



J A M B O H U T

Where fair-trade products means profit for wildlife conservation
WHOLESALE AND RETAIL AFRICAN HANDICRAFTS

IMPORTERS



EXPORTERS



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Fair Price policy

Overview

It is the intention of Jambohut that each item purchased shall be at a fair price.

It is also the intention of Jambohut that a fair price shall be paid for any work received such as transportation, warehousing staff and anyone undertaking activity from "the south" on behalf of it.

Jambohut shall always determine the fair price by application of the F.I.N.E. criteria and by application of the "fair price determination model" and as it changes year on year as defined in the fair price guide operated by The World of Good Development Corporation.

It is also important to Jambohut that a fair price also applies to those who purchase from it.

Jambohut recognises that in the minds of the vast majority of suppliers and, to a marginally lesser percent, the minds of consumers, price is everything and the more then can get us to buy it for and the less they can get us to sell it for, is paramount.

Jambohut does not follow this ideal. It completely follows the ethos that money is a necessary tool and not the be all and end all. It is however a practical and pragmatic organisation, one committed to the ideals of fair trade but motivated by helping those less fortunate purely by place of birth. Jambohut is an opportunity provider with business nous. It must make money in order to survive as without it, no-one is helped.

Jambohut is and will remain 100% fair trade.

Implementation, Aims & Goals

The following shall form part of any and all contracts with suppliers;

That prior to a contract for purchase being entered into for the first time a full and frank discussion has taken place between the parties where the following has been openly discussed, amended where necessary and agreed;

- i] a **fair price** for each product has been determined and agreed. This involves the agreeing the true cost of the raw materials and the amount of time genuinely needed to manufacture the product. The fair price for the product is then the cost of materials plus the greater of the amount of money the producer would normally expect to receive locally and multiplying it by two or the time taken at local expected normal rates then multiplied by two. In all cases it will be judged as being the same or greater than the fair price guide for the region and type of manufacture
- ii] the wholesale prices that Jambohut can achieve for selling the items in Europe and the Americas and worldwide.
- iii] the retail prices that Jambohut or its customers can achieve for selling the items in Europe and the Americas and worldwide.
- iv] the cost of shipping the goods to Jambohut's nominated distribution point, to include insurance and transport and all related costs.
- v] the profit percentages that are necessary to make the purchase of the items viable commercially
- vi] that any changes to the above can only be made after further discussion and agreement in writing.

That the co-operative or he/she/they will pay a **fair wage**, agreed in advance to any members of co-operatives which he/she/they are working on behalf of, representing an accurate reflection of remuneration for the endeavours of the artisans concerned in manufacture on the same basis as the principle applied by Jambohut.

That all purchases shall be made by way of written contract, in two parts each signed between the parties and containing

- i] the items to be purchased as part one and called "the purchase order" and for the second part containing
- ii] the fixed price for those items,
- iii] the condition and materials to be used,
- iv] the date of completion of order when "the producer partner" shall deliver up to Jambohut all of those items specified within "the purchase order",
- v] the method of payment being 90% (80%) to the artisan upon acceptance by the purchaser of the finished product and 10% (20%) to the co-operative in recognition of their expenses incurred in management
- vi] the place for delivery and hand-over location,
- vii] packing conditions of the items,

- viii] right of refusal of items by Jambohut due to poor quality or workmanship and
- ix] the rate of exchange agreed at the time of contract between the British pound and the local currency
- x] the full price in the agreed currency for the contract.

The full price is agreed at the time of contract and cannot be amended other than by written agreement by both parties.

Any items refused by Jambohut or undelivered by "the producer partner" shall be removed from "the purchaser order" as if they were never ordered at the amount due adjusted downwards at par value.

In relation to the customers of Jambohut;

- i. That retailers shall have sufficient margin to entice them to stock the products
- ii. that such margins will be far in excess of industry norms
- iii. that Jambohut has sufficient profit within its cost price to wholesale price factors to be able to offer further wholesale discounts to multiple outlet operators whilst remaining commercially viable.
- iv. that the recommended retail price is not fixed but an advisory figure based upon that which is achievable at Jambohut's owned test sites
- v. that the end consumer feels that the product they purchased was value for money.