

## **BIBLIOGRAPHY**

AP-AP, MARISSA C. APRIL 2008. A Documentation on Ube Wine Processing Enterprise in Sablan, Benguet. Benguet State University, La Trinidad, Benguet.

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## **ABSTRACT**

This study was conducted to determine the ube wine processing and marketing practices of the cooperative, determine the problems encountered by the cooperative, determine the factors affecting the success of the enterprise and enumerate possible solutions to the problems encountered by the enterprise.

This research study made use of descriptive method of research. A total of thirty seven (37) processors served as source of information for this study.

For the processing practices, the processors apply fermentation at 30-45 degrees celsius temperature of ube and ferment the wine for 3 to 4 months. But to increase alcohol content of wine, they extend fermentation to 5-6 months. The cooperative is producing 120-160 bottles of ube wine from 80-100 kilograms of ube tubers for one preparation.

The cooperative market their ube wine produce mostly to wholesalers and retailers from Baguio City and Manila. The ube wine were priced based on the production cost and sold on cash basis and credit. The ube wines were transported to market outlets through tricycle, public utility vehicles and buses.

The major problems on ube wine processing are lack of capital, no building and lack of processing facilities. Delay of payment of wine, increasing competition and lack of promotional activities were also the major problems encountered in marketing. Management problems include lack of information dissemination on the activities, lack of cooperation of members and improper payment of funds.

Possible solutions to problems suggested by respondents were access of funds from funding agencies, attendance to conventions/conferences on managerial skills, develop activities that motivate members to cooperate and members to more hands-on trainings and seminars on wine processing.

Recommendations includes increase of ube wine production for unexpected markets, conduct seminars to encourage members and officers to become more active and responsible, look for capital build-up activities to increase capital and regional offices of DAR and DTI should continue supporting cooperatives especially into product development of crops.

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## INTRODUCTION

### Rationale of the Study

Yam, locally known as Ube (*Discorea alata*) thrives in Benguet especially in the municipality of Sablan. Sablan is one of the smallest towns in Benguet. The Municipality of Sablan is located at the Midwestern side of the Province of Benguet. It is bounded on the north by Kapangan, Benguet and Burgos, La Union, on the south by Tuba and the City of Baguio, on the eastern part by Tublay and La Trinidad, Benguet and on the west by municipalities of Naguilian and Aringay, La Union (Caliging, 2005).

Sablan is also becoming the root crop center in the province of Benguet (Tandoc, 1994). Ube is one of the many crops that is commonly grown in the barangays of Sablan. Sablan is one main producers of ube in Benguet (Kawili, 2007).

Sablan is basically an agricultural town. Due to its humid and temperate climate during wet and dry seasons, it is ideal to some farming system. It is suitable for all kinds of crops like ube and other root crops, orchard crops like coffee, santol, mango, avocado, citrus, and some other fruits (Caliging, 2005).

Ube is usually boiled and served as snack or as substitute for rice. Others mash and mix it with sugar and or milk. With the development of processing technology, ube is now counted as a priority crop with potential value (Sonay, 2004).

Ube processing is one way of lengthening/prolonging the availability of this seasonal crop for the whole year. Processed ube is kept and consumed even if it's not in season.



### Statement of the Problem

This study focused on the ube wine processing enterprise. Specifically, the study aimed to answer the following questions:

1. What are the ube wine processing and marketing practices of the cooperative?
2. What are the problems encountered by the cooperative?
3. What are the factors affecting the success of the cooperative?
4. What are the suggested possible solutions to the problems encountered by the cooperative?

### Objectives of the Study

The study aimed to:

1. Determine the ube wine processing and marketing practice of the cooperative.
2. Determine the problems encountered by the cooperative.
3. Determine the factors affecting the success of the cooperative.
4. Determine the suggested possible solutions to the problems encountered by the cooperative.

### Importance of the Study

The result of the study would serve as an instrument to encourage and further develop the potentials of a Food Processing Enterprise. It will also provide insight to researchers, processors, trainers and some “tricks of the business” for a successful business project. The results of the study will also provide a picture on the profile of the



ube processing industry in Sablan. It is also expected to orient interested individuals in ube processing. Furthermore, results can be a guide for further research and analysis.

#### Scope and Limitation of the Study

The study is limited in documenting the ube wine processing and marketing practices of ube wine processing enterprise in Bayabas, Sablan, Benguet.



## REVIEW OF LITERATURE

### The Crop

Yam, locally known as “ube” (*Dioscorea alata*) is a tuber crop under Dioscoreacea family. It is a herbaceous climber and slender twining crop that needs trellis to serve as stand support (Sonay, 2004). Yam is also defined as a twining tuber with winged vines and petioles, and heart shaped leaves (Sim and Meldoz, 1998).

Ube or water yam is a vine which produces both aerial tubers called bulbils and underground tubers or roots. The bulbils, weighing a few grams to over a kilogram, come out of the leaf axile 3 months after planting. On the other hand, the underground tuber, weighing from one kilogram to six kilograms can be harvested six (6) months after planting (Caliging, 2005).

Ube is usually grown in small patches as an intercrop to highland rice and other root crops. Its tubers are mainly used in the preparation of food delicacies such as ice cream, candies, jam, and bakery products (Sonay, 2004).

During harvest season, a spade and crowbar “bareta” are needed to dig out the tubers. The tubers come in different shapes and sizes depending on the variety (Tandoc, 1994). This maybe globular, long, flattened or palmate shape, but generally large in size.

Yam tubers appear in two colors. These maybe white or purple depending again on variety. The kinampay variety is purely purple while others are a mixture of white and purple (Sonay, 2004).





### Importance of Yam

Yam is valued for its nutritional value as a source of starch, carbohydrates, vitamin C and amino acids. It also has pharmaceutical conditions in the field of medicine (Tandoc, 1994). In the Philippines, it is grown as staple food or substitute for rice mostly in the Northern Luzon regions.

Ube is relished by most Filipinos who usually grow it as a backyard crop. Ube has a fair amount of iron and has been found to be a good source of vitamins B and C and a substantial amount of minerals. Ube is very variable in size and vigor (Jamora, 1975).

Market demand for ube is very high. Yam has a potential value in the processing industry. It is processed into flour, crisps, chips, and flakes, etc. (Sonay, 2004). Yam tubers are used mainly in the preparation of food delicacies such as jams, candies and ice cream or bakery product additives (Sim and Meldoz, 1998).

Yam flour has high amounts of energy and iron, moderate amount of protein and low calorie and fat contents. The flour can be made into “ube” cakes, bread, ice cream, muffin, tart, shakes, juice drinks, coolies, candies, haleya or paste, oriental dish, natural and healthy food coloring and dietary supplements (Sonay, 2004).

### Advantages in Yam Production

Ubi thrives anywhere in the Philippines and in wide range of soil types of elevation because it can tolerate adverse conditions such as droughts, and pest infestations (Sonay, 2004). Single yield harvests are satisfactory even without staking or applying fertilizers. The tubers have relatively highly matter content at 40% and can be



stored without refrigeration. The crop can be intercropped with other root crops like sweetpotato and ginger (Sonay, 2004).

Ube can be grown anytime of the year. But for the best result, planting should be done at the beginning or just after the rainy season where it can obtain all the moisture it needs for the growth (Tandoc, 1994).

Yam can be processed into a variety of marketable products such as food flavoring, yam powder and preservatives. To date, yam production has a potential in the national market because big volumes are demanded by ice cream manufacturers and small scale industries (Sonay, 2004).

### Yam Processing

In the Cordillera, “ube” is usually boiled and serve as food eaten as snack or as substitute for rice. Others mash and mix it with sugar and or milk with the development of processing technology, ube is now counted as a priority crop with processing potential. The ube processing is one way of lengthening the availability of this seasonal crop for the whole year (Sonay, 2004).

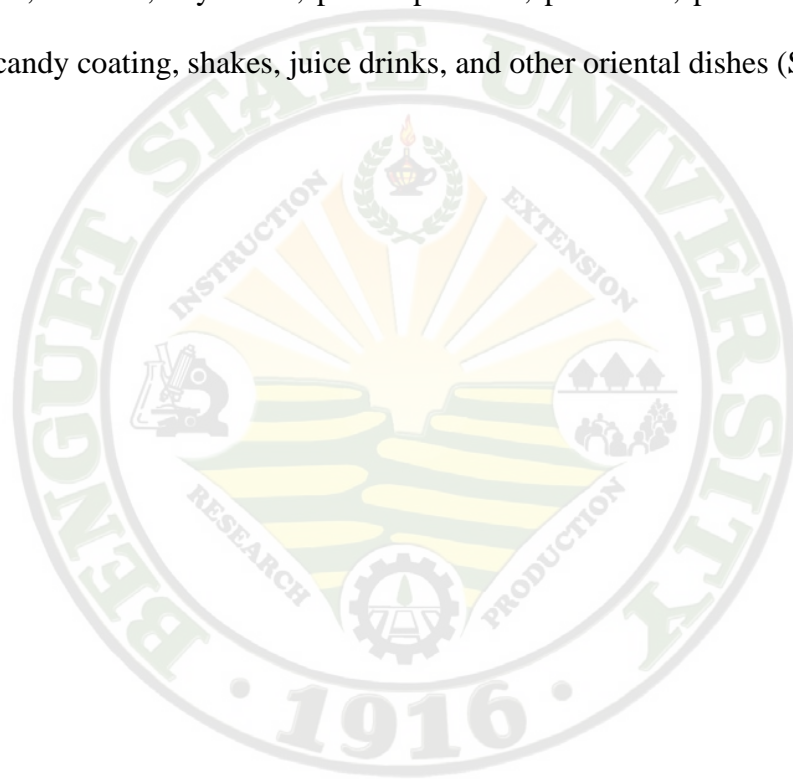
Godwin (2000), estimated 30% of the harvested yam tubers are wasted due to non-processing and non-preservation. Thus, researches are conducted to find means to increase output as well as provide good quality finished products from yam. One of which is through processing that adds value to the tuber before it is exported to enhance its economic value (Sonay, 2004).

The suitability also of yam to be preserved can help stabilize the prices during off harvest seasons. It reduces post harvest and transportation cost and enables the farmer to



grow small tuber varieties that thrives in less fertile soils and reduces labor cost and management (Vernier, 1998).

According to Salda (1999), ube flour is now a growing market demand and was found to be a good partial substitute to wheat flour. Based on studies, 50-100% substitution was possible in the preparation of baked products like pancakes, cupcakes, cheese cracker, cookies, doughnut, fried cheese sticks, cinnamon, and ube rolls,, buter cake, pandesal, muffins, soy sauce, puffed products, polvorons, pastilles, haleya, tarts, candies and candy coating, shakes, juice drinks, and other oriental dishes (Sonay, 2004).



## **METHODOLOGY**

### Locale and Time of the Study

The study was conducted in the municipality of Sablan, specifically in Barangay Bayabas Province of Benguet. This area is where the processing enterprise stands. The study was conducted on December 2007 to January 2008.

### Research Instrument

An interview schedule was prepared and was used in collecting data and relevant informations. Questionnaires were developed and distributed to the respondents to supplement the personal interview.

Initial interviews with some key informant interviewee were done in furnishing the realization of the thesis proposal.

### Respondents of the Study

The respondents of the study were the ube processors in Bayabas, Sablan, Benguet. There were 37 members that were selected at random from the list of members of the enterprise-cooperative firm.

### Data Collection

Primary data were gathered through personal interview with the used of open and close ended questionnaire. Secondary data were gathered through library research. These tools helped the researcher to come up in an accurate generalization and conclusions in solving the proposed study.





Figure 1. Map of study area



### Data Analysis

The study make used of the descriptive method of research which dealt more on fact-finding with adequate analysis and interpretation. The data obtained were consolidated, categorized and tabulated. Descriptive statistics such as percentage and frequency counts were employed to interpret the results.



## RESULTS AND DISCUSSION

### Historical Background of the Enterprise

Kayabang Multipurpose Cooperative (KMPC) or the Ube Wine Processing Enterprise started when the local government of Sablan gave financial assistance to cooperatives. The KMPC was conceptualized in 2003 thru the leadership of Mr. Eugenio Cales, a member of the barangay council. It started with thirty two (32) initial members mostly farmers of Barangay Bayabas. That same year, the cooperative was registered under Reg. no. CEO 1208 with the Cooperative Administrative Office (CAO). It started with fund given by the local government and the one thousand pesos (Php 1,000) initial share capital contribution from each member (Personal Communication, Mr. Ben Lorena, 2007).

To help the shareholders, the cooperative started to sell farm inputs like fertilizer and pesticide. The members were allowed to pay their credits after harvest. But this didn't prosper for long due to unpaid debts which caused the cooperative to stop its operations in the meantime.

In 2005, the cooperative entered into Food Processing Industry. They have thought of processing ube. The cooperative tapped the support/assistance of the Department of Agrarian Reform (DAR) and the Department of Trade and Industry (DTI) for them to adopt the ube wine processing technology. The members of the cooperative had undergone workshop, seminar and hands-on training on ube wine processing. The same year the cooperative started processing ube wine. Temporarily, the production site was at the residence of the appointed secretary.



The following year the cooperative joined the nationwide competition on Best Ube Food Products during the 12<sup>th</sup> anniversary of the CARP-Philippine Fruits and Vegetables, Inc. in Manila. In the search for Best Product, the cooperative won the title “Best Rookie Food Product of the Year” for their ube wine. This was featured in media. They have also joined the 2006 Adivay Trade Fair to further promote their product.

The cooperative also tried to process other products. The cooperative is also into product development of crops grown in the area such as banana and pineapple. The cooperative have tried processing banana vinegar, pineapple vinegar and ube candy.

The cooperative have tried requesting a building for the production site and is under negotiation with the national government. Today KMPC has a total membership of 64.

### The Respondents

The respondents of the study were the members of the Ube Wine Processing Enterprise. There were thirty-seven (37) members interviewed. These were the initial members of the cooperative.

### Processing Practices

The Ube Wine Processing Enterprise process 80-100 kilograms of ube in one preparation. The violet variety of ube such as kinampay, deking and sampiro is used in ube wine making. The cooperative used the violet variety to produce red colored wine. Sim (2007), mentioned, the variety affects the quality of the product.





The steps in ube wine processing are as follows: first, 1) the ube tubers are cleaned, cubed and boiled. The ube cubes were boiled for 25 minutes. The ratio of chopped ube to water is 20 kilos to 44 liters of water. After boiling, the ube juice is cooled, strained and placed in a jar then mixed with 12 kilos brown sugar and 4 teaspoon yeast. After mixing, the jar will be covered with cloth and let it stand for 14 days. Fermentation is applied at 30-45 degrees celsius temperature of ube. After 2 weeks, the wine is transferred to a transparent plastic jar for aging fermentation of wine. Here, the jar is connected with hose used for filtration. The wine is packed/bottled after 3-4 months. But to increase alcohol content of wine, they extend fermentation for 5-6 months. The bottles used were sterilized/boiled for 20 minutes. In one preparation, 120-160 bottles (750 ml.) of ube wine were usually produced.

### Marketing Practices

Ube wine marketing practices covers some information on market outlets of ube wine, types of buyers, method of selling and transporting the products and pricing.

Market outlets. The ube wines were largely disposed to store owners in the locality and to direct consumers. They also have big markets from Baguio City middlemen and from Manila which they met during the Search for Best Ube Food Products and with the help of the media in promoting their product. They also sell during fiestas like Adivay and Sablan Foundation Day, trade fairs/market encounters to further promote their product. The enterprise produces and increase production during these occasions.



Types of buyers. The ube wine were largely sold to wholesalers and retailers from Manila and Baguio City. Consumers also buy from the enterprise directly to get a lower price of the product. Members of the cooperative also buy wine for consumption especially during special occasions and also sell to friends to promote the product.

Method of selling. The study shows that there were three methods of selling practiced by the enterprise; cash, credit and consignment. The ube wine were sold on cash basis. They also consider credit but should be paid within a week. They sell on consignment to middlemen.

Methods of transporting. Tricycle is widely used in transporting their ube wine product to market outlets within the area. For outlets outside the area like Baguio City and Manila, they used public utility vehicles (PUV), private vehicles and bus. They transport product in bulk to reduce transportation cost.

Pricing. Pricing is the manual or automatic process of applying prices to purchase and sales orders. There were several methods used in pricing a product. For the cooperative, they priced the ube wine based on the production cost plus 20% mark-up. They consider the cost/price of the raw materials, the overhead expenses and other expenses incurred.

### Processing Problems Encountered by the Enterprise

Table 1 presents the important problems encountered in ube wine processing. Major problems identified by the respondents includes lack of capital (89.19%), no building (83.78%), lack of facilities (78.38%), insufficient training in wine processing



(40.54%), availability of the processors (35.14%), availability of raw materials (21.62%), and quality of ube tubers because of pests and diseases (18.92%).

### Marketing Problems Encountered by the Enterprise

Table 2 presents the problems encountered in marketing. There were six problems enumerated by the respondents. Delay of payment (83.78%), increasing competition (70.27%) and lack of promotional activities (51.35%) were the major problems encountered by the enterprise. Some of the respondents also mentioned the poor farm-to-market road (35.14%), high transportation cost (24.32%), and low buying price (13.52%) as some problems in marketing.

Table 1. Problems encountered in ube wine processing

PARTICULARS	FREQUENCY (F)	PERCENTAGE (%)
Lack of capital	33	89.19
Lack of facilities	29	78.38
Quality of raw materials	7	18.92
Insufficient training in wine processing	15	40.54
Availability of the processors	13	35.15
Availability of raw materials	8	21.62
No building	31	83.78

\*Multiple response



Table 2. Problems encountered in marketing

PARTICULARS	FREQUENCY (F)	PERCENTAGE (%)
Delay of payment	31	83.78
Low buying price	5	13.51
High transportation cost	9	24.32
Poor farm-to-market road	13	35.14
Increasing competition	26	70.27
Lack of promotional activities	19	51.35

\*Multiple response

#### Management Problems Encountered by the Enterprise

Table 3 shows the management problems encountered by the enterprise. There were 7 problems enumerated by the respondents. These were the lack of information dissemination of the activities (67.16%), lack of cooperation (64.86%), improper management of funds (62.16%), low income (45.95%), lack of qualified and competent officers (35.14%), lack of management (29.73%) and disloyalty of the members (13.51%).

Table 3. Management problems encountered by the cooperative

PROBLEMS	FREQUENCY (F)	PERCENTAGE (%)
Lack of qualified and competent officers	13	35.14
Lack of cooperation	24	64.86
Lack of management	11	29.73



Table 3. Continued...

PROBLEMS	FREQUENCY (F)	PERCENTAGE (%)
Improper management of funds	23	62.16
Low income	17	45.95
Disloyalty of the members	5	13.51
Lack of information dissemination on the activities	15	67.57

\*Multiple response

#### Factors Affecting the Success of the Enterprise as Perceived by the Processors

As mentioned by the respondents, limited/lack of capital was the major factor that affect the success of the enterprise. Capital is the major resource for production. It is needed for the purchase of facilities and construction of processing plant/building. Participation of the members is another factor as mentioned by 72.97% of the respondents. For group endeavor, participation of members is necessary. Like a cooperative, the major ingredient is cooperation in all activities in order to progress.

Other factors perceived by the respondents includes: technology/skills (40.54%), availability of raw materials for processing (27.03%) and availability of varieties for processing (18.92%). As mentioned by Sim (2007), the variety affects the quality of a product. In her study on sweetpotato processing, the dryness and flesh color of sweetpotato affects the texture of bread produced or wine produced from sweetpotato. She further mentioned that purple flesh color of sweetpotato is best for wine processing because outcome is dark red colored wine, it is a natural color. This may also be true for



ube, a dark purple ube will produce red colored wine. Ube production is seasonal thus production of ube wine may also be seasonal, thus, the year round supply of ube tubers is needed for continuous and sustainable processing venture.

### Factors Affecting the Success of the Enterprise

The respondents ranked the factors affecting the success of the enterprise as shown in Table 5. Based on the ideas/analysis of the members of the enterprise, the common factors that affects the success of the enterprise are adherence to cooperative laws (54.05%) which was ranked number one, followed by proper record keeping (43.24%) ranked number two, auditing has been conducted (37.84%) ranked number three, policies are implemented (35.14%) ranked number four, efficient leaders (29.73%) ranked number five, active participation of members (27.03%) ranked number six and government agency facilitation (13.51%) which was ranked number seven.

Results imply that the members in the enterprise have different opinions regarding the factors affecting the success on an enterprise.

Table 4. Factors affecting the success of the enterprise as perceived by the processors

FACTORS	FREQUENCY (F)	PERCENTAGE (%)
Availability of supply	10	27.03
Availability of varieties for processing	7	18.92
Technology/skill in processing	15	40.54
Capital	33	89.19



Table 4. Continued...

FACTORS	FREQUENCY (F)	PERCENTAGE (%)
Participation of the members	27	72.97
Availability of infrastructures and facilities	31	83.78

\*Multiple response



Table 5. Factors affecting the success of the enterprise

PARTICULARS	RATING													
	R1	%	R2	%	R3	%	R4	%	R5	%	R6	%	R7	%
Adherence to cooperative laws	20	54.05	2	5.40	-	-	6	16.22	5	13.51	1	2.70	3	8.11
Proper record keeping	-	-	16	43.24	9	24.32	3	8.11	5	13.51	2	5.41	2	5.41
Auditing has been conducted	2	5.41	6	16.22	14	37.84	4	10.81	7	18.92	4	10.81	-	-
Policies are implemented	4	10.81	3	8.11	4	10.81	13	35.14	7	18.92	6	16.32	-	-
Efficient leaders	1	2.70	5	13.51	7	18.92	9	24.32	11	29.73	4	10.81	-	-
Active participation of the members	3	8.11	7	18.92	3	8.11	5	13.51	9	24.32	10	27.03	2	5.41
Government agency facilitation	-	-	-	-	-	-	1	2.70	1	2.70	5	13.51	3	8.11

\*Multiple response





### Possible Solutions to Problems Suggested by Respondents

Table 6 shows the suggestions/possible solution suggested by the respondents to address the problems encountered by the enterprise. There were six (6) problems noted below including the different possible solutions mentioned by the members of the enterprise. The suggested possible solutions on lack of capital were access/solicit funds from funding agencies/offices (51.35%), members will contribute additional share capital (27.03%), develop capital build-up activities (18.92%) and look for other source of income (2.70%). There were also three (3) possible solutions on the lack of cooperation enumerated by the respondents which develop more activities to motivate members of the cooperative to cooperate (21.62%). Two possible solutions on lack of technology/skill in processing are consult the concerned agencies for more updates on technologies (70.27%) and members to attend more seminars and trainings on ube wine processing (24.32%). Possible solutions to problem on lack of qualified and competent officers are officers' attendance to conferences/conventions on managerial skills (40.54%) and officers to undergo trainings/seminars on management skills (13.51%) and elect competent and qualified officers (8.11%). The possible solutions suggested by respondents on availability of supply are coordinate with farmers who are planting ube (35.14%) and members of the enterprise should encouraged to plant ube (10.81%). The problem on improper payment of fund is on regular collection of payments (24.32%).

Most of the respondents have limited ideas/opinions/analysis on giving possible solutions to problems.



Table 6. Possible solutions to problems suggested by respondents to address problems encountered by the enterprise

PARTICULARS	SOLUTIONS	F	%
Lack of Capital	Members will contribute additional share capital	10	27.03
	Access/Solicit funds from funding agencies/offices	19	51.35
	Look for other source of income	1	2.70
	Develop capital build-up activities	7	18.92
Lack of Qualified and Competent Officers	Officers will attend more conventions/conferences that deals with managerial skills	15	40.54
	Elect competent and qualified officers	3	8.11
	Officers will undergo trainings/seminars on management skills	5	13.51
Lack of Cooperation	Develop more activities to motivate members to cooperate	17	45.95
	Regular meetings will be done to update the members on the developments of the cooperative	12	32.43
	Encourage members to cooperate	8	21.62
Improper Payment of funds	Regular collection of Payments	9	24.32
Availability of the Supply	Coordinate with farmers planting ube	13	35.14
	Members of the enterprise will be encouraged to plant ube	4	10.81



Table 6. Continued...

PARTICULARS	SOLUTIONS	F	%
Lack of Technology/Skill in Processing	Members will attend more seminars inings on ube wine processing	9	24.32
	Consult the concerned agencies for more updates on technologies	26	70.27

\*Multiple response



## **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### Summary

This study was conducted to determine the ube wine processing and marketing practices of the cooperative, determine the problems encountered by the cooperative, factors affecting the success of the enterprise and enumerate possible solutions to the problems encountered by the enterprise. A total of thirty seven (37) processors of the ube wine processing enterprise from Bayabas, Sablan, Benguet served as respondents. The respondents were personally interviewed with the aid of open and close ended questionnaire. The data obtained were consolidated, categorized and tabulated using descriptive statistics such as frequency countages and percentage. Majority of them were the initial members of the cooperative.

For the processing practices, they apply fermentation on a 30-45°C temperature and usually ferment the wine up to 3-4 months but to increase alcohol content of wine, they extend to 5-6 months of fermentation. The cooperative is producing 120-160 bottles (750 ml) of ube wine from 80-100 kilograms of ube tubes for every preparation.

The cooperative market their ube wine mostly to wholesalers and retailers from Baguio City and Metro Manila. Individual consumers and members of the cooperative also buy from the enterprise for consumption. The ube wine were priced based on the production cost and sold on cash basis on credit. The ube wine were transported to market outlets inside the area through tricycle and public utility jeepneys (PUJ), private vehicles and bus to market outlets outside the area.



The respondent has identified seven main problems in processing. These were the lack of capital, no building, lack of facilities, insufficient training in wine processing, and availability of the processors, availability of raw materials and quality of raw materials.

The marketing problems mentioned by the respondents were delay of payment, increasing competition, lack of promotion, poor farm-to-market road, high transportation cost and low buying price.

The respondents have also identified some management problems encountered by the cooperative. These were the lack of information dissemination on the activities, lack of cooperation improper payment of funds, low income, lack of qualified and competent officers, lack of management and disloyalty of the members.

There were six identified factors affecting the success of the enterprise as perceived by the processors which includes capital, availability of infrastructures facilities and participation of members, technology/skill in processing, availability of supply and availability of varieties for processing.

### Conclusions

Based on the results of the study, the following conclusions were drawn:

1. The cooperative is producing 120-160 bottles (750 ml.) of ube wine in every preparation.
2. The ube wine were mostly sold to middlemen and priced based on the production cost. The ube wine were sold on cash and credit.
3. Limited/lack of capital was a major processing problem encountered by the enterprise.



4. The cooperative encountered problems regarding the collection of payments of the product from traders. Increasing competition and lack of promotional activities is also a problem to the cooperative.
5. Lack of information dissemination of the activities, lack of cooperation and improper payment of funds were the major management problems encountered by the enterprise.
6. The three main factors affecting the success of the enterprise were availability of capital, participation of the members, and availability of infrastructure and facilities.

### Recommendations

Based on the conclusion, the following recommendations were made:

1. The cooperative should increase ube wine production to have available stocks.
2. Training should be provided to the processors with emphasis on marketing and processing.
3. The cooperative should look for capital build-up programs and activities to increase income.
4. The cooperative should develop more promotional activities to reduce the problem on competition.
5. The cooperative should conduct seminars designed to encourage officers and members especially those who do not perform their functions well to become more active and responsible.



6. The regional offices of DAR and DTI should continue assisting cooperatives especially into product development of crops grown in the locality.



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## APPENDIX A

### Letter to the Respondents

Benguet State University  
Department of Agricultural Economics  
and Agribusiness Management  
College of Agriculture, Benguet State University  
La Trinidad, Benguet

December, 2007

Dear Respondents,

Warm greetings!

I am a graduating student of Benguet State University taking up Bachelor of Science in Agribusiness major in Enterprise Management. As part of the course requirement, I am presently conducting an undergraduate research study entitled "A DOCUMENTATION ON UBE WINE PROCESSING ENTERPRISE IN SABLAN, BENGUET".

In this connection, may I ask permission to document the processing and marketing practices of the Kayabang Multi-purpose Cooperative. Rest assured that all the information you will provide shall be treated with utmost confidentiality.

Your favorable approval is highly appreciated.

Thank you for your kindness and cooperation. May God bless You!

Sincerely yours,

MARISSA C. AP-AP  
Researcher

Noted by:

JOVITA M. SIM  
Adviser



## APPENDIX B

## Survey Questionnaire

## A. Profile of the Respondents

1. Name: \_\_\_\_\_

## B. Problems Encountered in Processing

- Lack of Capital
- Lack of Facilities
- Occurrence of Pest and Diseases
- Insufficient Training in Wine Processing
- Availability of the Processors
- Availability of the Raw Materials
- Lack of Processing Building
- Others specify: \_\_\_\_\_

## C. Problems Encountered in Marketing

- Delay of Payment
- Low Buying Price
- High Transportation Cost
- Poor to Farm-to-Market Road
- Increasing Competition
- Lack of Promotion
- Others specify: \_\_\_\_\_

## D. What are the Problems encountered by the enterprise?

- Lack of Qualified and Competent Officers
- Lack of Cooperation
- Lack of Management
- Improper Payment of Funds
- Availability of Supply
- Lack of Knowledge/Skill in Processing
- Lack of Capital/ Low Income
- Disloyalty of the Members
- Lack of Information Dissemination
- Availability of the Processors
- Others specify: \_\_\_\_\_



E. Factors Affecting the Success of the Enterprise (pls. rank them from the most grievous factors to the least)

FACTORS	RANK
1. Efficient Leaders	_____
2. Proper Record Keeping	_____
3. Auditing has been conducted	_____
4. Policies are implemented	_____
5. Active Participation of the members	_____
6. Adherence to Cooperative Laws	_____
7. Government Agency Facilitation	_____
8. Others (pls. specify) _____	_____

F. Factors Affecting the Success as Perceived by the Processors

- Availability of Supply  
 Availability of Varieties for Processing  
 Lack of Technology/Skill in processing  
 Lack of Capital  
 Lack of Processing Building  
 Active Participation of Members  
 Others specify: \_\_\_\_\_

G. What possible solutions to problems do you suggest?

PROBLEMS	:	SOLUTIONS
Lack of Funds/Capital	:	_____
Lack of Qualified and Competent Officers	:	_____
Lack of Cooperation	:	_____
Improper Payment of Funds	:	_____
Availability of Supply	:	_____
Lack of Technology/Skill in processing	:	_____
Others specify: _____	:	_____

THaNk yOu vErY mUcH!!!



## Guide Questions

## A. Processing Practices

- a. How many kilos you need in one operation? \_\_\_\_\_
- b. What specific temperature to apply fermentation? \_\_\_\_\_
- c. How many months do you ferment the wine? \_\_\_\_\_
- d. How many bottles could you produce in one preparation? \_\_\_\_\_

## B. Marketing Practices

- a. Market Disposing Place of Ube Wine
  - \_\_\_ Outside the locality: \_\_\_ Baguio
  - \_\_\_ Manila
  - \_\_\_ Others specify: \_\_\_\_\_
  - \_\_\_ Inside the locality
- b. To whom do you sell wine?
  - \_\_\_ Wholesaler \_\_\_ Middlemen
  - \_\_\_ Retailers \_\_\_ Others specify: \_\_\_\_\_
- c. What is the method of sale? \_\_\_\_\_
  - \_\_\_ Cash \_\_\_ Barter
  - \_\_\_ Credit \_\_\_ Others specify: \_\_\_\_\_
- d. Where do you dispose your product?
  - \_\_\_ Municipal Public Market
  - \_\_\_ Storeowners
  - \_\_\_ Others specify: \_\_\_\_\_
- e. What are the methods used in transporting your product?
  - \_\_\_ Passenger's jeep \_\_\_ Tricycle
  - \_\_\_ Owner type jeep \_\_\_ Others specify: \_\_\_\_\_
- f. How do you price the product you sell?
  - \_\_\_ Based on the prevailing market price
  - \_\_\_ Based on the price dictated by the buyer
  - \_\_\_ Mutually agreed price
  - \_\_\_ Based on the cost of raw materials
  - \_\_\_ Others specify: \_\_\_\_\_

