they are currently working on a new agreement to open up that part of the world to the airline’s clients. Besides Brazil, Insel Air wants to add flights from Curaçao to Colombia, Ecuador and Guyana. “We have plans to add eleven different destinations in the next year and a half”, Kluyver proudly tells. “This will result in 200,000 new arrivals at Hato from Insel Air alone.”

Although Insel Air is still developing, the airline has had setbacks as well. The downgrade from Hato Airport in 2012 was a big disappointment for the whole aviation sector on Curaçao. After the abolition of the Netherlands Antilles in 2010, Curaçao had to be rated as a separate country. The American aviation authority, the Federal Aviation Administration (FAA), investigated Hato Airport and announced in January 2012 that Hato was not safe enough to be rated as a category 1 airport; Hato Airport was downgraded to category 2 status. This meant no new routes from Curaçao to the United States were possible. For Insel Air, this downgrade resulted in reducing their flights to Charlotte from two flights a week to one. “We can’t control everything,” Kluyver remarked. “We’re still hoping Hato will be upgraded to category 1 again. When this happens, we will increase the number of flights to the U.S. It is now in the hands of the government of Curaçao.”

Insel Air Aruba received its Air Operator certificate in 2012. This gave Insel Air Aruba permission to operate flights out of Aruba to other destinations. People on Curaçao expressed concern about the new hub because they feared Insel Air would trade Curaçao for Aruba. However, this was never the intention. “Most big companies have branches on Bonaire, Saint Maarten or Aruba. It’s only natural that Insel Air does the same”, Kluyver clarifies. “Aside from this, the product Aruba is totally different than the product Curaçao. Tourists going to Aruba come to party and lay on white beaches while Curaçao is known for its beautiful diving spots and fishing trips. Aruba and Curaçao are two different products with different targets: the destinations don’t have to bite each other in the least.”

Insel Air contributes to Curaçao’s economy with their share in the tourist sector, but Kluyver emphasizes that this is not their greatest value. “Of course we bring lots of tourists to the island, but most of our passengers are regional. Research shows that most people in the region come to Curaçao for business; they are willing to invest in this country. Tourists may stay longer, but sometimes they don’t even leave their hotel.” Twenty eight percent of Insel Air’s passengers are from Venezuela, a country that is not continually stable, but according to Kluyver, Venezuelans are very interested in Curaçao. “We have had difficulties with Venezuela, however, we just recently reached an agree-

ment with the government that solved the transportation issues we had between our two countries. Venezuela is important for Curaçao. The Venezuelans used to invest in Isla Margarita, but Curaçao is a safer and better product. They’re moving everything to Curaçao. The Venezuelans are probably the biggest investors on the island at this moment.”

A big accomplishment for the company is that it completed its first C-check this year on Curaçao. A C-check is an aircraft maintenance check that every airline is required to do after a certain number of flights. The C-check is a time-consuming and costly process, during which, the aircraft is grounded and must remain on the maintenance site. Insel Air is lucky to have the ability to perform the C-check at its home base on Curaçao. “We are currently checking two

“We’re still hoping Hato will be upgraded to category 1 again. When this happens, we will increase the number of flights to the U.S.”

aircrafts and before August, we want to finish the C-check on three more planes”, Kluyver states. “For the C-check alone, we employ 60 people and this is probably going to increase to up to 100 people. Fortunately, all the expertise is here on the island and we can provide jobs for locals during this process.” Insel Air tries to fill employment positions with people from Curaçao. At the moment they have 500 local people on the payroll.

Insel Air is determined to keep using Curaçao as a hub station, which means a lot of people transfer through Curaçao on their way to another destination. According to Kluyver this is the perfect way to introduce the island to the world. “Some people have never even heard of Curaçao, so the transfers help people become aware of the island. They might not stay this time, but chances are it gives them an idea for their next holiday to the Caribbean.” ■



Parke Leyba Green Area. Keeping security in mind, Parke Leyba provides plenty of wide open picnic spots. - entrance to Parke Leyba

N.V. Stadsherstel Willemstad, Curacao

# Sustainable heritage

The inner city of Punda, with its 200-year-old buildings, is in need of re-urbanization and some serious image improvement. If this can be done in most European, Central and South American cities, why not revitalize the re-urbanization possibilities of the four sections of which Willemstad consists, Punda, Otrobanda, Scharloo and Pietermaai, with Pietermaai as the successful starting point. Living and working in the city center that was granted UNESCO World Heritage status in 1997, should be a dream come true. Or is it?

TEXT JOSEFINA DE LIMA AND GONNEKE VAN DEN KIEBOOM

## Inner city heritage vis a vis Economic Gain

Recently, there has been a renewed interest in the inner city and the restoration of its historic buildings by investors. N.V. Stadsherstel Willemstad has played an integral role in restoring these old buildings and making this re-birth possible. Established in 1991, N.V. Stadsherstel Willemstad has been set up as a business enterprise, making use of public and private funds. Stadsherstel's mission is to buy, restore and rent or sell the historic buildings in the inner city limits of Willemstad as offices, retail venues, cafes, restaurants, bars or as family homes. Restored properties are often rented out to commercial institutions, such as banks and law offices and/or as dwellings. Stadsherstel works in close cooperation with its colleague organization, Stichting Monumentenzorg Curaçao. The latter being a non-profit organization founded in 1954, it is the oldest organization active in the field of the preservation of monuments on the island of Curaçao. N.V. Stadsherstel envisions bringing families back into the inner city. Punda and Otrobanda are targeted for restorations for family dwellings and commercial activities. Young professionals, empty nesters, pensioners and even



An obviously un-renovated old home on Bargestraat

“Most cities share similar broad objectives — to generate vibrant economies, create good jobs, provide a safe and secure environment for its residents, deliver good public services, whether it is waste disposal, clean and reliable water, or public transport; and to make all these individual pieces work, to have effective governance so that the system as a whole functions well.”

**LEE HSIEN LOONG** Prime Minister Singapore and of the World Cities Summit 2012

the working families with children could be accommodated there. Together with other members of the monuments platform (Monumentenraad, Stichting Monumentenzorg, Monumentenfonds, Fundashon Pro Monumento and the government), Stadsherstel advocates the preservation of the World Heritage status and the sustainable innovation of the future of monumental Willemstad.

#### Argument for the gentrification of the inner city of Willemstad

The Historic Area of Willemstad is a European colonial ensemble in the Caribbean of outstanding value and integrity, which illustrates the organic growth of a multicultural community over three centuries and preserves, to a high degree, significant elements of the many strands that came together to create it. The urban structure and architecture of this area are both authentic examples of colonial town planning and the architecture of the period of Dutch expansion. There is also Art Deco (a very visual style) architecture to some buildings. These aspects should appeal to all levels of society. This could facilitate gentrification, through restoration and upgrading of deteriorated urban property, by the middle-class or affluent toward entrepreneurial and creative residents. Gentrification is typically the result of investment in a shift in the urban community by the real estate development businesses, local government, or community activists, and can often spur economic



Sports Court bringing the community together.



Renovated and occupied homes of the barrio, Fleur de Marie.

development, attract business, and lower crime rates. In addition to these potential benefits, gentrification can lead to re-urbanization.

Can our inner city render an appeal and be gentrified? Marcel Dennert, director N.V. Stadsherstel Willemstad, offers his insight. “Yes, one of the most recent projects of Stadsherstel (in cooperation with Stichting Monumentenzorg) is the restoration of Fleur de Marie, which is the area north of Bargestraat. The Kingdom of the Netherlands has also contributed in funding most of the infrastructure. Barrio Fleur de Marie is an example of integrated city improvement where we focused on social interaction between neighbors, solving traffic and parking issues and incorporated green zones and playground areas. In Fleur de Marie, we first focused on accessibility and parking; the majority of the Scharloo properties

have access with parking behind them, which is quite adequate. In Fleur de Marie this was not the case. Indeed this whole issue of parking versus place of work or living quarters needs attention. Here on Curaçao, we often expect parking spots to be right in front of the office. We have to start changing that way of thinking. Most cities around the world solve the parking situation by having (paid) parking nicely dispersed around the city. You park and walk a little bit. Naturally our weather is slightly different and therefore, we do need to make sure to provide some sun-sheltered places. It is also a mindset change. Our plan is to integrate living and working. In Punda, this will mean that the merchants, real estate owners and housing organizations will start open discussions on rethinking the city center. We don't compete between the areas but we are looking for crossover functions to re-energize the historical function of inner city life in a





sustainable way that suits our eco-era. However, action needs to take place!”

### Back to the Future

N.V. Stadsherstel Willemstad began its own history 23 years ago with the restoration of their first building. The building is located at No. 55 Scharlooweg, the former home of George Maduro. It was built in 1873 for the Senior family and sold to the Maduro family in 1915. The Representative of the Kingdom of the Netherlands now occupies it. Dennert explains, “There are a significant number of newer square meters available outside the Inner City, buildings that were often built with much lower costs and therefore often lower quality. In times of current economic hardship, tenants tend to look at lowering their costs, amongst which the cost of rent of their offices/workspace. This makes it very challenging right now for us, monument organizations. It is very difficult

“N.V. Stadsherstel Willemstad began its own history 23 years ago with the restoration of their first building. The building is located at No. 55 Scharlooweg, the former home of George Maduro.”

to compete with the available space outside of town. Through promotion and lowering our rents to levels that are (almost) below market, we are (barely) able to continue to survive. Large scale restoration projects are being put on the back burner for now, unfortunately.”

Michael Porter, Harvard Business School on Initiatives for an Inner City, has said that economic empowerment zones and financial incentives do not necessarily make a difference. That’s because it’s much easier to say, “we’ll give you a cash break” than actually fixing the problem. It’s the fundamentals that are important: whether there’s decent infrastructure or you’re in a good location. However, giving someone a financial incentive doesn’t just override the fundamentals. Revenue is the oxygen of business. Without revenue, nothing happens.

When asked for his point of view for the future of our inner city, Dennert answers, “As Unesco World Heritage City, we have an obligation to manage and plan the sustainability of our status as such. Apart from this obligation, we should elevate this plan to a broadly supported document and management structure that can really be used. All parties involved in and benefiting from our monumental heritage, including the government, are working together in the development of the Willemstad City Heritage Management Plan 2014 – 2019, as we speak. This plan provides clear and practical guidelines for further cooperation between all stakeholders, conserving and preserving this very important status, while stimulating future development. Our monumental inner city is a great economic asset that should inspire innovation and sustainable growth for both businesses and homes. This is a joint venture, as we, the new land Curaçao, the general public and non-governmental organizations alike need to embrace our monuments as the proud fundamentals on which we build our (international) future.” ■

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Global Competitiveness Survey

# Curaçao Competes 2014

In this era of globalization, it is critical that countries and the businesses that sustain them continuously measure their performance on a global level in order to achieve sustainable competitive advantage. Today more than ever, due to advances in technology and communication, companies and economies now have the capacity to expand their market base across the globe. As a result, all businesses and economies no longer just compete locally and regionally, but on a global level as well.

TEXT KARELJAN WILLIAMS

“The World Economic Forum’s (WEF) Global Competitiveness Index ([www.weforum.org](http://www.weforum.org)) is the leading global comparison of factors that affect competitiveness of countries and firms.”

There has been no official benchmarking tool by which Curaçao can measure its global competitiveness, until now.

The World Economic Forum’s (WEF) Global Competitiveness Index ([www.weforum.org](http://www.weforum.org)) is the leading global comparison of factors that affect competitiveness of countries and firms. Since 1979, it is being published and ranks 148 countries based on their competitiveness. It is used to promote investments and exports, as well as to develop policies and measure their effectiveness.

Curaçao however, is not included in the index, primarily due to the size of its economy. There are also no plans by the WEF to include small economies in the official report.

Realizing the critical role this sort of index can play in the economic development of Curaçao, MarkStra Caribbean (local leaders in Research, Strategy, Competitiveness and Innovation), have, with the permission of the WEF, used the WEF methodology

for devising its index, to conduct a survey specifically for Curaçao. The result of this survey is such that Curacao and its businesses are now able to have access to a report that not only benchmarks their competitiveness with the aforementioned 148 countries but also assists them in devising strategies for global sustainable competitive advantage.

The name of this report is called Curaçao Competes. It was compiled in 2013 by selecting a sample of 82 Curaçao professionals with insight into international affairs relating to the sectors of Agriculture, Industry, Health, Tourism, Trade, Services and Telecommunications & Transport, especially in the Manufacturing, Wholesale/Retail and Financial Services and Insurance industries.

The key components of the report Curaçao Competes are as follows:

- Introduction to the pillars of competitiveness
- Methodology used for devising the report
- Findings: analysis and ranking for Curaçao



- Curaçao's ranking and data-supported strengths and weaknesses against its major competitors so that Curaçao's promoters know what to highlight to potential investors and clients
- Curaçao's ranking against its major existing and emerging trade partners (e.g. Brazil, Colombia, Spain, USA, Holland)
- Assessment of the local business community with its own attention to business sophistication and attention to innovation, and therefore its own competitiveness locally, particularly when exporting and facing competition from international companies
- A game plan to increase the competitiveness (i.e. business sophistication and innovation ranking) of firms within the private sector
- An overview of innovative programs that other countries have implemented to improve their competitiveness, increase exports and attract investors. The overview focuses on our competitors, the Kingdom and existing and emerging trading partners
- A questionnaire stating all 140 factors that influence sustainable competitiveness

Globalization is expected to only increase in the future. Judging solely by the rate at which we change our technological devices such as computers and mobile phones, and

the significant improvements that are continuously made to technology on a daily, monthly and annual basis, we can see that this is a very important issue that affects all businesses and economies. The world is becoming increasingly smaller, readily accessible to all with just the click of a button.

In order for Curaçao to rise up and make a significant mark on the world, and continue to do so, it is vital that all businesses incorporate sustainable global competitive advantage as a key point within their strategies. Curaçao Competes provides a huge step in this direction, not only towards implementing but also towards realizing this strategy.

Curaçao Competes 2014 – the Report, plus a presentation to your management team is available to your company for a minimal fee of ANG 1,850 (US \$995) including OB. Like the WEF Global Competitiveness Index, Curaçao Competes is funded wholly by private enterprise, therefore, by purchasing and supporting the report you are not only taking a significant step towards placing and keeping Curaçao on the global map, but also contributing to making globally benchmarked data affordable and available for all of Curaçao. ■

To reserve your copy and presentation date, please contact [tlacruz@markstra.com](mailto:tlacruz@markstra.com). For more information visit [www.markstra.com](http://www.markstra.com)



# Email Etiquette

The business world has progressed along with the rest of the world in regards to technology. We rarely receive letters in today's world—a FedEx package from time to time may be the most we receive in the form of a tangible business document. Email has become the prevalent form of communication, and why shouldn't it be? It's efficient, fast and reliable. Time is money after all.

TEXT TABITHA HANST

The business world compels us to write our emails in a professional way; this is not always easy, but it is important. What would your impression be if you opened an email with a business proposal from another company and found it overflowing with informal language and riddled with grammatical errors? Writing professional and presentable emails are essential and they can

very well determine the success, or failure, of your business. How do you make sure that your email adheres to the etiquette rules of the business world? Following are some tips:

- **Don't use informal language:** Of course when you are sending an email to your close colleagues you can disregard this rule, but when you are sending an email to professional colleagues you must use formal language. Starting an email with: "Hey Buddy," is not appropriate. You are representing your business; represent it well.
- **Know your audience:** Always keep your audience in mind. Communicating with another business in the same industry is very different from communicating with the average customer. Use the language and terms appropriate for your targeted audience. When you are communicating with the average person, for example, keep in mind that he/ she may not understand the technicalities of your business; if there are technical terms that you must use, be sure to put the simplified definition beside the word in parenthesis.

- **Re-read:** We're all busy and sometimes we want to write an email quickly so that we can get back to work; however, it pays to take the time to re-read what you have written. Your email gives an impression of you and you want to make sure that it is professional. It's all about impressions; be sure to make a good impression on your respective audience through your emails. It is quite possible that customers or business associates may only know you via email, so represent yourself well.
- **Check the spelling, punctuation, and grammar:** If you are part of the business world and you know what you are doing, show it. You and your company are represented in the email and you want people to know that you are well educated and well versed in your field. If you do not have spell-check on your email program, copy and paste the text into a new Microsoft Word document to verify the spelling and grammar.
- **Get to the point:** We're all busy and we don't need to be spending more time than necessary reading an email. Keep it brief and to the point.
- **Write the subject in the "subject" field.** The "subject" field is there for a reason. Make sure that you clearly write the subject of your email in the field so that the recipient is aware of its contents even before opening the email.
- **Answer questions completely.** If a customer or co-worker sends you an email requesting answers to a few questions, make sure that you answer all of the questions. Additionally, you must make sure that you answer the questions in a concise manner to avoid further emails containing more questions that should have been answered in the first place.
- **Reply to sender:** We often receive emails that are directed to others as well (a group email). If you need to reply, think about whether you need to reply all or just reply to the sender. There's nothing more annoying than to receive numerous emails from a group email that don't pertain to you. When you reply all, make sure what you contribute is something worthwhile to everyone who will receive your email. If you simply want to inform the sender that you have received the email, or you want to address the sender privately, make sure that you just click "reply."
- **Attach the document:** Make sure that you attach the document(s) that need to be attached to the email to avoid having to send another email containing the document(s). At the same time be careful not to send the wrong documents to your co-workers or customers. It would be wise to open each attachment before you send it to do one last check.
- **Avoid emoticons and abbreviations:** Text makes it hard to convey a specific emotion or tone, but reserve emoticons

for chatting with your friends; they give an impression of informality. If you need to convey a certain tone or emotion, it may be better to pick up the phone and call. Abbreviations should also be avoided. Many people may not know what the abbreviations stand for, so it's best to leave them out.

- **There is no such thing as privacy:** It is very important to remember that sometimes your company monitors the email of its employees; don't play into a false sense of security that they don't only to find yourself in a precarious predicament later. Also, sometimes emails can get sent to the wrong person or be forwarded to someone else without your knowledge. It's better to be safe and make sure that your emails are respectable and professional.

The tips listed above are simple, but they are important, nonetheless. Workdays are busy and email can be a big time waster. Simply being more efficient and conscious about your email activity can make your correspondence at work more fluent. You are selling yourself and your business through your emails. Professional, well thought-out and well-written emails will ensure that your customers and business associates put their trust in you and your company. ■





# Mobile device: blessing or health hazard?

The rapid dissemination of tablets and smartphones has created a new dimension in the health risks related to working with screens. This has compelled professionals in the Health and Safety Inspection (HSI) government organization in the Netherlands to include this in their scope of research. On the other hand, these devices are not only causing problems, they also offer new opportunities to reduce the workload and allow the combination of work and leisure.

TEXT HUUB PENNOCK, HUMAN FACTORS PROFESSIONAL

No one can deny the rapid growth of the amount of tablets and smartphones: the numbers speak for themselves. More and more people use these devices, privately and/or for work purposes (see box). And who does not use them today, will most likely do so in the near future. This leads one to ask the question, what should the HSI do about this? One thing is certain — something has to be done. In most organizations, the HSI officer has laid down strict rules about working from computer screens (mandatory breaks, special glasses, et cetera), but the use of mobile devices creates completely new issues. However, besides health risks, there are also many benefits to using these devices.

## Four users' tasks

The risks and opportunities related to the use of tablets and smartphones are extremely diverse. In order to get a good grip on them, we can consider four tasks for which these devices are used:

- viewing
- controlling
- processing
- mental handling

## Viewing

In the case of a desktop computer, the monitor should sit at a distance of at least 50cm from the user. If the distance is shorter, the eye muscles must work harder to get a sharp picture. The problem with smartphones and tablets is that we usually hold them closer to our eyes. This compels the eye muscles to work harder. That in itself is not necessar-

### Smartphone use

Do you possess a smartphone, or does it possess you?

Large-scale research on smartphone addiction has yet to be conducted, but some polls indicate that this question is a realistic one.

- A survey by Lockout indicates that 58% of smartphone users "don't go one hour without checking their phone."
- According to an iPass survey, 7% of the persons questioned obsessively check their mail for new messages. Around 25% of employees check their mobile device at least five times per hour when off the clock.

ily risky, but tires the eyes significantly more than regular monitor screen. The best solutions are limiting the duration of working with small screens and regularly alternate viewing the small screen and looking at objects at a more remote distance.

## Controlling

Normally, we hold a mobile device in our hands and this causes a dilemma. If we keep the arms in a relaxed position, the head will have to bend forward and downwards, which forces the muscles in the neck and the nape to work extremely hard. The alternative, raising the arms, is not much better; this causes a static stress on the muscles of arms and shoulders. Controlling the devices implies a similar stress, mainly because the legible information is usually



### Trends and figures: mobile devices

Partly because employers facilitate this, the use of tablets and smartphones for business purposes is increasing rapidly.

- In 2010, only 1% of all employers with a staff of 50 persons or more supplied one or more of their staff members with a tablet. By the end of 2012, this number increased to 17.5%.
- Regarding the total use of telephones in these organizations, the use of smartphones has increased to 50% on average.
- The biggest users of smartphones for business are the sectors of education (65%), industry (61%) and government (56%).

Sources: Computer Profile, issues February and October 2013.

limited as a result of the small screen — frequent navigation moves are necessary (tapping, swiping, scrolling).

On a positive note, these controlling and navigation moves cause a more varied stress compared to someone who is glued to his computer mouse. Another positive aspect is that when using a mobile device, you have the choice between more body postures. This reduces the risk of over-taxation. In general, it is advisable to place these devices at an angle during use and slowly increase the duration of use over a period of time. This way, the body can slowly get used to these postures. In any case, it is not advisable to work for very long periods of time at any screen in an unhealthy posture.

### Processing

The small screen also poses a challenge to the brain. Because so little information is directly available, we switch more often between screens and therefore, must remember more. This increases the risk of fatigue and mistakes. This problem can best be limited by not using any old software on a small screen. Applications that need an overview, like Excel, are especially unsuitable for use on mobile devices.

### Mental handling

If you incorporate tablets and smartphones correctly into your daily life, you can significantly increase your productivity because these devices allow you to work anytime, anywhere. An added bonus is that it can limit the deadline stress and make it easier to combine work and leisure. However, you should always be aware of possible risks. If not, it may have a severe negative impact on your productivity. For starters, the chance of

distraction increases. If you are always available, the job will be interrupted more often. This particularly affects work that needs concentration and focus, and can also deteriorate the quality and efficiency of meetings. What's more, the possibility of working anytime, anywhere can also result in feelings of stress. If you are always "on the job," you run a high risk of disrupting the work-life balance, not to mention a healthy night's rest.

### Addiction

A remarkable aspect of managing mobile devices is the risk that too much commitment results in addiction and dependence. Particularly with loyal, dutiful employees some understandable, but nevertheless detrimental psychological phenomena play a role. First, mental stress can occur because of the so-called 'fear of missing out' syndrome (FOMO). Secondly, research shows that an unexpected reward constitutes the biggest stimulant for specific behaviour. Because of constant access to email, text messages and social media, smartphones and tablets supply exactly that kind of stimulant. Many users can all but repress the urge to constantly check their devices for new messages (see box). Suppose you miss that cute picture or funny video?

### Blessing or health hazard?

Are mobile devices a blessing or do they constitute a health risk? By nature, HSI professionals are inclined to see only the health risks as mentioned in this article. Still, a more positive attitude towards this issue is more appropriate. Tablets and smartphones are here to stay and offer many advantages. If you have any common sense, you can limit your risks. It is imperative, however, that employees are made aware of the possible risks. ■





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# Beyond the Glass Ceiling

Jeanette Bonet can be considered a revolutionary for women in the hospitality industry, accomplishing many “firsts” as a woman in her field. In 2005, Ms. Bonet became the first female general manager of hotel on Curaçao and at the same time, earned the title of first female general manager of an international hotel chain, the first and only all-inclusive resort of the island. In 2007, she became the first female president of the Curaçao Hospitality and Tourism Association (CHATA) where she campaigned passionately for her island.

TEXT HEATHER DE PAULO

Since 2011, Mrs. Bonet has been a member of the supervisory board of the Curacao Tourism Development Board that oversees the activities of the Curacao Tourist Board. Ms. Bonet has currently taken on the task of re-opening the Kura Hulanda Resorts to bring them back to their potential. If there’s anyone who can do it, she’s definitely the person – regardless of gender. Ms. Bonet took a few moments of her valuable time with Curaçao Business Magazine to reflect upon her life, discuss her goals and emphasize her passion for the island she loves.

**Curacao Business Magazine (CBM): How did you get started in the hospitality business?**

**Jeanette Bonet (JB):** I started working in the family business since I was small. My parents had a catering business, which continued on to be a restaurant. When I was in highschool, my mother worked at the Concorde Hotel and I worked part-time in the banquet department. My ambition at that time was actually to study in the medical sector. When I finished highschool, my idea was to leave the island to study. Since I was only 17 years old, my mother wasn’t very enthusiastic about me leaving, so she spoke with the general manager, Mario Venturini, at

the Concorde Curaçao about giving me an opportunity. He called me in and asked me about my goals in life. He told me that he saw me working on the weekends at the hotel and that he thought I had the skills to work in the hospitality industry. At the time, there was no hospitality school on Curaçao. He suggested that I do management training with him for one year to learn what is entailed in working in the industry. During that year, I got to know all the departments of the hotel at all levels – from entry level, mid-level and even the supervisory/management level. The administrative part was key for him; I had to read all of the literature for each department before I started training in that respective department. In the end, I felt in love with the industry. That year of learning really made a big difference in my decision to choose my current career path. The skills I learned then still help me today.

After that year was finished, Mr. Venturini asked if I would like to stay with the hotel to start my career and I accepted. At that time, he asked me what I envisioned my career path to be and I said, by my 40th birthday, I should be sitting in the chair where you are sitting. I was 18.





I started in an entry-level position as a telex reservation attendant and in six months, I became the reservation supervisor. Two years later, I became the front office manager; at 23 years old, I was the youngest manager. I was interested in public relations and sales, so when the director of sales wasn't available or traveling, I helped out. One day, I had the opportunity to go to Puerto Rico for a sales call. It was there that the general manager of Princess Beach, Mr. Frank Maynard, saw me working. After I gave birth to my first son, he called and offered me a job to join his sales and marketing team.

In 1988 I joined Princess Beach and I stayed there until last year, so I worked there from 1988-2013. During that time, I was part of the complete development of that hotel – starting as a small, 202-room hotel, growing to a large 341-room hotel that became the Crowne Plaza. In 2000, the hotel was closed for six months of renovations to become an all-inclusive and I was part of the whole project as assistant executive manager. When the hotel reopened, I continued as assistant executive manager with the all-inclusive management team of SuperClubs Breezes. Two years later, I became hotel manager and then, in 2005, the general manager.

The night I was promoted to general manager, they made a special reception for me because I was the first female to become a general manager on Curaçao and I was also the first female to become a general manager of an international hotel chain. During the reception, Mario Venturini, my first general manager of the Concorde called. He said he had to call and remind me of what I said when I signed my first contract – that on my 40th birthday I wanted to be sitting in his chair. I had just had my 40th birthday, so I accomplished my vision.

**CBM:** Discuss your road towards working to where you are today, working your way up in a "man's world."

**JB:** I think on Curaçao we are very open to women in managerial positions, but internationally, I have to stay that still you

"I started in an entry-level position as a telex reservation attendant and in six months, I became the reservation supervisor."

see, especially in certain areas of the world, that indeed it's a man's world. I went to a conference of the AMResorts and of the 50+ attendees, only three were female general managers. In the GHL Group, with which I work now, you find a greater balance of male to female general managers.

In any industry, you have to do something that leaves a footprint behind, that people say, "Yes, she accomplished it." Next to being the first female general manager, I was also the first female president of the Curacao Hospitality and Tourism Association (CHATA) in 2007 until 2011. People were wondering how I could manage to balance the two roles. I believe my broad experience in sales & marketing, as well as hotel operations, enabled me to manage my team in such a way that I was able to combine my work at the hotel and my duties with CHATA. These experiences have helped me with my current roles. In 2013, I opened my management and consultancy company, Bon Ami Hospitality BV, and I also lead the re-opening of the Kura Hulanda properties. One of the things I am told is "there isn't a better person to take on this position because she can put things in balance." I think with my performance over the years, I was able to make a difference in this "man's world."

**CBM:** For a woman starting her career, what three things do you think are most critical to know?

**JB:** The first thing I always tell women is: when you want to



have a career, make sure you have acceptance of your career at home. If you have a family and partner, make sure you discuss your career path and be very transparent about it. If you start a career and don't have acceptance and support at home, you will either be unhappy at work or unhappy at home. One of them will lose, so I always say make sure your family embraces what you do and get them involved. In my life, my career is important, but my family is just as important. I tell women getting starting in life to not be scared off from having a family because you want a career. You have to be able to put things in balance.

The second thing I tell them is that the moment you decide to have a career, continue developing yourself, not only in your performance, but also by continuously educating yourself. Going to seminars, courses, etc. is a good way to be sure that you stay abreast of the most current information available.

The third thing that I tell women is to make a difference. You have to find the one thing you do best so you will be recognized or acknowledged in your profession. In any industry, as a woman, you have to prove yourself and make a difference.

**CBM: How do you balance your personal and professional life?**

JB: I have to say that without the support of my family, I could not have done it. My parents, especially my mom, were always behind me, showing me the path and giving me the push to move forward. She helped me with the kids when I got divorced because they were small at the time. When I remarried, I have to say that

my husband always stood, not behind me, but beside me. He and my kids grew with me in the industry, so they understood the commitment it took. Because of their understanding, I had the opportunity to develop my career. When I switched out of sales and marketing to management in 1999, I didn't have to travel anymore, so even though I worked long hours and weekends, I was home. This allowed me to bond even more with my husband. We have two beautiful children together, so I'm a mother of four - ages 26, 24, 17 and 12.

“We should put our island first, of which we are all a part, rather than thinking of ourselves first and then see what comes for the rest.”

Recently, an event occurred that made me realize that family, in the end, is really most important in my life. Being a part of the hospitality industry as a general manager, there's a mandatory rotation program, so you know that eventually you may be asked to rotate to a different location. In 2013, I was told I had to rotate to Punta Cana. When sharing that with my family,

I got support from everyone except my daughter. She said that she wasn't moving to Punta Cana, but that she wanted to stay on Curaçao and finish school. I realized that I could not be selfish, thinking only of my career and leave my daughter behind. She was almost 12 and becoming a lady, so for the first time in my life I chose my family over my career. I thanked the company for the opportunity and stepped down.

**CBM: Did you have a mentor?**

JB: Throughout my career, I always had the support from my immediate bosses, but the one who showed me the vision, who I looked up to, was Frank Maynard, my vice president at the Princess Beach. Mario Venturini gave me my start, but he left the island, so Frank Maynard became my mentor. I not only respected Frank for his values and his vision in the business, but I also appreciated that he was one of the pioneers of tourism on the island. I could go to him any time and he would guide me, not only in my career, but in my personal life as well. He helped me set priorities and encouraged me to continue learning and studying in the field. Even when we weren't working at the same hotel, I could still knock on his door and discuss things with him, asking his advice.

The other person who was a great support was Don Werdekker, Executive Director of CHATA. He was my mentor during my four years as president of the association.

**CBM: What do you think has most attributed to your success?**

JB: I think my success comes from my loyalty towards my superiors, my perseverance and



my passion for our Curaçao. I'm loyal to my work and to the product I'm working at that particular moment. I also believe my perseverance plays an important role in my success. However, I believe my primary motivator, that also drives my loyalty and perseverance, is my passion for the island. I want to see Curaçao and what it has to offer reflect a positive image worldwide. When I attended international meetings as a board member of CHATA and the Caribbean Hotel & Tourism Association, I made sure those in attendance heard the voice of Curaçao. During my time with CHATA, we worked as a team to ensure that Curaçao would shine. I love this island and I would like to see it flourish and develop further in the tourism industry, so I will do whatever I can to contribute. A lot of the work I do is voluntary. I do it with passion and love for the island to help develop tourism.

**CBM: When things get tough, how do you keep yourself going?**

JB: Like I said, I'm a big believer. Every day I do my prayers and I have my meditation sessions. When things get tough, I dedicate even more time to it. Without the spiritual connection, I would not have been able to reach my goals. You have people who might go to yoga, the gym or run; I spend extra time on meditation and my connection to the almighty God. I'm Roman Catholic, so I believe in Jesus and our Father. I was brought up in a very spiritual home, but I do not discuss religion. I believe the connection between me and Jesus is very important and that's what keeps me going every day. Sometimes when things get very tough, I visit his home more often than only on Sundays. There is where I get my strength.

**CBM: Now that you accomplished your goal of being general manager of a hotel by age 40, what's next?**

JB: I do have a next goal or I should say, goals. One of my goals in the future is to work for this island in a broader way to further develop this island, not only directly in the area of

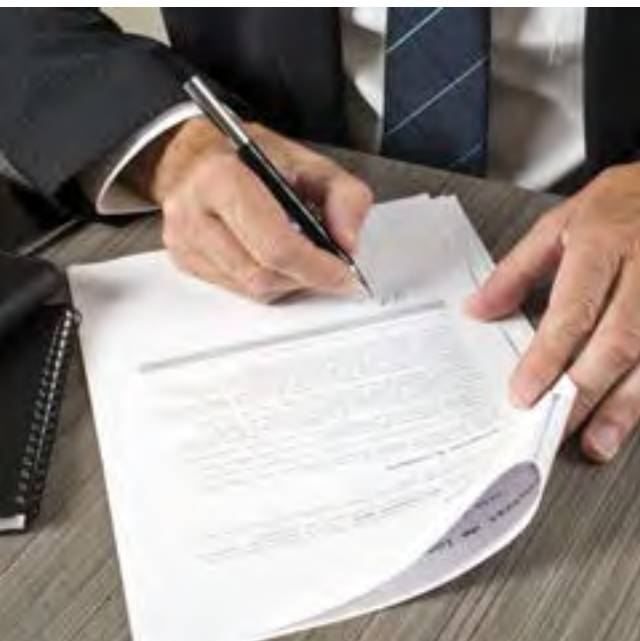
tourism, but also economically, or wherever else I can make a difference. I don't know if it's voluntary work or another path, if it's through the public or private sector, or if it's more products, like now I have two hotels, but my goal is to help tourism and our island in a broader sense.

**CBM: Do you have anything else to add?**

JB: What I would like to add is that I would like to see Curaçao on a positive path. At this particular moment, our island is going through a tough and difficult situation, not only financially, but in all aspects, including morals, social ethics, the performance of the people, etc. – the pride is gone. There is a crisis with the youth – the whole education system is not correlating with what the business sector needs from its workforce. So, what I would like to add is that I want to see Curaçao become the Curaçao I knew when I was small - when there was unity, there was respect, there was openness – people could disagree with each other and still respect one another. At that time, there were common goals and less hidden agendas than there are at this particular moment. We need to stop looking only at individual success, but also to find a way for Curaçao as a whole to become successful. We should put our island first, of which we are all a part, rather than thinking of ourselves first and then see what comes for the rest. That is the reason I love this island so much – because I remember how it was and I know the potential of what it can become again. I know that certain measures have to be taken and certain paths have to be changed - change is never easy. However, I think the loss of respect on the island for each other is too great and the gap between the youth and the older generations is too broad. We are also missing the unity we used to have between sectors; I believe we need to try to unite them again. This is what I really would like to see back on this island – sincere unity and that we all have one common goal. ■

### Memorandum of Understanding signed by PdVSA

Asdrúbal Chávez, vice president of PdVSA, a Venezuelan state-owned oil company, signed a Memorandum of Understanding (MoU), along with José van den Wall Arnemann, director of Refinería di Kòrsou (RdK), Mariselle Maduro, chairman of the board of RdK and Prime Minister, Ivar Asjes. The memorandum shows agreement among the respective parties to seek a third party to make the necessary investments to modernize the Isla refinery, which needs to take place in six months, as per the MoU.



### Captive Insurance company law in force with retroactive effect

The government has officially announced that the bill for captive insurance companies has gone into effect, which will be retroactive to January 1, 2013. This law is considered an important tool to continue supporting the international financial services on Curaçao, which, in spite of the many obstacles put in its way, still has significant economic clout. Among the captives are insurers on Curaçao that insure or reinsure risks, whether or not there is benefit to the shareholders or entrepreneurs residing outside of the island. The new law provides a new formula to calculate profits of all types of insurance. In recent years, the number of captives in Curaçao dropped steeply and it is envisaged that this new law will throw the trend around and make this select group of companies attractive again in Curaçao.

### Business Boost as new incentive for small businesses

Minister Stanley Palm of Economic development and Tourism launched 'Business Boost', a program aimed at helping small and medium-sized enterprises in Curaçao. According to the Ministry of Economic Development (MEO) this project will assist, inform and educate 45 small businesses that are willing to contribute up to 30% of the costs for participating in this program. The 24-week program consists of two phases: a coaching program that will be provided by the local firm Action Coaching, and an IT plan for which funds are available for technology. The program is partly funded by the MEO and implemented in close collaboration with the foundation Stimul-IT, as well as support by the Curaçao Chamber of Commerce, University of Curaçao, Innovation Centre Curaçao and the PSB Bank. The first 45 firms to sign up that have fewer than 10 employees, a turnover that is no more than half a million a year and agree to the terms can participate in the program.



### Curaçao Chamber of Commerce and Copa Airlines Meet

The Curaçao Chamber of Commerce and Industry met with executives of Copa Airlines in Curaçao at the Chamber's offices. The topic of discussion was about the developments of COPA Airlines over the past two years operating between Panama and Curacao, as well as additional possibilities to work together to enhance the performances in the different priority markets. Currently, Panama serves as a hub for Copa Airlines and there are four flights between Panama and Curaçao daily. Copa hopes to promote its Panama hub to the Latin American market as a way to reach international destinations, including Curaçao, without having to pass through Miami and the immigration and customs process, if the final destination is not within the United States.



# Embrace BYOD in Your Company

Ten to fifteen years ago, the notion of “self service IT” was a concept feared by IT managers. Considering the challenges related to supporting a growing group of users, IT teams ensured control and standardization in their respective environments. In the ideal scenario for IT teams, only a small group of influential users could deviate from their options of hardware and software.

TEXT HANS HOOFT

The concept of Bring Your Own Device (BYOD) is a challenge for the traditional IT way of thinking in which the “machine” plays a pivotal role. Initially, it started as a financial discussion, in which companies considered whether they could remove the corporate computers from the balance sheet by making the users the owners of the computers by means of financial benefits. It was, however, the rise of the long-awaited user-centered apparatus like tablets, smartphones and ultrabooks that catapulted BYOD





ment and policy focus from apparatus to users, IT teams can prepare themselves with a man-centered strategy for a working environment that has considerably less standardisation and control of machines, without affecting efficiency and security. As soon as user experience, data and access to applications can be managed on the apparatus, more options will emerge to support BYOD users. For many companies, this will start with, for instance, the furnishing of remote desktops or the delivery of applications to unknown apparatuses, and there are sufficient practical cases that have proved this works. However, AppSense thinks that the real answer to this challenge is to create a unique user experience on a device of choice, without affecting visibility and control.

#### Context conscious

Even if employees move a part of their activities to non-traditional operating systems like iOS or Android, most of them will still revert to Windows. By means of virtualisation and the BYOD principle, it will happen more and more often that a user has access to a Windows environment on various devices. Therefore, a good practice for IT teams is to dynamically adapt the experiences with Windows on the basis of the user's context, for instance, by optimisation for touch when a remote connection is made with a tablet. But other options are security-aimed measures, like the limitation of administrative rights.

The possibility to dynamically personalise and adapt a desktop based on context provides an IT team with an important countermeasure against the loss of standardisation. Reducing the complexity of arranged matters frees time so IT teams can focus on new BYOD challenges.

#### Employee pressure

Where BYOD is concerned, the company's employees cause the biggest pressure. This all started with the rise of the smartphone and increased considerably when it became clear that it offered more possibilities than just synchronising itineraries and contact persons. It really ran out of control with the advent of three developments in the market:

- the introduction of tablets

- the revival of Apple products
- the launch of Ultrabooks™ by Intel

#### Invasion of tablets

The huge success of the iPad was a big surprise for the electronics world. When in 2012, the 3rd generation iPad was launched, Apple announced that it had already sold over 55 million of this apparatus. The introduction of tablets has given the IT departments in companies completely new tasks, because often, tablets are adapted to the user's wishes but can still be used on the shop floor. Many users, mainly in executive positions, want to be able to access corporate data with their tablet. Meanwhile, the IT department has to hurry to overcome the problems related to the efficiency and consequences of these apparatus to the company network, because basically, these tablets and other apparatus were not designed to be used in a corporate network. The huge increase in the use of tablets, combined with the fact that it is driven by the demands and preferences of the users, makes this new aspect of BYOD an inevitable challenge for IT teams.

#### The Mac is back

In the mid-nineties, Apple was on the verge of collapse. But then Apple had a remarkable revival, and eventually took up a position as one of the world's most valuable companies. While the whole world was enjoying the iPod, iPad and iPhone, Apple quietly kept working on the development of the Mac. After the introduction of the OS X operating system, more and more technical professionals outside of the graphics sector started using Apple products. There are two additional factors that have proved to be extremely beneficial to Apple: the positive user experience with the iPhone and iPad caused the customer to consider the purchase of a Mac, and the trendy, modern and hip design of the MacBook Air attracted the attention of employees who do a lot of traveling.

#### Rise of the Ultrabook

The success of the MacBook Air was the reason for the development of the Ultrabook™, an Intel initiative and brand name. The chip manufacturer supplied a standardised framework for small notebooks, also known as Netbooks. Next, almost every

from a conceptual item to an inevitable force with which IT teams would have to learn to live.

While BYOD appears to be rather a new concept, Forrester Research estimates that more than half of all employees (53%) already use their own technologies for work purposes. What's remarkable is that BYOD often begins in the boardrooms. Forrester Research estimates that no less than 77% of the senior staff buys their own hardware. Ignoring BYOD can therefore be more dangerous than most user-driven technological trends.

AppSense, a major player in the field of virtualisation, thinks that a shift to a people-driven approach is the key to softening the additional risks and complexities BYOD entails. Because of the shift of the manage-



producer of hardware boarded this train, big names like HP, Dell and Lenovo, but also (at the time) smaller companies like Samsung and Sony. In spite of the Apple revival, the majority of employees still used Windows machinery. But research showed that amongst these users, there is a growing need for something else, something new.

#### **Abolish standardisation**

To an IT department, standardisation is sacrosanct. One of the strategies used, mainly in the beginning, was the limitation of the number of computers in a company. This, they suggested, made a difference in repairs, maintenance and spare parts. After that, the focus shifted to standardisation of software. Many companies used a so-called “golden image” of an operating system. In theory, this was a good idea because this reduces the costs considerably. In practice, however, this caused more trouble because all computers had to be formatted first and afterwards the new image had to be installed.

Because BYOD is based on various apparatuses on which working is possible, the entire standardisation concept can be abolished. For an IT department, it is an extremely difficult job to manage all equipment (PCs, laptops, tablets, smartphones and so on). Of course it is possible, but a company has to take into account that this entails additional costs, for instance, staff and extra apparatuses.

#### **New approach**

In spite of the fact that the whole BYOD concept is still rather new, it is imperative for IT teams in companies to heed this development. If they do not, then employees will take matters into their own hands, which will not be conducive to productivity. Nowadays, there is ample hardware and software available to adequately manage this development. ■



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