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Promoting our regions in modern entrepreneurship

Traditional job vs.modern job
Intellectual Output 2

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CHAPTER I

General Information on Braila's Economy

1.1. Introduction

Economic growth is an important factor in reducing poverty and generating the resources necessary for human development and environmental protection. Sustainable development has become the most important notion of the day, and provides a more comprehensive definition of development, linking up ecological services and quality of life with economic growth.

The agriculture, being considered the main support of welfare and economic growth, and also of exports increasing, as well as the guarantor of the population's food necessary, occupies through tradition an important place in Braila County economy. Braila's agriculture also represents the main way of improvement the life standard from the rural environment.

Through its agricultural potential (the existence of the biggest agricultural surface in Romania, situated in Braila Great Island, with a land surface of 60,000 ha, entirely irrigated, and a number of 120 thousand bovines, 400 thousand ovines, 300 thousand swines and 2,5 million fowls, at least).

Braila's area has a wide economic capitalizing potential both through agricultural and non-agricultural businesses, as follows:

A. The agricultural potential of the investigated area is represented by two elements:

 the soils from Braila County (where the four investigated communes are located) are predominantly chernozem (class I and II of suitability for agriculture). There are soils with naturally high fertility in which the percentage of humus is 3.0 - 4.5% (MARD, 2007: 12);

 over 90% of the agricultural and arable lands of the Braila County (92.6% and respectively 93.3%) have, according to NIS data for 2010, available facilities for irrigation. According to MARD, Braila is the county in which, by far, the irrigations represent an important component of farming, having the largest area covered by Organizations of Irrigation Water Users - OUAI - (200,028 ha) (MARD 2011: 24), the largest irrigated area (65% of the actual irrigated area at national level in 2010 - NIS 2012 data base) and the largest quantity of water pumped (46% of water used for irrigation in 2009 at national level - MARD, 2011).

B. A vantage ground - referring to the fact that the area benefits for a good accessibility related to the road infrastructure and is located in the immediate proximity of the fluvial and maritime transport infrastructure (the maximum road distance between the rural localities from the investigated area and the Galati or Braila fluvial harbors is approx 25 km, and the road distance to Constanta maritime harbor is approx 220 km.

The analysis of the local economy from Braila rural area is seen in terms of its position in the integrated system of sustainable development that it is a part of, particularizing the interconditionalities between the competitiveness/economic performance of the business environment, in general and the principles of sustainable development.

Structure of active enterprises by activity sectors in the case study area, year 2014

Sectors of economic activity	Total active enterprises out of which	Micro-entreprises (< 9 employees)	Small enterprises (9-49 employees)	Medium-sized enterprises (50-250 employees)
Primary (agric., forestry and fishing)	20.4	17.0	2.0	1.4
Secondary (ind. + constructions)	15.0	10.2	3.4	1.4
Tertiary (services)	64.6	61.2	2.7	0.7
Total	100.00	88.4	8.2	3.4

Agriculture has an important role in the Braila County's economy.

Braila County has a total surface of 381, 278 hectares, of which: 336,672 hectares arable land; 34,417 hectares of pastures; 380 hectares of grass lands; 1,457 hectares of orchards; 8,352 hectares of vineyards. The irrigated surface is about of 379,579 hectares. The main agricultural vegetable products, in Braila County, are: wheat and rye, barley and two-row barley, corn, sugar beet, potatoes, fruits, grapes. Also, the Braila county agriculture is famous due to the remarkable results obtained in zoo technical sector, namely: breeding of horned cattle, swine, sheep,goats and birds for meat and eggs.

Among the trade companies from agriculture, with preponderant state capital, we can distinguish S.C. "INSULA MARE A BRAILEI". Known under the name of Braila's Pond, the territory is arranged with complex workings of land melioration and represents the largest enterprise having an agricultural zootechnical profile from Romania. The Great Island comprises a surface of 76,700 hectares. The soil is alluvial and has a very good permeability.

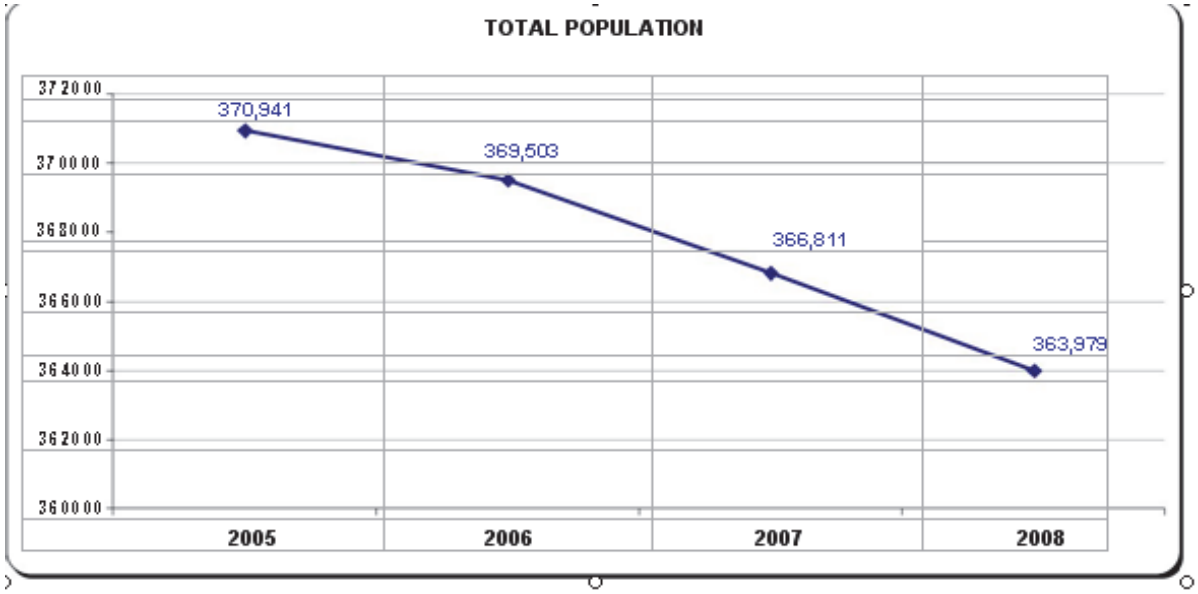
The area's climate is characterized by cool springs, high winds, dry summers, long and droughty autumns, cold winters with cool winds without snow. Hydrological regime is under the permanent influence of the Danube waters and less of the rainfall.

The soils are less affected by salting on surface and on restricted areas, from year to year, function of the climatic and hydrological factor.

1.2. Demography

1.2.1. Population

In the regional context, Braila County represents 13.3 % of the South-East Region and 13.0 % of the total population of the region. In the national context, the county is at the bottom third of the league in terms of area (32nd) and of the total population (number 31).



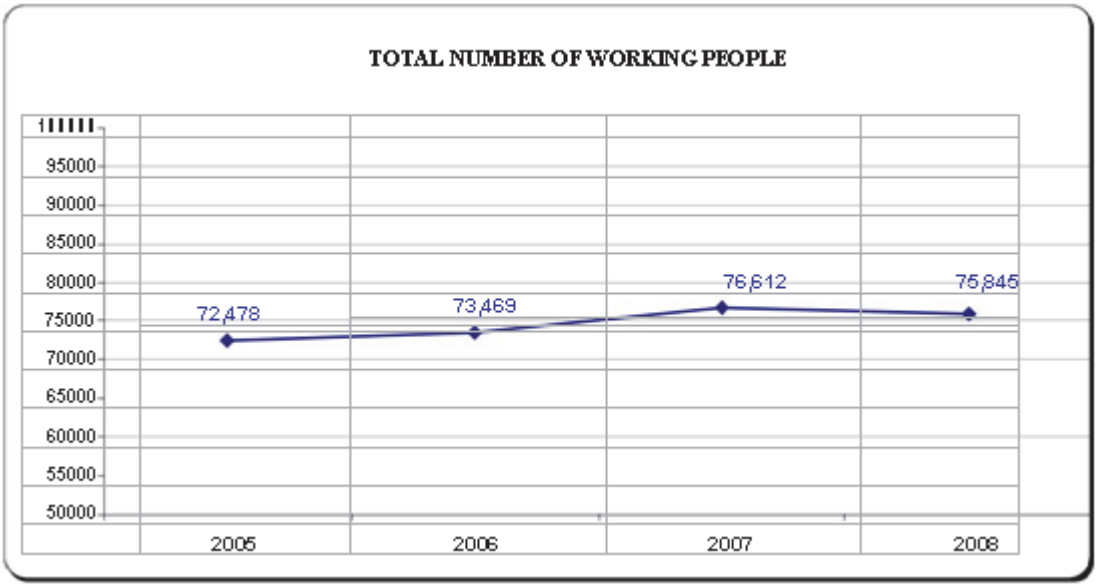
In 2008, the total population recorded in Braila county is 363,979 inhabitants, compared to 370 941 inhabitants in 2005. It can be noticed a decrease in the number of inhabitants of the county from year to year. 237,399 people make up the population of towns and administrative teritory, while administrative totaling 127.152 population. The population is decreasing from year to year, as both in administrative teritory and small rural communities.

Braila county's population is mostly made up of Romanian representing over 97 % of the population ,but there are also: Roma,Lippovan- Russians or Greeks. The other category includes the following ethnic groups : Hungarians, Ukrainians, Germans, Turks, Tartars.

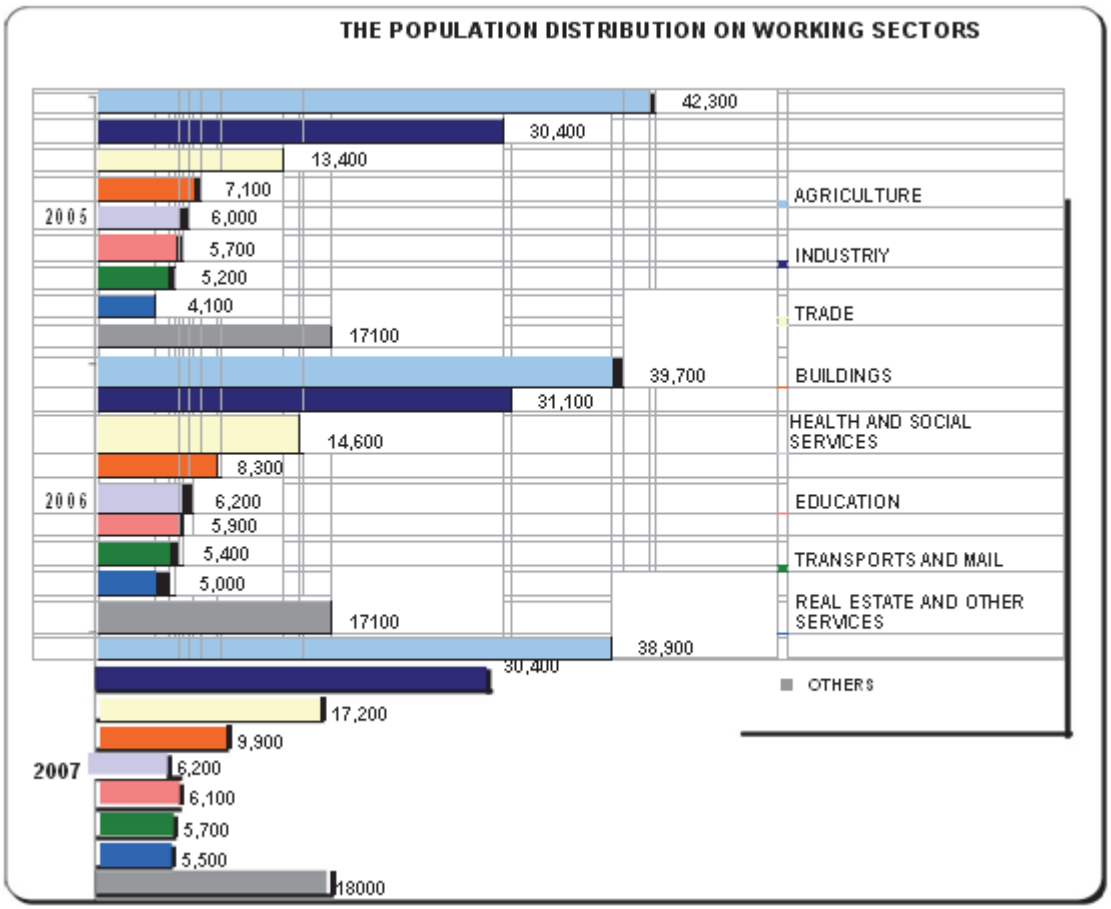
While in 2005, the population consisted of 189,979 women and 180,962 men; in 2008, there were 177 067 inhabitants male and women 186.912. Like the general population , the downward trend is kept for distribution of population and gender.

The distribution of working age population in 2008, a total of 232 317, 121 670 people were represented by men and 110 647 women, both categories being compared to previous years.

1.2.2.Workforce



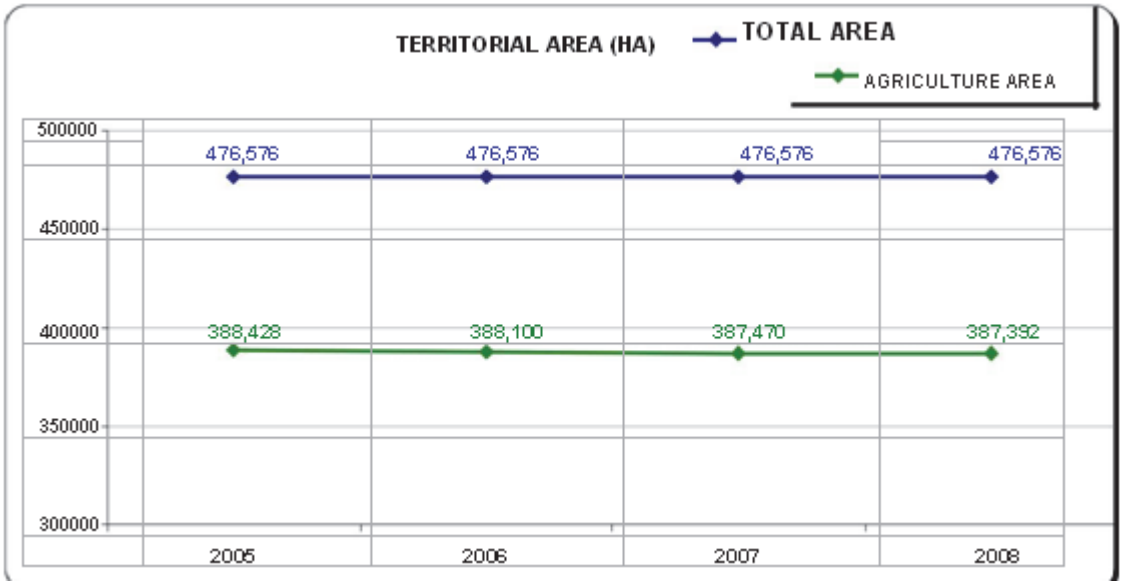
The number of employees increased in 2007 from 73469 to 76612, but there was a decrease in 2008 to 75 845 people.



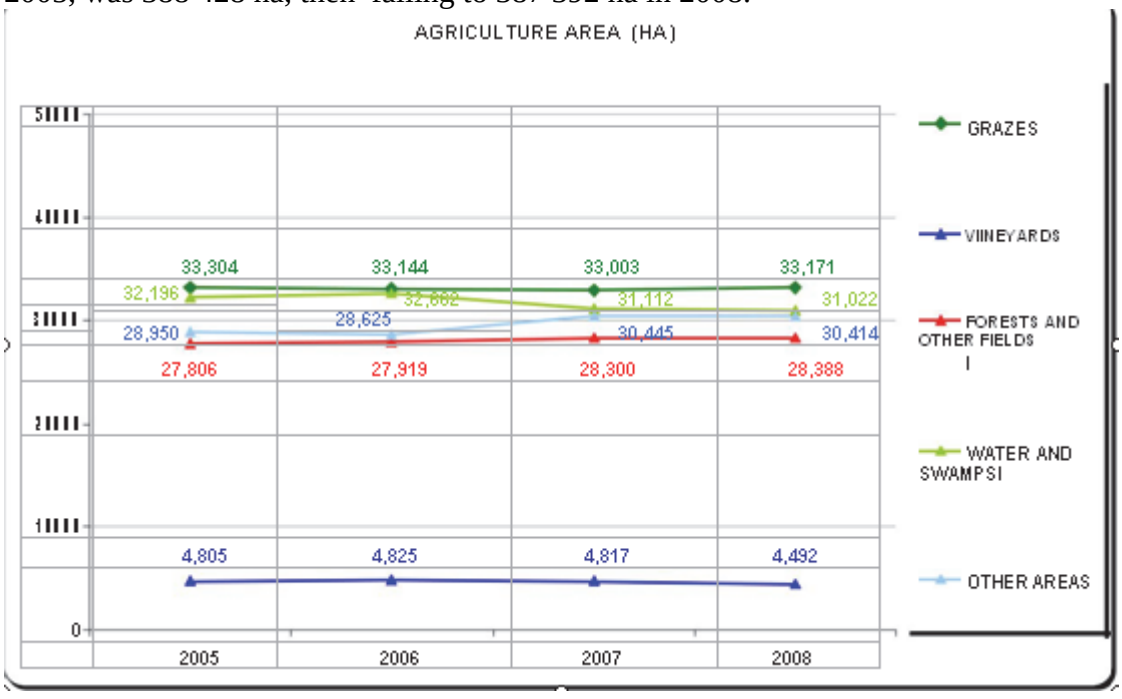
The economic sector which involves the greatest number of workers is agriculture, almost 40 thousand people are employed in this sector annually. Then it comes the

manufacturing and trade. The other category includes: hotels, restaurants, education, social services and mining.

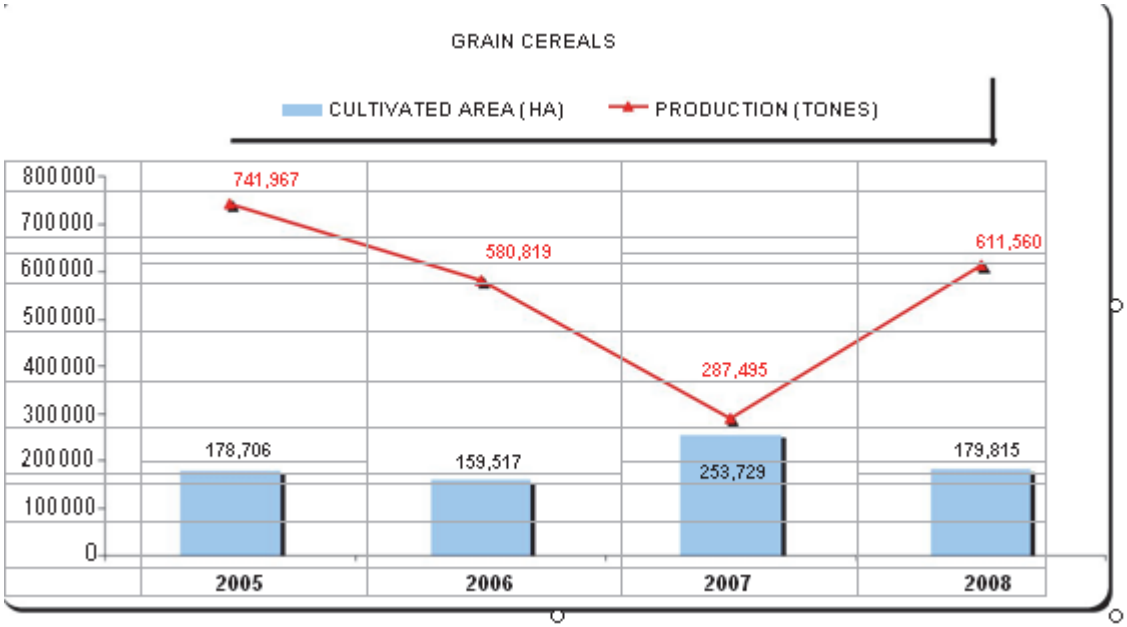
1.2.3. Agriculture



From the total area of 476 576 hectares, the agricultural area of the county recorded in 2005, was 388 428 ha, then falling to 387 392 ha in 2008.



From total farmland, the pastures have the largest share, increasing in 2008 to 33.171ha, compared to 2007, without reaching the value held in 2005, 33.304 ha.



The area allocated to cereal grain crop reached nearly to180,000 ha in 2008, while in 2007 reached to 253.729 ha. The grain production related to these areas was 611,560 in 2008 and 287,495 tonnes in 2007. The category of cereals included are : wheat, rye, barley.

1.3. Conclusions

The business environment of the investigated area favorably capitalizes both the high agricultural potential of the area where it activates and the vantage ground of the access to the road and harbor transport infrastructure for commercialization of locally produced goods. This makes the competitiveness level of the investigated rural area to be higher than the national average and that of the county where it is placed. The competitiveness of the enterprises activating in the investigated rural area allowed them to overcome more quickly the shock generated by the economic crisis and even to find the resorts for the growth of their economic activity.

The local economy's sectors with the most economic performance are directly or indirectly linked to the capitalization of the agrarian resources and of the vantage ground of the proximity of urban markets (Galaţi, Braila) and, more important, of harbors through which they can place both agricultural row materials and end products of industrial origin. Due to the local economy's performance, this has a significant potential to respond to the rural communities' sustainable development requests in either social or ecologic plan. The only necessary conditionality for satisfying these demands would, however be outlining a local strategy that is based on these principles and on the real opportunities to sustain it on the part of the business environment.

CHAPTER II

Description of a Traditional Job

2.1. Justification of the choice - historical view

Since the foundation of the town in the Middle Ages, Braila was an important port city. And the most important merchandise was quite wealthy of the county as ***big producer of wheat***. The first precise mentioning of Braila dates from 1368, January 20, in a commercial agreement in which one of our first Wallachian princes, Vladislav Ist accepts exemptions from custom duties for all Brasov's merchants that used to export goods from Braila, *per viam Braylam.* The importance of the Braila port, the multitude of boats that came here is proven documentary in the period of Mircea the Great. The German Hans Schiltberger, taken prisoner by Turkish people in the battle of Nicopole (1396), comes back to his country in 1420, after a long period of detention passes through Braila. *"Here - shows him in the story of his journey - stop the boats and the galleys that bring goods from the heathendom"*. By heathendom it is understand the regions over which, at that time, the Turkish, Arabs, and Tartars (mahometans by religion), so the coasts of the Black Sea, the Western and South coasts of Asia Minor, as well as the southern and eastern coasts of Mediterranean Sea.

More precise data are mentioned in a Turkish official act in April 15, 1520, so when the city had not fallen under Turkish domination; it is mentioned there the following: *"Ships in the Black Sea, coming from Trebizonda, from Caffa, from Samsun, from Istanbul, from other regions of the Turkish Empire, are going on the Danube, towards Braila. Sometimes 70 to 80 ships arrive at Braila from the Black Sea, loaded with merchandise. These are sold and instead the merchants load cereals (especially wheat and barley) and go back"*. But besides the ships coming from "heathendom", also Greek ships arrived from the Byzantine Empire, Genovese and Venetian ships from Italy or ships from Dubrovnik from the Eastern cost of the Adriatic. The traffic was so big and the trade so flourishing that the Greek chronicler Laonic Chalcocondil, in the XVth century, shows that, regarding the expedition in 1462 of the Sultan Mahomet the II-nd, the conqueror of Constantinople, against Vlad Tepes, that it was burned by the Turks the *"city of Braila, city of the Dacians, in which they make a greater trade than in all other cities of the country"*. The statement of this chronicler was rigorously exact: the commerce in Braila surpassed the commerce in all Wallachian cities, including the capital, that, at that time was still in Târgoviște. Even more, the most important of the taxes imposed by the state was tithe (a tenth of products) called ***royal bucket***, referring to the bucket for measuring grain.

Brăila was under the Wallachians control when Wallachia was ruled by Michael the Old (1386-1418), one of the greatest Romanian kings in the Middle Ages. The city and the Wallachian main port at the Danube got under Turkish occupation in June-October 1540. Taking possession of Braila by the Turks did not mean an interruption of her economical life, of the export, and of the import. A substitution of the custom income's beneficiary happened, also a modification of the way or the direction the export happened, this heading more and more to Istanbul, the capital of the Turkish Empire.

After he became a vassal of Turks Braila became too a kaza (serhat). As a kaza, the town and its surrounding area was controlled by Ottoman Turks from 1538–1540 until 1829 (it was restored to Wallachia through the Adrianopole Treaty); the Ottomans called it Ibrail or Ibraila and built a fortress. During this period Braila continued to supply significant quantities

of grain and became a vast warehouse for Turkish cities on the Danube and Istanbul. So in 1559 in Braila 62 ships were loaded with barley, which went to Nikopol.

The price of grain was fixed at Braila depending on the crop that year, the political situation. Market of Braila was so important to trade grain, that the unit of measure called ***the keel of Braila*** became the market price for the two Romanian states (Wallachia and Moldavia). A French traveler named Montraye wrote in 1714 about the richness of this land: *"Near Braila there are plains with grain, barley and other dishes."* In 1790 Austrian captain Vermatti wrote that in Braila there were 2580 houses, the governor's residence (nazâr, muhaviz), mosques, Metropolitan Church of Proilava, grain warehouses and export goods.

2.2. Job description - Flour industry

By the Treaty of Adrianople (September 14, 1829) Braila returned under Romanian administration (as Braila county) and was granted the freedom of commerce on the Danube and sea (especially the trade of grain). The peace treaty included a separate act with provisions relating Wallachia and Moldavia. The provisions of the treaty limited the Ottomans' interference in the internal affairs of the two countries, but also accentuated Russia's role of a "protecting power" over the two Romanian principalities; furthermore, the Turkish fortresses and lands on the left bank of the Danube — namely Turnu, Giurgiu and Braila — were returned Wallachia and the treaty also recognized the right of navigation on the Danube by the principalities' own ships. The fortress built by the Turks in Braila in the 16th century was dismantled in 1828.

After the Ottoman economic monopoly was dropped, the two Romanian principalities became part of the European merchandise exchange circuit, with proof of it serving the increasingly higher number of merchant ships under foreign flag, which unloaded their goods in the Danube ports of Braila and Giurgiu. As a result, Braila port has been developed, and besides Turkish and Greek ships arrived also British merchant vessels and in 1834 the first steamboat. By Princely order given on the 13 of January, 1836, Braila was declared free-port-the goods arrived here from over the border, in order to be consumed on

place or for being re exported, were exempted from custom taxes. In these conditions they could be imported and deposited in Braila, but only within the city, not beyond the margins, any kind of goods and products without paying any custom tax or any other tax.

The building of new town of Braila, former Turkish garrison, begins in 1831. During 1831 — 1835 Braila is re-built on a modern radial-concentric plan and it had the status of a free port during 1836-1883. Starting the second half of the 19th century, Braila developed at a fast pace, as there were raised mills, silos, a cement factory and the repair shipyard. The electrical tram is introduced in 1900.

Concerned about combating pollution and sanitation, city authorities achieved in 1834 a plan that began to move away from the city mills, alcohol distilleries, brick kilns and other manufacturing companies. In the early 19th century, Turks, Romanians, and many Greeks, especially merchants, Armenians and Jews lived in the city. Since the early 1830's, many more Greeks, basically traders and craftsmen, settled down in Braila, and quickly joined the economic life of the city.

The number of Greeks in the second half of the 19th century, was about 5,000, representing 10% of the city residents. In this time, Braila was the largest port in the country and an important industrial center. The Greek people dominated the field of flour industry**.** Four out of the five modern mills in the city, belonged to greek families: The Galiatsatou brothers, John Millas and Son, Christophoratou etc). The Greek mills were among the most modernized in Romania and in contrast to the flour mills of Bucharest, they were directed to exports. Until the eve of the Second World War, there had been established some other units, such as Panayis Violatos' flour mill and that of Lykiardopoulos-Valerianos, the largest in Romania.

Between 1849 and 1866 grain exports increased due to larger area cultivated with grain and also begin to work small companies and in the milling industry, such as pasta company (1850) and macaroni company (1863) held by an Italian entrepreneur Barabino. During this time there were founded first mills with vapors: Gerbolini and Borghetti. They had 6 mills with vapors (4 after French model, 2 after English model), a laundry, a wheat dryer, a mechanical bakery for biscuits.

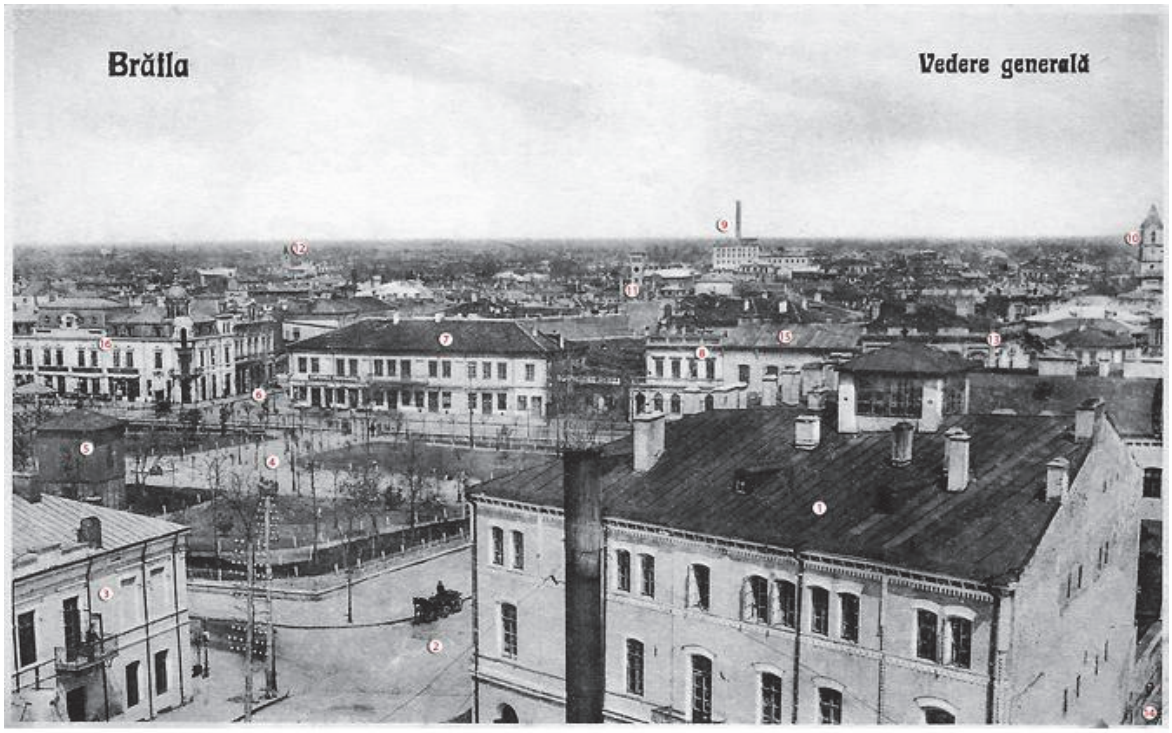
During 1893-1899 the Braila economy develops continuously putting a special accent on the alimentary industry. The census in 1894 showed that here there were 7 mills with vapors, and three years later other three more modern mills, of big capacity, of which products were requested for export: Millas, Galiatzato and Zerman. At the end of the century the Violatos mill started to work, with the most modern equipment, it was the largest vapor mill in Romania of that time, with 200 workers and a daily grist capacity amounting to 20 wagons (of 10 tons each).

In 1910 there was 4 flour mills in Izlaz village, one of them was under the property of Hebrew banker H.L.Schäfer: grain mills occupied an area of 2320 square meters, had 8 workers and produced 10,000 kg daily. Till World War I there were another mills belonging to the Morgenstern family: one was mentioned in 1912 in Vatra Veche village, another one named "Mercur" with a daily grist capacity amounting to 3 or 4 wagons of corn, wheat and rye.

After World War I the situation changed and Romanian wheat export decreased because of increasing domestic consumption and the agrarian reform (1921). The main competitor of Braila was Constanta, port city on the Black Sea, who did not pay taxes to the European Danube Commission. During this time the most famous flour mill was Herdan on Roșiori street, a large company with 152 workers.

The flour mill Millas & Son was built in 1879 between Unirii, Galati and Carol streets. In 1904 the building was sold to the Land Credit Bucharest company. In 1920 the building was destroyed by fire. Today there is another building in the same place.

Panayis Vallianos represented interests of the **Millas** family, who were merchants of cereals in the Danube area. After he had gained access to the Baltic Exchange Center, the main international grain market, and due to the strong reputation of his company, he managed, to open an account at the Bank of England.



1. fosta Banca Elina, fosta Banca Romaneasca, azi sediul Bancpost
2. Calea Calarasi cu statia de trasuri, liniile de tramvai nefiind inca instalate
3. Marele Hotel Hugo transformat in 1899 in Hotel Splendid (azi sediul BRD Braila)
4. Piata Sf. Archangheli (azi Piata Traian)
5. vechea clopotnita din lemn a bisericii Sfintii Arhangheli Mihail si Gavril
6. Strada Galati
7. Marele Hotel Francez (azi Muzeul Brailei)
8. Casa Zamfirescu
9. Fabrica de faina Millas si Fiu
10. Biserica Rusilor-Lipoveni (azi Catredala Mitropoliei Ortodoxe de Rit Vechi)
11. Biserica Catolica
12. Biserica Reformata Calvina
13. fosta Banca Italiana (fosta cofetarie Select)
14. o fosta strada de acces cu felinare, pe locul careia ulterior s-a construit cladirea Universitatii Constantin Brancoveanu
15. Comenduirea Garnizoanei
16. Casa Ralli

9. Millas & Son Flour Mill.

Panagis Violatos' flour mill was built in 1898 and it was the largest steam – powered flour mill in Eastern Europe. **Millas** and Violatos were partners since 1889 and they were the main suppliers of flour to England.

In 1891 Violatos purchased Borghetti Mills and then Lambridini Mills and started producing four qualities of flour.

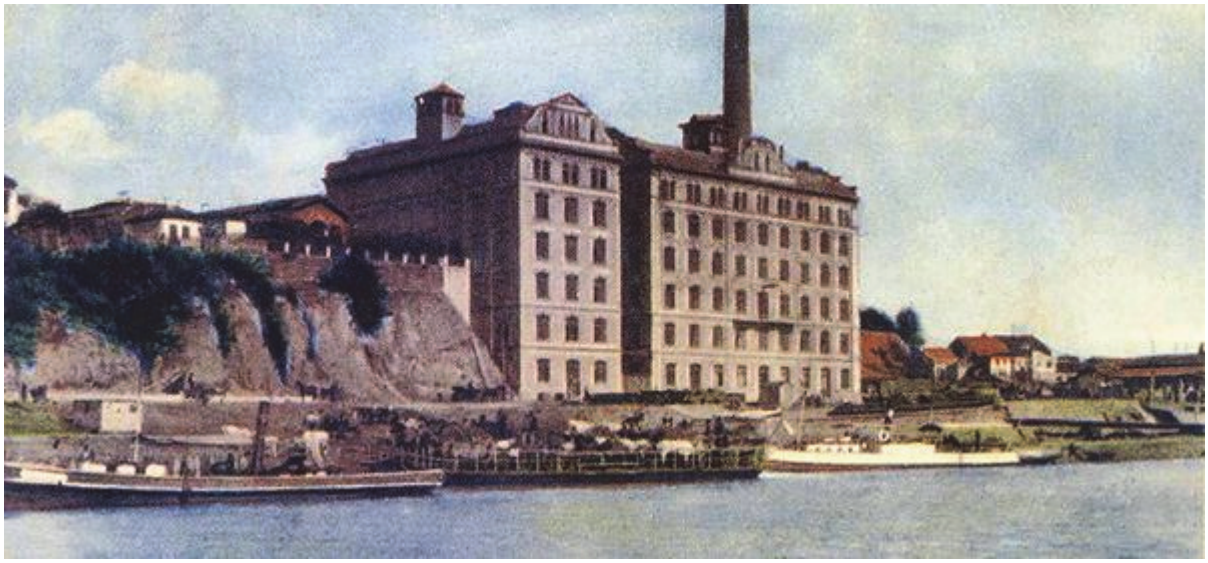
In 1892 Violatos alone achieved the most ambitious industrial project in Romania.

Unfortunately, an unfair competition started when Violatos began to attract employees of the **Millas** Company, offering them higher salaries. He even tried to do the same with John Valerianos, who was **Millas**' nephew.

Violatos Brothers' Mill is one of the most important monuments of industrial architecture, and it was certified since 1897. Built on the shore of the Danube river, near the port of Braila, it competed in equipment and productivity with the largest international factories. It employed 70 workers and Its machines came from Braunschweig, Germany, had

a capacity of producing 400-500 tons per 24-hours. In 1924, a railway from the harbor to the mill gave access to the national rail network. The production of Violatos' Mill reached not only the internal market, but also foreign countries such as Egypt, Greece and Turkey.

In the 1940's the company declared bankruptcy.



Panagis Violatos' flour mill

Panagis Violatos' flour mill

<u>Valerianos-Lykiardopoulos flour mill</u> was built in 1911-1912. Called "the automatic flour factory" it had a productivity of 24 wagons of wheat in 24 hours and managed to get an even bigger production than Panagis Violatos' mill. In the beginning it was the property of the Lykiardopoulos brothers but after the first world war, the elder brother Spyros was the only shareholder. After the marriage of Valerianos with a sister of Spyros

Lykiardopoulos, Valerianos became a shareholder and the mill was called Valerianos-Lykiardopoulos.

The founder of the family, Panagiotis Lykiardopoulos, from Cephalonia, moved in early 1830's, during the development of the port, along with his three sons. He quickly became one of the major merchants of cereals in the city. The members of the family were constantly involved in trade and real estate business until the mid-war years. Catherine Lykiardopoulou, the granddaughter of Panagiotis married Michael Pappadatos, son of one of the richest families in town. Another granddaughter, Pigi, married **Demetrios Millas**, the owner of one of the largest flour mills in Romania, located in Braila. This marriage, led to the moving of other family members in Braila and to the establishment in 1912, of the **"Lykiardopoulos & Valerianos Flour Industry"**, which was the largest one throughout Romania.

In 1948 the mill was nationalized and continued to operate under the name Nicolae Baltseskou. The mill continued to operate until the 90's. It is currently under maintenance.

Valerianos-Lykiardopoulos flour mill

CHAPTER III

Description of a Modern Job- Examples of Good Practice

- SC Moara Ghionea SRL -

For information about the mill "Ghionea," we went to its headquarters which is located in the village Chiscani, Braila County, where we met with its owner, Cristache Ghionea and we were received with the specific Romanian hospitality.

3.1.How did it start?

The mill was founded in 1990, after the revolution of '89, a period in which the private sector in Romania started to develop.

The idea of setting up a mill was the owner's father who encountered difficulties in his childhood, in 1946- 1947 when, in Romania, especially in the eastern Romania, there was a period of major food deprivation as a result of complex causes: especially drought and damage to agriculture caused by the war, the existence of food supplies required by the terms of the armistice (and the existence of the Red Army), the negative effects of land reform in March 1945 and the lack of the government's interest - which did not control the eastern part of the country for almost one year, in the context of the Soviet occupation.

The owner's father was one of the ninth children of a family that had to face hunger and learned that the most important thing is food, the daily bread.

Initially, the main activity of the company was milling and processing of wheat and maize for flour and cornmeal. At first, the company had three employees, one of them being the master miller, the only one who had knowledge of milling. After a year of activity, the number of employees increased to 5.

3.2. How was it developed?

A period of documentation and specialization. "In business, you have to be well documented, the process must be complete in order to demonstrate professionalism," says Mr. Ghionea.

Identifying the need for specialization and strengthen the support for employers working in the milling, Cristache Ghionea is the founding member and vice president of ANAMOB.

ANAMOB - National Association of Flour Milling and Baking Industries in Romania - is a professional, nongovernmental, apolitical and non-profit organization. ANAMOB develops its activity in the milling and bakery field, and it facilitates the economic, financial, legal and organizational contacts with the government bodies, NGOs, banking at any level in the country and abroad for the benefit of its members. At its beginning, in 1994, ANAMOB consisted of 57 member companies, today ANAMOB counts over 200 members across the country.

Even from the beginning, ANAMOB benefited from the direct support of ACDI - Agricultural Cooperative Development International and VOCA - Volunteers in Overseas Cooperative Assistance, both non-profit US organization that offered advice, technical and financial training to ANAMOB's members.

ANAMOB is a member of RBA – Retailer' s Bakery Association, USA, and has developed close cooperative relationship with AIB - American Institute of Baking, GIA - Grain Industry Alliance, KSU - Kansas State University, USA.

Over time, the activity was diversified; the company has developed new sections, such as: bakery, pastry, confectionery. The investment was mostly their own, except for Charlotte confectionery for which there were European funds.

The owner, Cristache Ghionea took part into training courses in the milling and bakery in the country and abroad, he encouraged the technical staff to train, he also strengthened the ties with the trade market in the milling field in the country, adding that " the vision of an owner must be for long term and it must have a business development perspective. "

3.3.Activity of SC Mill Ghionea SRL today

Industrial Baking Ovens

Authentic wooden baking trays

The yard of the mill

The development of the mill targeted not only the specialized personnel and also new technological equipment, thus the company has 84 employees and it can process the wheat to a capacity of 25 tons / day. The capacity of corn mill is of 800 kg / hour. The quantities of raw materials (wheat and corn) and finished product (white flour, whole meal, higher corn flour and extra cornmeal) vary from day to day, depending on the market demand. The raw materials are stored for processing in industrial metallic silos of 1100 tons each. The technological process is conducted continuously using specific equipment for milling activity namely the storage, purification, separation, preconditioning, grinding, screening, separating , storage, bagging.

Overview from the Mill`s flour production room

For product certification, a laboratory has been equipped to higher standards for qualitative analysis of the wheat and maize before their reception. The finished products from bakery and pastry are analyzed and checked after each batch produced.

3.4. Bread production – Bakery

The maximum capacity is 5 tons / 24 hours. The main raw material is the processed wheat flour in the mill. The final products are : white bread, whole meal bread and brown bread.

The bread is stored in a separate space for the purpose of packing and delivery. The bread made by the company is appreciated by the consumers for its specific taste and aroma of traditional " homemade " bread.

3.5. Bakery Production – Pastry

This section has a capacity of 3 tons / day of pastries and 3 tons of bakery specialties: sliced white bread; toast bread; intermediate toast bread; braided bread; Bucovina bread seat; graham bread; potato bread; malt bread; bread with pumpkin seeds; " Romanian Round " with multigrain bread; rye " Romanian Round " bread, white intermediate and Graham buns, the croutons and bread crumbs.

The pastries made are: bread bars; jam croissants; Chocolate croissants; croissants with Turkish delight; croissants with walnuts; pretzel with sesame; sponge cake with nuts, Turkish

delight and cocoa; sponge cake with orange jam, raisins and cocoa; hoop bride. The company also has a special space just for the manufacturing and marketing of donuts.

Pictures from the Charlotte Confectionery

In the Charlotte Confectionery there are confectioners specialists who prepare cakes, cookies, candies, using natural ingredients, no additives and dyes, responding to customer demand .

3.6.The socio- economic impact of the mill on the area

Besides the services offered by the activity of SC GHIONEA SRL, the business contributes to the economic development of the area because all the employees live in the village Chiscani, thus 84 families have an income due to the existence of the mill in the village. The raw material used in the mill is acquired, mostly from the area, from private and industrial producers, the village being in a rural area with a tradition of cultivating wheat and maize. The taxes which the company pays to the City Hall Chiscani contribute to the development of the village .

"Before, people make bread in the house, now they buy it. " – Vision of the future

The owner of the mill, Ghionea Cristache is aware that the development of the mill contributes to the welfare of the inhabitants. He is also confident that the younger generation should take over and must adapt to a business environment that is constantly changing.

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LODZ – POLAND

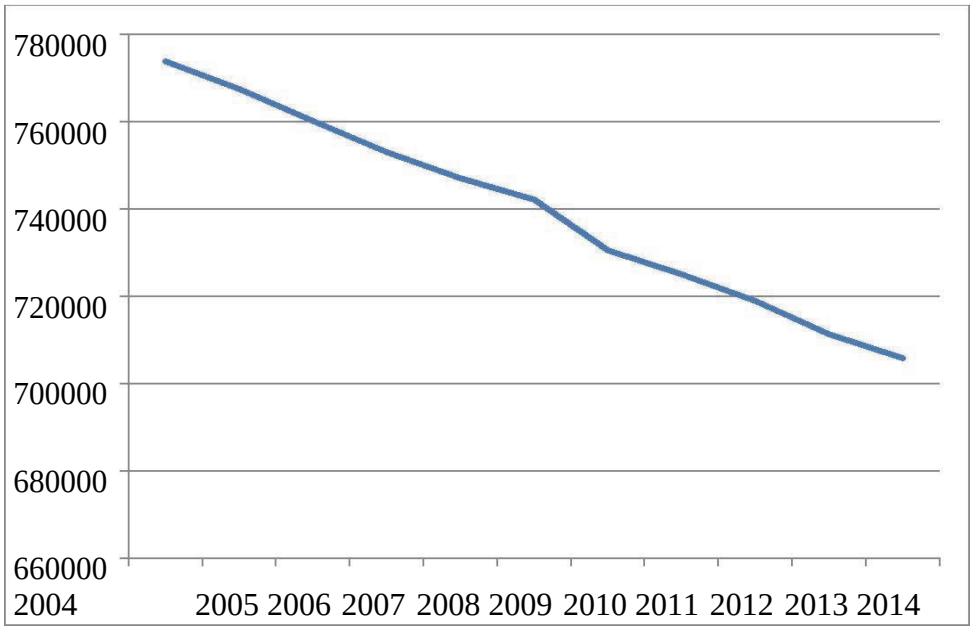
CHAPTER I

Local Specificity – General Concept

1.1.Demographic Condition

Lodz is one of the three Polish largest cities, located in the centre of Poland. The city is the main unit of Lodz Metropolitan Area with 707,5 thousand inhabitants (Lodz) at the end of 2014[1] and it was 28,2% of total population in Lodz voivodeship. In terms of demographics Lodz and the whole region recorded negative trends. In only one year, from 2013, the population of the city decreased by 6,7 thousand people, which is the result of negative birth rate and residents migrations.

Chart 1. Population of Lodz in last 10 years



Source: Own work based on Local Data Bank, Central Statistical Office.

Over a half of Lodz population are women (54,5%). The city has had the highest level of feminization rate in Poland for many years. In 2014 the feminization rate was 1,2.

[1] Local Data Bank, Central Statistical Office, www. stat.gov.pl (access 01.10.2015).

Population by economic groups is as follows:

- pre-working age population (up to age of 17) 14,2%
- working age population (age of 18-65) 60,7%
- post-working age population (age of 65+) 25,1%

1.2.Economıc Condıtıon

The central location of Lodz, supported with excellent learning and facilities provides easy access to all major business centres in Europe. Over the last two centuries, Lodz has evolved from the economy based on traditional textile industry to economy based on knowledge, innovation and creative ideas. In that situation one of the main objectives of economic development is to increase entrepreneurial potential of the city through supporting modern industries generating high-quality jobs, widely understood research and development sector and by increasing the impact of these branches on the growth of other sectors of Lodz economy[2].

In Lodz there are well-known international companies, for example Fujitsu Technology Solution, Accenture, DHL Express, Southwestern BPO, Nordea, Business Support Solution, ACS a Xerox Company, Dell, Procter &Gamble, Amcor, Hutchinson, Indesit or B/S/H.

In 1997 local authorities established Lodz Special Economy Zone (LSEZ) to develop the whole Lodz region. For over 15 years of its existence, LSEZ has issued over 212 permits and carried out investment processes of a total value of PLN 9.5 billion. The entrepreneurs located in the zone have been able to create over 25 thousand jobs[3].

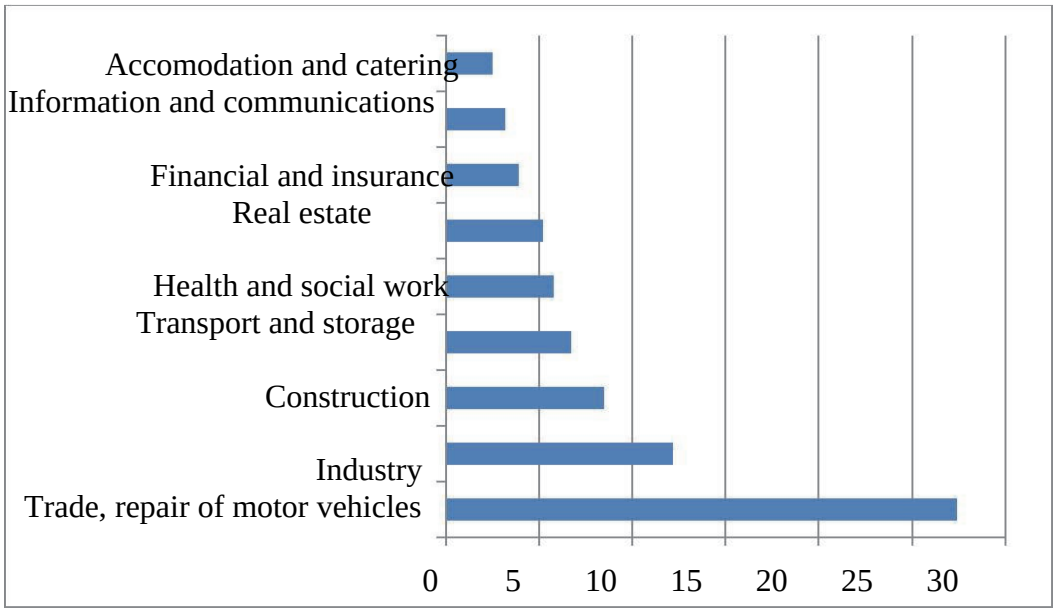
According to consulting firms Lodz is among the seven main BPO centres and almost 8,5 thousand of employees are hired in the sector of common service centres, mainly in accounting and finance area or IT.

In 2014 in Lodz over 1200 private firms of different sectors for 10 thousand citizens were registered as active. Most of them were companies employing up to 9 people.

[2] Integrated Development Strategy for Lodz 2020+, Lodz City Council, www.uml.lodz.pl (access 01.10.2015).

[3] Labour market in Lodz, 2013, Grafton Recruitment.

Chart 2. The number of companies per sector in Lodz in 2014



Source: Own work based on Local Data Bank, Central Statistical Office

1.3. Labour Market

The number of employed people in the enterprise sector in 2014 amounted to 121,6 thousand and comparing to 2013 increased by 1,8%.

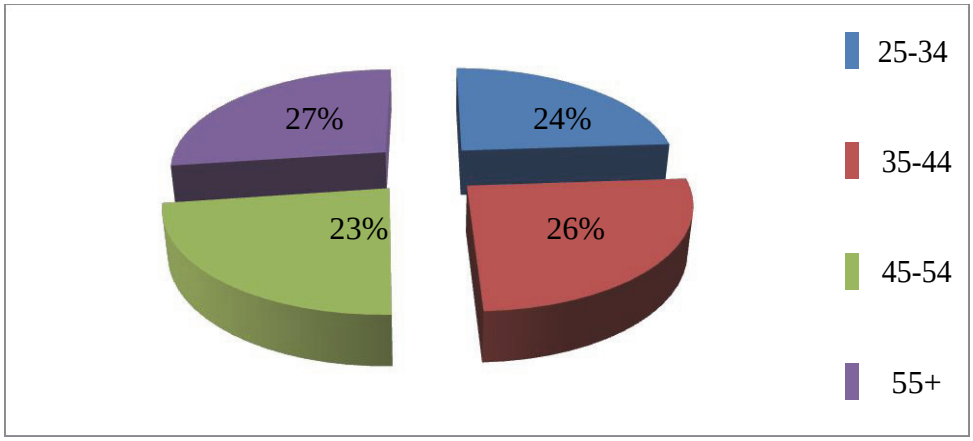
Table 1. Employment in the enterprise sector in 2014 in Lodz

Specification	The number of employed [thousands]
Industry	43,3
Construction	6,7
Trade; repair of motor vehicles	34
Transport and storage	6,2
Administrative and support service activities	10,1

Source: Own work based on Local Data Bank, Central Statistical Office.

According to data of the Central Statistical Office the number of the unemployed registered in Lodz in 2014 amounted to 36,5 thousand of citizens which constitutes an unemployment rate at the level of 10,8% of professionally active persons. The largest group of the unemployed in Lodz consists of elderly people, in the range of 55+ years old.

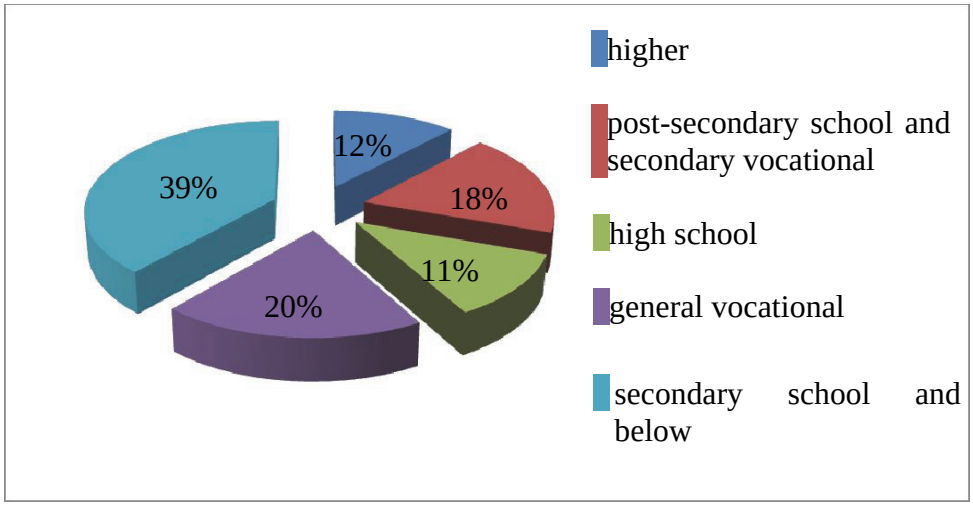
Chart 3. Percentage of the unemployed at the County Labour Office in Lodz in 2014



Source: Own work based on Local Data Bank, Central Statistical Office

Looking at the structure of education of the unemployed in Lodz, it could be noticed that 39% are people with secondary school and lower education and less than 10% are those with higher education. The chart below presents percentage of the unemployed according to their level of education.

Chart 4. Unemployment in Lodz in 2014 according to the level of education



Source: Own work based on Local Data Bank, Central Statistical Office

Women have better situation on Lodz labour market than men. Statistics show that women represented 48% of all unemployed citizens.

1.4. Academic Centers

There are 23 universities in Lodz, including 6 public and 17 private universities, with large number of students in faculties related to economics and accounting, management, IT or technology. Additionally, the number of students speaking foreign languages is important to local employers and investors.

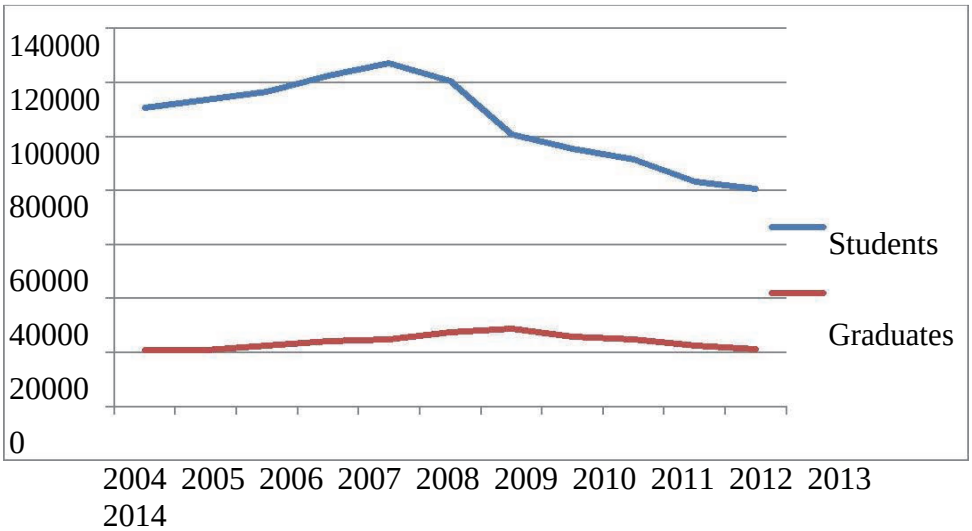
Table 2. Public universities in Lodz

PUBLIC UNIVERSITIES
University of Lodz
Lodz University of Technology
Medical University of Lodz
The Polish National Film, Television and Theatre School
Strzemiński Academy of Art
The Grażyna and Kiejstut Bacewicz
Academy of Music in Lodz

Source: Own work based on Local Data Bank, Central Statistical Office

In 2014 almost 70 thousand students studied at all public universities while only 17 thousand at private ones. Over the last 10 years the number of students has increased almost eight-fold while the number of graduates remained unchanged.

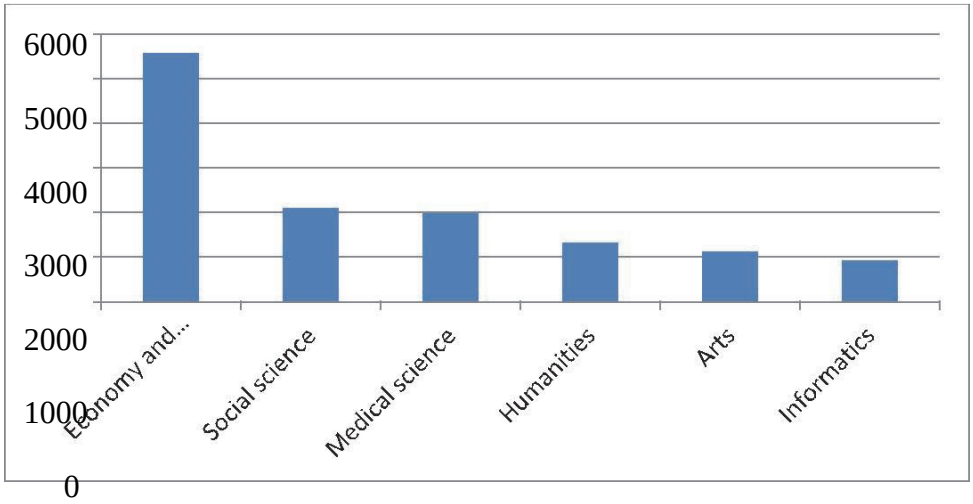
Chart 5. Students and graduates in Lodz in last ten years



Source: Own work based on Local Data Bank, Central Statistical Office

At both public and private universities most of the students have graduated with an economics and administration degree.

Chart 6. Graduates in 2014 in Lodz according to fields of study



Source: Own work based on Local Data Bank, Central Statistical Office

In addition, the number of students in Lodz speaking foreign language is also high – over 90% of students declare speaking English, and nearly 40% of students declare speaking German.

It is a very high level compared to other cities in Poland, which makes Lodz a very attractive location for foreign investments, especially in the BPO/SSC sector. Aside from the most popular languages, such as English and German, students can also choose classes in Russian, French, Spanish, Italian but also Japanese, Chinese and Arabic. Young people start learning foreign languages at an early pre-school level, starting with language classes conducted at kindergartens, and then continued in primary, high and higher schools[4].

As a result of cooperation between Lodz City Council, local universities and local employers a lot of programs were created and dedicated to young people starting their professional life.

- *Practice for science, science for practice* – a pilot programme of internships for scientists at enterprises, within the frames of which university employees undergo internships at the selected enterprises, familiarizing themselves with the specificity of their operation and the demand for scientific studies.
- Centre for Technology Transfer - the institution of which is to ensure coordination of activities in the field of innovation of ideas in a scientific and business environment, commercialization of science and technology as well as its transfer from universities to enterprises.
- Post-graduate studies *Organization and management of a BPO common service centre* – a unique project implemented by the University of Lodz, the purpose of which is to popularize knowledge and prepare in the field of implementation of offshoring processes.
- The youth in Lodz –the purpose of this project is to encourage young people to bind their future with Lodz as well as to build a positive image of a city fostering professional development[5].

[4] Labour market in Lodz, 2013, Grafton Recruitment.
[5] Ibidem

CHAPTER II

Description of a Traditional Job

2.1.Justification of the Choice - Historical View

Lodz has a rich tradition of textile culture, both in the crafts and industry which has been cultivated since the 19th century.

The agricultural-craftsmen's village located North of Lodka River received city rights in 1423. A century later, shortly before World War I it boasted as many as 584 factories offering 103,000 jobs, appr. 94% of them in textile industry. Lodz became one of the Europe's biggest and fastest growing textile industry centres.

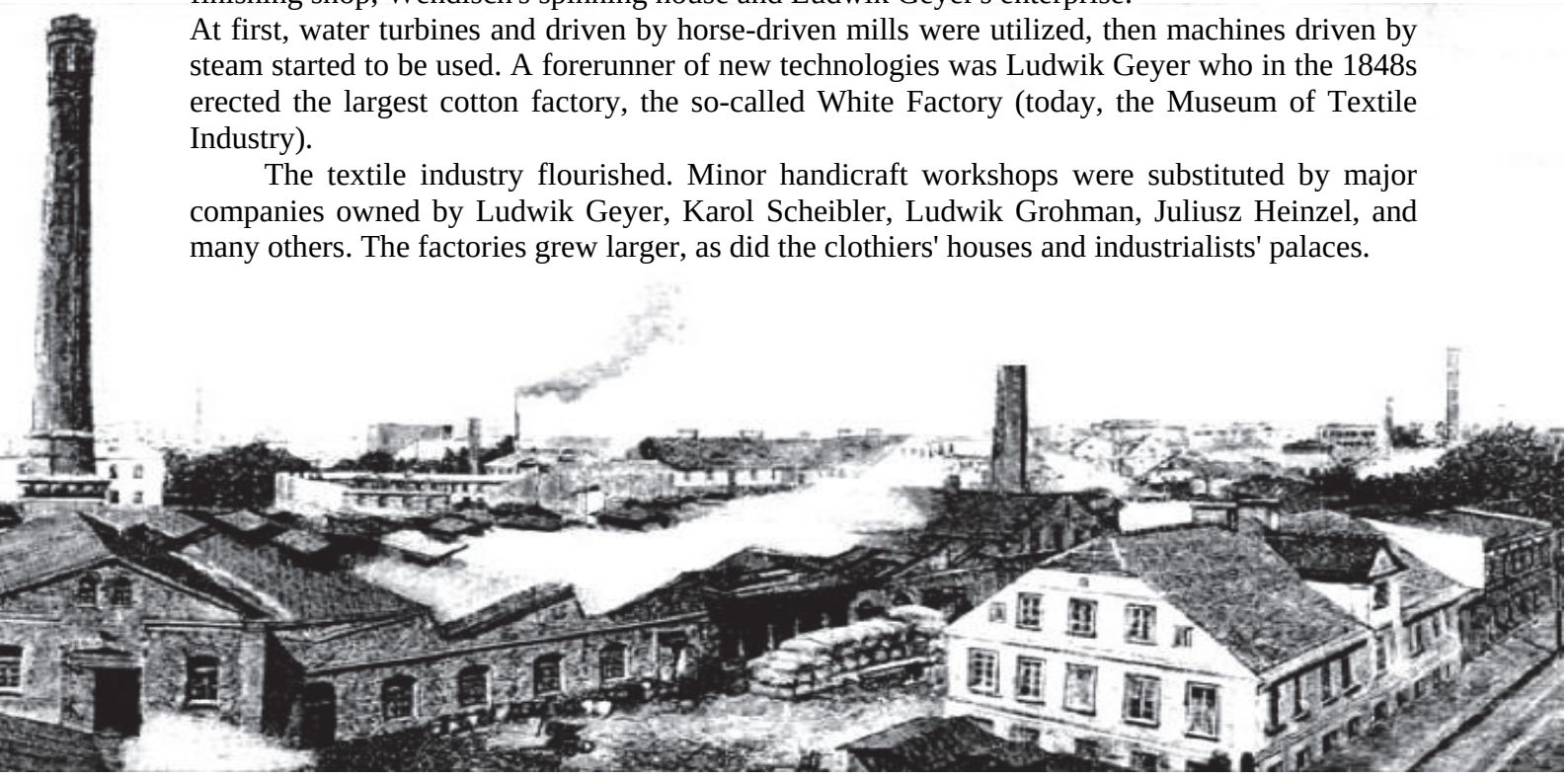
As early as 1820 when the Government of the duchy of Poland, in the pursuit of industrializing the country, chose Lodz as the seat of textile industry. The city, located between two rivers and surrounded by forests, was a perfect choice for the building factories. Loans and temporary duty exemptions were granted to attract people from Silesia, Bohemia, Prussia, and Jewish communities, making Lodz a multiethnic town.

The first settlers, skilled in weaving, dyeing, and spinning, were given a plot of land and the timber to build houses and workshops, equipped with various devices and production frames. The workshops employed a considerable number of people and encouraged a professional specialization. In the 1830s the cotton industry took up a dominant position in Lodz's industry.

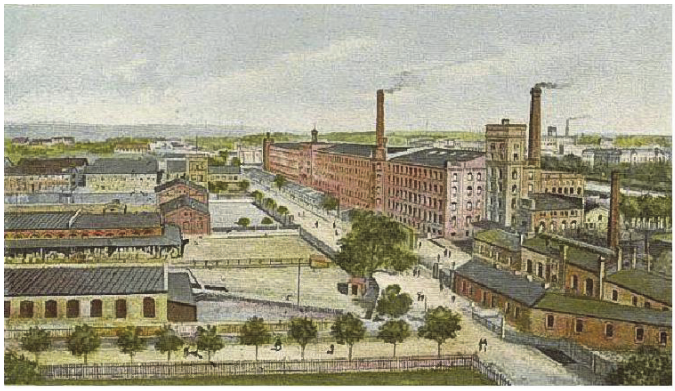
The first workshops in Lodz were following: Saenger's spinning shop, Kopisch's linen finishing shop, Wendisch's spinning house and Ludwik Geyer's enterprise.

At first, water turbines and driven by horse-driven mills were utilized, then machines driven by steam started to be used. A forerunner of new technologies was Ludwik Geyer who in the 1848s erected the largest cotton factory, the so-called White Factory (today, the Museum of Textile Industry).

The textile industry flourished. Minor handicraft workshops were substituted by major companies owned by Ludwik Geyer, Karol Scheibler, Ludwik Grohman, Juliusz Heinzel, and many others. The factories grew larger, as did the clothiers' houses and industrialists' palaces.



The abolition of customs duties between the Polish Kingdom and Russia in 1851 was crucial for the further development of Lodz and its industry. With free trade, the manufacturers made vast fortunes producing and selling cloth. At the time, the most famous manufacturers in Lodz were Israel Kalmanowicz Poznanski and Karol Wilhelm Scheibler.



The largest factories were Karol Scheibler's in Ksiezy Mlyn and Israel Poznanski's in Ogrodowa Street – old postcards (source: Internet)

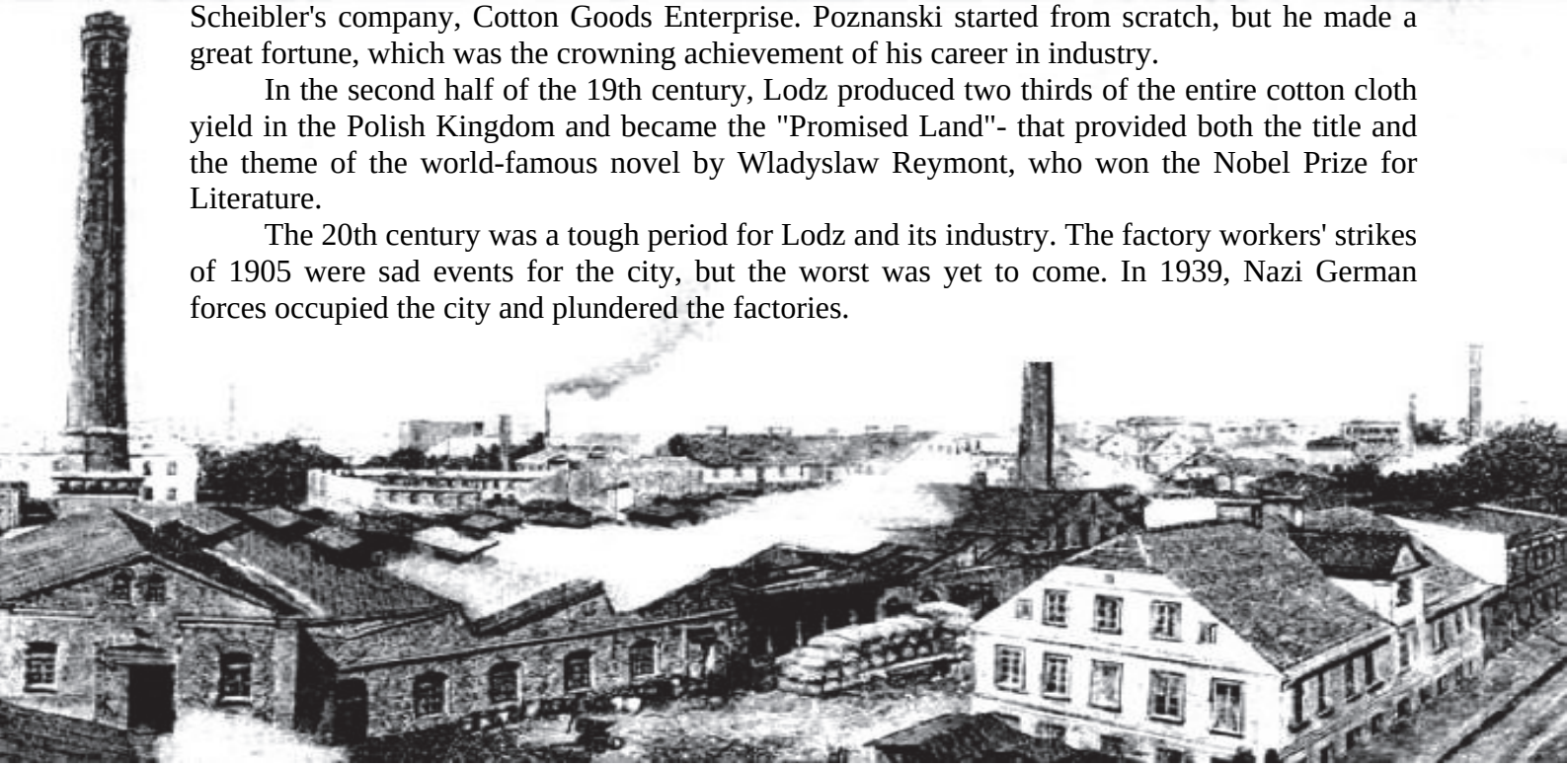
The name of Karol Wilhelm Scheibler is at the top of the list of creators of modern textile industry in Poland. In 1854 he started a modern spinning shop, equipped with 18 thousand spindles and 100 looms, employed 180 workers, which made Scheibler a major businessman in Lodz.

His fortune grew and he built a new factory in 1873, furnished with 1,200 looms and 70 thousand spindles. His crowning achievement was the transformation of his enterprise into Joint Stock Company. After his death in 1898, the company kept developing and expanding geographically.

In the years 1870-1890, Izrael Kalman Poznanski founded the second largest, after Scheibler's company, Cotton Goods Enterprise. Poznanski started from scratch, but he made a great fortune, which was the crowning achievement of his career in industry.

In the second half of the 19th century, Lodz produced two thirds of the entire cotton cloth yield in the Polish Kingdom and became the "Promised Land"- that provided both the title and the theme of the world-famous novel by Wladyslaw Reymont, who won the Nobel Prize for Literature.

The 20th century was a tough period for Lodz and its industry. The factory workers' strikes of 1905 were sad events for the city, but the worst was yet to come. In 1939, Nazi German forces occupied the city and plundered the factories.



After 1945, Lodz was still a well-recognized textile center. Numerous cotton mills provided our region with an easy access to fabrics. As a result, lots of sewing companies offering jobs to tailors, textile manufacturers and clothing technology technicians were established.

From 1989 and the fall of communism, Lodz ceased to be a prosperous textile centre. High production costs, importing cheap cotton from Asia as well as low quality of products hindered their sales on Polish market. Geopolitics and economy made it difficult to sell them in Russia, the main trade partner. Therefore, the majority of factories became unprofitable and went bankrupt. However, some companies were privatized and transformed into joint-stock ventures. The most notable ones were Prochnik, Telimena, Wolczanka and OLIMPIA which produced high-quality garment and had well-developed design departments.

Many of the industrial red-brick buildings have survived until our times. After years of crisis following Poland's democratic transition, Lodz is getting back to its old self. The city's textile industry employs over 31,000 people and its research centers keep coming up with modern textile design solutions. The name of one of the main streets in Lodz commemorates textile manufacturers.

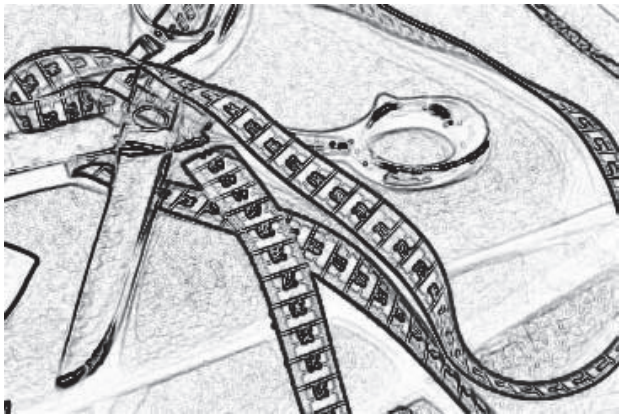
Lodz has changed a lot since those days, life is still intense although in a different way. People run smaller clothing companies and important trade contracts are negotiated. More and more foreign companies establish their businesses in Lodz Special Economic Zone - ideal place for investors interested in developing their activity. It offers a high level of the state aid, excellent location in central Poland with great communication system, attractive investment sites and cooperation with vocational facilities and universities.

Karol Scheibler's Factory – today (source: Internet) **Israel Poznanski's Factory – today (source: Internet)**

2

2.2.Clothing Technologist

2.2.1. Job Description



A clothing technologist is involved in all aspects of garment production and is expected to keep up to date with technical innovations and trends.

He works on the development of products, making sure that garments meet the quality and standard needed, while liaising with those involved in the production process. He inspects and analyzes fabrics, materials and methods used in the production of clothing.

He advises on the best materials for specific designs and types of clothing and provides input on production procedures and quality control. The selection of materials he works with is wide, including natural and synthetic textiles - leather, fur, metals and plastics. A clothing technologist also ensures that the manufacturing process is efficient and cost-effective. He can also be called clothing or garment production managers.

2.2.2. Responsibilities

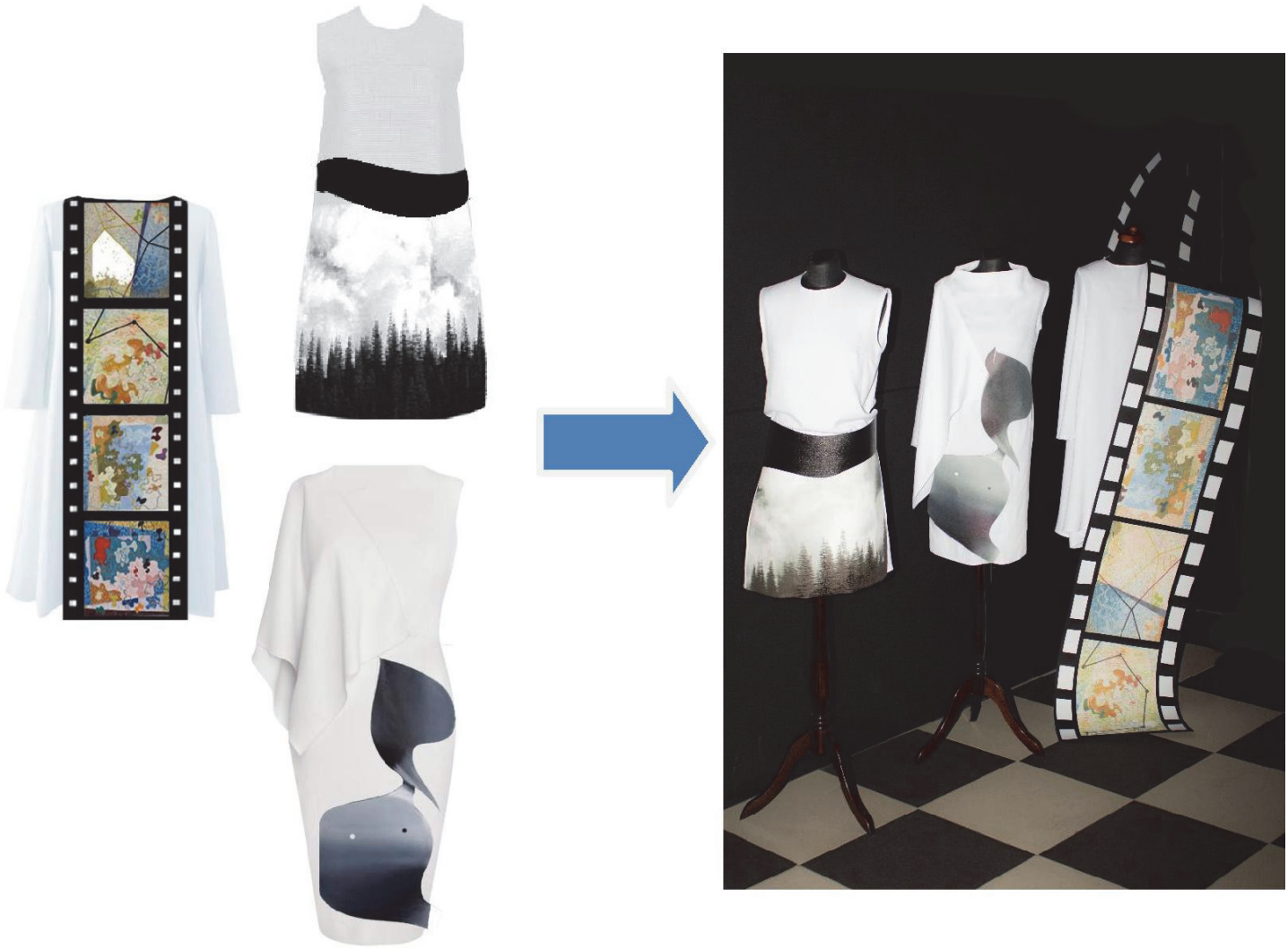
- liaising with designers, and adapting designs to suit production methods;
- undertaking quality evaluations of materials and checking quality of the final product;
- controlling the whole production process and quality standards;
- making and sizing pre-production garments or working with the pattern graders to oversee the sizing, fitting and testing of the pre-production garments;
- overseeing fittings of first samples;
- sourcing fabrics and accessories;
- selecting suitable fabrics and designs for items of clothing;
- ensuring that products meet set requirements and specifications (eg colour fastness, durability etc)/ ensuring quality in areas such as strength, durability, colour fastness, and water and chemical resistance;
- making sure garments can be produced within budget and better production methods are used to keep costs under control;
  supporting the design and buying teams through all stages of garment product development from design to manufacture;
- providing technical advice to marketing, purchasing and production staff;
- identifying the latest fabric trends, developments and innovations;
- working with customers to meet their needs;
- responding to product queries, including complaints from wholesalers and customers;
- analyzing product returns and faults.

2.2.3. Key Skills

- a high level of technical knowledge and strong practical skills;
- the ability to identify and analyze a wide range of materials, fibers and fabrics visually and through touch;
- production processes knowledge;
- creativity;
- interpersonal skills;
- the ability to work as part of a team and to liaise with colleagues in other functions;
- the ability to work with suppliers;
- commercial awareness;
- strong negotiating skills;
- the ability to prioritise and to switch between different tasks as required;
- problem-solving skills and decision-making ability;
- organisational skills to ensure time schedules are adhered to and deadlines are met;
- an interest in, and understanding of computer technology.

A project inspired by the work of Katarzyna Kobro (private materials).

CLOTHING TECHNOLOGIST CREATES A PROJECT, PREPARES A PROTOTYPE AND PRODUCTION (private materials)



The general role of the clothing technologist is to handle garment production, making sure that the equipment is working efficiently, the production risks are minimized, and that the products being made are of good quality.

He performs in a range of areas including research and development, engineering, production, and quality control. His duty is to source fabrics that are fit for purpose and conduct quality control tests for properties, conducting fabric testing. He is expected to have the expertise to recommend certain fabrics for specific styles and patterns of clothing based on his knowledge of fabric behavior, thread counts, bias cuts and stitching patterns. Knowledge of chemical treatments used to make garments water, stain and fire resistant is required.

A clothing technologist advises textile producers and garment manufacturers on methods to improve the quality and durability of finished goods. He is expected to provide input on emerging technologies regarding new fibers and production options. That is why, he frequently meets with clothing designers, fiber producers and professional buyers to discuss industry trends and innovations.

He often works in a supervisory or management capacity, running a team of people or he works in teams. He cooperates with staff such as designers, pattern cutters and graders, seamstresses and manufacturing supervisors.

Employers of a clothing technologist include clothing companies or garment manufacturers, retailers, research and development organizations.

2.3.Examples of Good Practices: Olimpia S.A.

(used information and photos from http://online.olimpia.com.pl/pl/)

Long-term tradition, a high quality and sophisticated taste of OLIMPIA have accompanied Polish people since 1950. Lodz company with over 60 years of experience in knitting branch has been going with the spirit of the times and although our far-eastern neighbors defeated many polish clothes company, OLIMPIA has lived, strengthened its position and in 21st century it entered energetically, equaling most of the huge company.

It became due to modern park machine; applying the newest technological solution and perfect, imported yarns allow company to reach the highest quality of goods, which are appreciated on European markets. Over 60% of production you can meet in England, Ireland, France, Germany, Italy and Russia. Remaining and franchising showrooms in the biggest part is sent to a chain of company Polish cities.

Presenting company it would be unforgivable mistake, not to mention about people – well – trained, intent employees who create OLIMPIA background.

Designers, inspirited with the newest trends of the world fashion capitals, design each next model with huge passion, taking care of the smallest details; well – trained and experienced management meticulously implements new strategy of solution, applying the whole management system to European standards and first of all production team, without who the company wasn`t be able to create so huge range of goods in different coloring.

Many times OLIMPIA was awarded in prestige competitions and nowadays it meets the most discriminating customers halfway, from one season to another widening goods offer, adapted to prevalent the canons of fashion.

CHAPTER III

Description of a Modern Job

3.1.Justification of the Choice

Lodz is a city which grew out of the textile industry, that is why, it has been associated with fashion industry for more than two hundred years. Nowadays, after almost two decades of decay and oblivion, the city has returned to the fashion map. A former center of textile industry - one of the largest in Europe – again has begun to attract journalists, merchants and connoisseurs and lovers of fashion. Again it has started to organize fashion shows. Both Poland and Lodz has gained its long-awaited Fashion Week, which has become a highlight of the fashion in the country.

In 1958 in Warsaw Polish Fashion state-owned company (Moda Polska) was established, whose first CEO was Jadwiga Grabowska, a popular designer in the 50s, called by some Poles Coco Chanel. However, the first Polish Fashion House was opened a year earlier - in 1957 - in Lodz. It was called Telimena Fashion House of Clothing Industry. Its clothes were a symbol of luxury and elegance for many years.

Fashion show of ''Telimena Fashion House '' in 1992 (source: National Digital Archive)

It seemed that the years of greatest splendor and the former "promised land" have already vanished.The famous Telimena Fashion House still exists, but instead of a true fashion at the highest level manufactures only corporate uniforms.

The beginning of the twenty-first century appeared to be a real breakthrough. Lodz is back on the fashion map. In 2006 Manufactura Center was opened, located in the nineteenth century buildings belonging to the factory complex owned by the famous industrialist Izrael Poznanski. Its establishment was preceded by the largest revitalization of post-industrial buildings in Europe. It was an important and inspiring step. Three years later, the first Polish Fashion Week – Fashion Philosophy, Fashion Week Poland, was organized in Lodz.

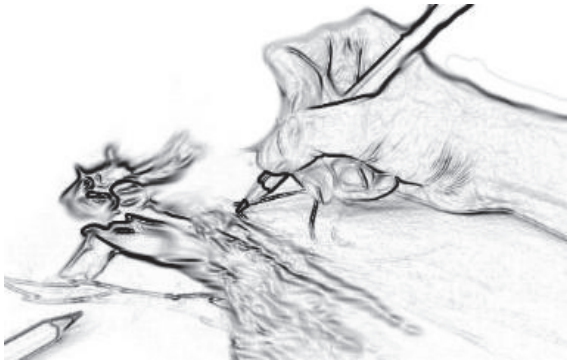
Now each year, Lodz hosts the most important fashion events in the country, such as: FashionPhilosophy Fashion Week Poland, the International Competition for Designers Fashion – Golden Thread, Graduation Gala of the Department of Fashion Design, Fashion Lab, RE-ACT Fashion Show, which present young creators and new design concepts, and provide an opportunity for discussions on fashion topics. The city supports and patronizes the numerous events promoting Polish fashion.

It is the seat of the most important higher education establishments, educating designers and garment technologists – Academy of Arts with the Faculty of Textile and Fashion, unique in Poland, and a Higher Technical Education Establishment, Faculty of Material Technologies and Textile Design at the Technical University of Lodz, and Secondary School of Fashion Industry. This city is also a home to institutions operating in the field of fashion and organizations gathering fashion designers, including: Future in Fashion Foundation, Fashion Promotion Center and Central Museum of Textiles.

Gayer's factory - the seat of the Central Museum of Textiles **(source: Internet)**

3.2.Fashıon Industry Technologıst

3.2.1. Job Descrıptıon



Along with the development of the fashion industry a new job needed to be introduced. It is called a fashion industry technologist and is an extension of a clothing/garment technologist – the traditional one. Skills required of a fashion industry technologist as well as his responsibilities are similar to those of clothing technologist's.

He is also involved in all aspects of garment production and needs to keep up with technical innovations. The fields he has to be familiar with are modern material science and garment adornment and processing.

The main difference between aforementioned jobs is that a fashion industry technologist has to work as a fashion show director or a fashion brand manager. He designs fashion collections for shopping malls. Therefore, he has to keep up with the latest trends in the fashion industry. He is also involved in brand management and must be able to build brand awareness as well as take care of its public relations. He takes part in creating advertising campaigns and finding a target market for a given brand. For that reason excellent interpersonal skills and proper staff management are relevant.

A fashion industry technologist also organizes fashion shows and events (private photo)**.**

A fashion industry technologist needs to take up more challenges than a garment technologist, whose majority of responsibilities are purely technical. Working in marketing and as a fashion show director requires huge reserves of creativity, experience and knowledge.

3.2.2. Responsibilities

- building an 'e-fashion show' collection awareness;
- garment design;
- garment adornment and processing;
- designing a fashion collection for Shopping Mall;
- organizing and directing a professional fashion show;
- keeping up with the latest trends in the fashion industry;
- international brand management;
- marketing in the fashion industry;
- building purchasing power, finding a target market;
- garment distribution and e-commerce;
- arranging an exhibition and selling space in garment stores;
- advertising campaigns (press, TV, radio, internet);
- taking care of flawless public relations of a given brand: concept store, customer service, contact with media;
- putting together a team, staff management;
- individual fashion consulting.

3.2.3. Key Skills

- creativity;
- interpersonal skills;
- a high level of technical knowledge;
- the ability to identify and analyses a wide range of materials, fibers and fabrics visually and by touch;
- the ability to work as a part of team and to liaise with colleagues;
- organizational skills and proper time management;
- understanding of computer technology to make his work easier;
- the ability to analyses trends in the fashion industry;
- creating color pallet;
- the ability to find target market and its needs;
- using digital software to create garment drawings;
- the ability to recognize and apply different methods of marketing in the fashion industry;
- the ability to choose proper methods of garment distribution;
- knowledge of logistics in a company.

3.3.Examples of Good Practıce

The fashion industry in Lodz is developing very rapidly. For that reason, a lot of fashion events are organized in our city.

3.3.1. Fashıonphılosophy - Fashıon Week Poland

Poland's largest fashion event, FashionPhilosophy Fashion Week Poland is held regularly, twice a year in Lodz, and presents the trends for the next half-year's season. Organisers have set themselves the aim of forming a platform where, alongside the highest level of aesthetic feelings, there will be room for an exchange of experience and knowledge concerning the mechanisms of the fashion industry. They are creating the idea of the gathering of the fashion milieu where art meets business.

The Festival promotes what is most fascinating and fresh in Polish fashion at pret-a-porter shows by the acclaimed designers of DESIGNER AVENUE, off-fashion and debutants at the OFF Out Of Schedule shows, and at the SHOWROOM fair, where designers have the opportunity to sell their original products directly to the event's guests. At the same time it stimulates the development of the Polish fashion industry by organising the LET THEM KNOW training and seminars. It also promotes fashion photographers through the Fashion Photographers Now exhibition. It is possible thanks to the cooperation with international consulting companies which promote new talents such as: British Council, Not Just a Label, Fashion Clash Maastricht, WGSN, ESMOD, Showfloor Berlin.

The Festival has earned the recognition of international fashion circles. The event is part of the official world calendar of Fashion Weeks. It has been visited by such famous names in global fashion as Kenzo, Agatha Ruiz de la Prada, Patrizia Gucci, Diane Pernet and Marios Schwab.

Reports from Fashion Week Poland are published by the industry's major websites and magazines, including Collezzioni Donna and CollezioniUomo.

Organisers have been connected from the very outset with Lodz, a city associated with the development of textile and clothing industries. Their activities place them within the city's development strategy based on the creative industries sector. The City of Lodz provides organisational support for the event, acknowledging it as one of the pillars on which its brand is built.

The most important part of FashionPhilosophy Fashion Week Poland is "Designer Avenue" – fashion shows, where the most prominent designers from all around the world present their fashion collections. All shows are world premieres and the collections have not been presented before.

Another part is „Studio", which lets the designers awarded by Programme Council of Fashion Week Poland show their collections in professional conditions. It is a great opportunity for amateur designers to step out and present their work in front of the big audience.

„OFF Out of Schedule" is a catwalk for avant-garde fashion. It is an alternative side of the festival and it has become a platform for many different fields of art to enrich themselves and interpenetrate.

A lot of designers have achieved success during 10 years of Poland's Fashion Week. In 2009, Olga Szynkarczuk – one of the finalists of the Golden Thread – was recognised by the leader of communication of Who's Next Fair – Boris Provost. Moreover, designers from MMC Studio became the first Polish designers to represent our country at Volvo Moscow Fashion Week. In 2011, Agata Wojtkiewicz and Natalia Jaroszewska were recognized by Maria

Oberfrank from MQ Vienna Fashion Week and invited to Vienna, where they could show their new collection. Lucja Wojtala in 2013 also represented Poland in Vienna as well as in Belarus Fashion Week. Other Polish designers have presented their work in big fashion capitals such as Berlin.

Fashion Week Poland has been cooperating since the first edition with Moda Lisboa in Portugal. Portuguese designers take part in every edition of Poland's Fashion Week as well as Polish in Portugal. It is a chance for lots of talented designers to show their collections abroad. Among those who have taken this opportunity are Lukasz Jemiol, Dawid Tomaszewski, Kamil Sobczyk and Piotr Drzal.

Fashion Week Poland also cooperates with Igedo Dusseldorf Fair. Aleksandra Kmiecik, Aga Pou, Monika Jaworska, Julia Zaremba and Dawid Tomaszewski have presented their collections. The show that aroused lots of celebrities and fashion industry representatives was held in 2012 by Natalia Jaroszewska.

3.3.2. International Fashion Fair

(used private photos)

International Fashion Fair is a festival of fashion which is held in two annual editions: autumn/winter and spring/summer at Ptak Fashion City.

The event attracts more than 3 000 exhibitors from over 20 countries such as: Poland, Turkey, Lithuania, Latvia, Ukraine, Belarus, Germany, Italy, Spain, India, Bangladesh, Taiwan and others. The trade fair is visited by 100 000 buyers from all over the world. Thousands of business deals are made between producers, importers and buyers from the whole world during the trade show on the premises of the Fashion City.International Fashion Fair is the place for creating new fashion trends influencing the whole Central Europe. It is very important for the whole Lodz aglomeration and its economy.

This is also the place of the latest collections premieres and inauguration of spring/summer, autumn/winter collections sales.

Acclaimed representatives of the world of fashion, politics and show business additionally enhance the trade show. Former editions of International Fashion were graced with the presence of such celebrities as Kenzo Takada, Patrizia Gucci or Anna Fendi.

The trade fair is provided with prestige by accompanying events namely, Fashion Week Poland and exceptional prizes - The Golden Mannequins, special recognitions at the following categories: "The Best Brand", The Best Product", "The Best Producer", "Discovery of the Year".

Subsequent editions of International Fashion Fair end with a huge business, marketing and media success gaining recognition of the best Polish and foreign manufacturers, traders and professionals of fashion branches.

The organiser of the International Fashion Fair is Ptak Fashion City – the only European Fashion City comprising such facilities as:

- Ptak Outlet - offering products of global brands at minimum 30% lower prices than those in regular shops;
- Ptak Expo – international trade and exhibition center;
- Ptak Moda – the largest wholesaler of clothes in Poland assembling the best Polish producers;
- Ptak Trade Center – the center of export of Polish clothes to the world's market.

During three days from 28 to 30th August 2014, guests of the first edition of International Fashion Fair Ptak Expo had an opportunity to participate in the presentations of Polish brands as well as those of the worldwide renown. The first day started with the fashion show of the collection from Maciej Zien.

Afterwards, more than 60 Polish producers of clothes showcased their creations. Economic Forum provided participants with the great opportunity to get familiar with 25-year history of the revival of Polish economy. President Lech Walęsa was the honorary guest of the event which was held under the auspices of the President of Poland Mr. Bronislaw Komorowski.The success of the event confirmed the potential of Poland as the key player of worldwide fashion industry. It is evidenced by the numerous attendance as the event attracted more than 100 thousand visitors from Poland and abroad, particularly from Russia, Ukraine, Belarus, Czech Republic, Slovakia, Bulgaria, Romania, Germany and the Baltic States.

During five days, from 18 to 22nd February 2015, Ptak Fashion City hosted a record-breaking number, almost 100 000, visitors from all over the world. 3 500 exhibitors, mostly Polish producers participated in the International Fashion Fair. Representatives of the greatest families creating the worldwide fashion, Patrizia Gucci and Anna Fendi were special guests of events. Maciej Zien, Teresa Rosati and Teresa Kopias were some of Polish fashion stars who attended Ptak Fashion City. Moreover, the opening ceremony and the evening gala event were held by Olivier Janiak together with his wife Karolina Malinowska – famous Polish journalists.

International Fashion Fair was held under the honorary auspices of Deputy Prime Minister, The Minister of Economy Janusz Piechocinski and the Marshal of Lodz Voivodeship Witold Stepien who were also present at the event as well as Deputy Minister of Economy Grazyna Henclewska. Prestigious prizes - The Golden Mannequins were handed to exhibitors for the first time in history. Producers competed for Anna Fendi Award in the Fashion Festival of Polish Producers. Premieres of spring/summer 2015 collection took place during the trade fair. At the same time, they started the season and initiated the sale of the new assortment.

More than 50 fashion shows including "By Patrizia Gucci", collections of Maciej Zien, Teresa Kopias or Teresa Rosati as well as fashion shows of Polish producers took place during the five days of Fashion Week Poland. Organizers prepared Next Season Zone with the

collections of clothes for upcoming season and Fashion&Design Zone with an authorial creations from fashion-related designers. The event was also accompanied by discussion panels and lectures.

During five days of the trade fair its participants were also attracted by conference panels and debates. Not only were there lecturers from such institutions as The Academy of Fine Arts in Lodz, Institute of Leather Industry, Higher School of Art and Design in Lodz, Schools of Art from Krakow, but also from companies: Alpha Technology, Promedia, WarPol, DEKO, MGT CORP and Branch Brothers. Participation in lectures, which took place during International Fashion Fair, provided attendees with the unique opportunity to acquire knowledge in the field of sale, visual merchandising, fashion trends and marketing.

During three days from 28 to 30th August 2015, the 3rd edition of International Fashion Fair took place.

PTAK FASHION CITY

Ptak Fashion City hosted over 100 000 visitors from all over the world. 3 000 exhibitors, mostly polish producers, participated in the event. Similarly to the previous editions of International Fashion Fair, polish producers and importers signed thousands contracts.

Numerous competitions were also held during the Fair. The Golden Mannequins were awarded for the second time.

Events like those mentioned above make our fashion popular in the whole Europe. Polish fashion industry is widely appreciated in The United Kingdom. Stylish pop up store in London is a vibrant boutique which promotes Polish designers and their collections. Every edition of Fashion Week Poland and International Fashion Fair draws attention of journalists from all foreign and Polish opinion-forming magazines and TV stations. FashionPhilosophy cooperates with Italian magazine Collezioni which publishes long and detailed reviews of Fashion Week Poland as well as with Voque Italia magazine. Among other partners it is worth to mention Not Just a Label platform, which presents profiles of Polish designers. The platform's founder, Stefan Siegel, is a regular guest of Fashion Week Poland.

The fashion industry in Poland has great development perspectives. Hundreds of young people are interested in fashion and design. It can be easily seen on any Polish street that many people attach importance to their everyday looks. Fields of study such as model manufacture and design are becoming really popular.

Our region's textile tradition returns with a bit of lifting – modern material science, world-class fashion designers and huge fashion events. Lots of great opportunities appear for newly created jobs like fashion industry technologists. It is obvious that the fashion industry in Lodz will develop increasingly faster and hopefully it will join the fashion cities elite.

CHAPTER IV

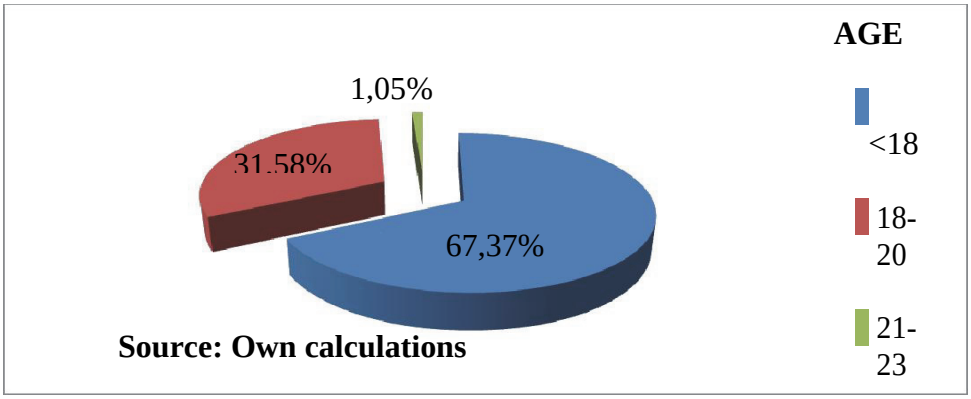
Evaluation of the Labour Market and Entrepreneurial Attitudes of Students - Presentation of the Research Results

4.1. Purpose of The Study and the Test Method

The aim of the study was to identify and analyze the opinion of students about Lodz labour market, and the potential to find themselves in the market after completion of their education. Taking into consideration the problems of Lodz labour market described in chapter I of this study, it can be concluded that the situation of young people starting their career path is not favourable. This is mainly due to the choice of general profile of education and market saturation by employees who do not have a specific traditional professional specialization. The thesis that the completion of general higher education protects against a lack of work in today's society does not work. Graduates of general education who are looking for a job are a significant challenge for the labour market institutions. In the long term no state can afford to have young, educated and ambitious people unemployed at the beginning of their working career.

To develop this chapter, we use a survey research, addressed to 100 students of secondary school (School of Fashion Industry), which is a partner in the project *Promoting our regions in modern entrepreneurship,* (P.R.I.M.E). The survey contained 10 questions concerning generally understood expectations for the labour market after the completion of education. Respondents were asked, for example, about the situation in the labour market, professional career plans in Lodz, preferred forms of employment in the future, the reasons for choosing their profile of education and the expected support from the local authorities for young people starting their own business. The correct answers were given by 95 students at the age of 16-23. The vast majority of students were in the youngest age group under 18.

Chart 1. Age distribution of responders [%]



Source: Own calculations

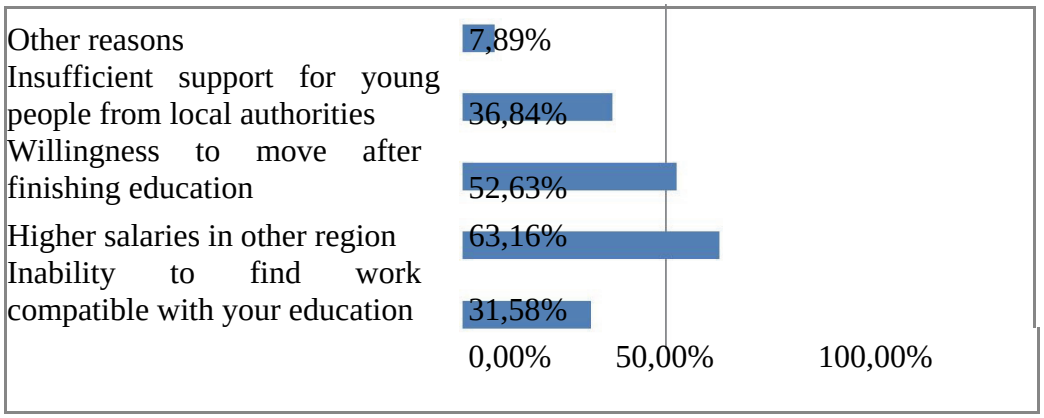
Gender structure of the respondents is favourable for women, who accounted for 69% surveyed students. In one case, gender was not specified.

4.2. Presentation of the Research Result

Unfavorable demographic trends in the labour market in Lodz, described in Chapter I, are not only caused by a low rate of birth but also by migration of young, entrepreneurial people who do not plan their future in Lodz. Studies showed that only 60% of students would like to stay in Lodz after graduation. 40% of students showed no such desire, and among the main

reasons were the possibilities of obtaining a higher salary in another region and a desire to change a place of residence.

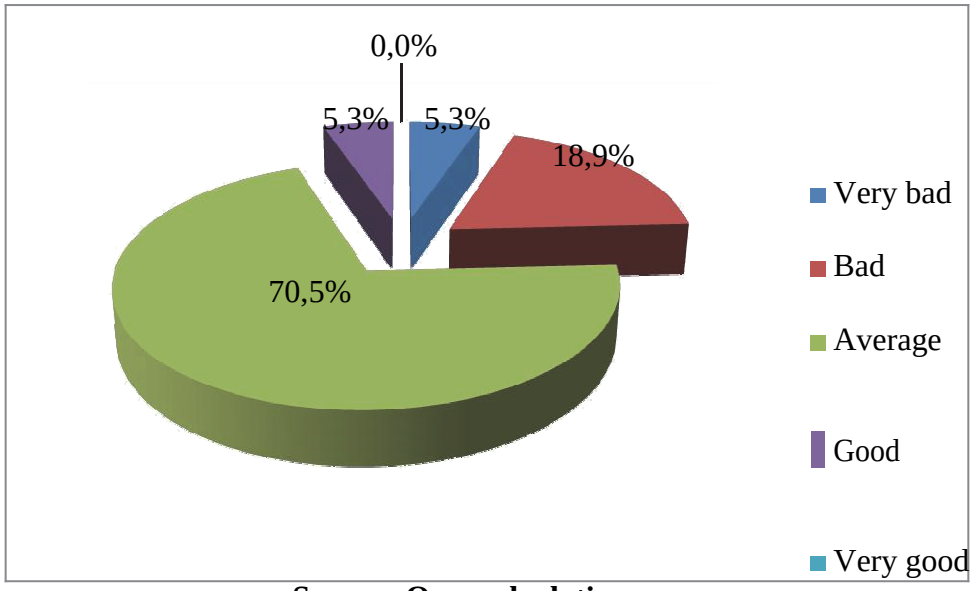
Chart 2. Main reasons for choosing a different job market in the future [%]



Source: Own calculations

Among the reasons why they wish to leave Lodz, defined as "Others" were mainly those connected with the desire to travel or settle down abroad and run a business outside Poland. The majority of respondents (70%) assessed Lodz labour market as "medium" in terms of job opportunities and salaries.

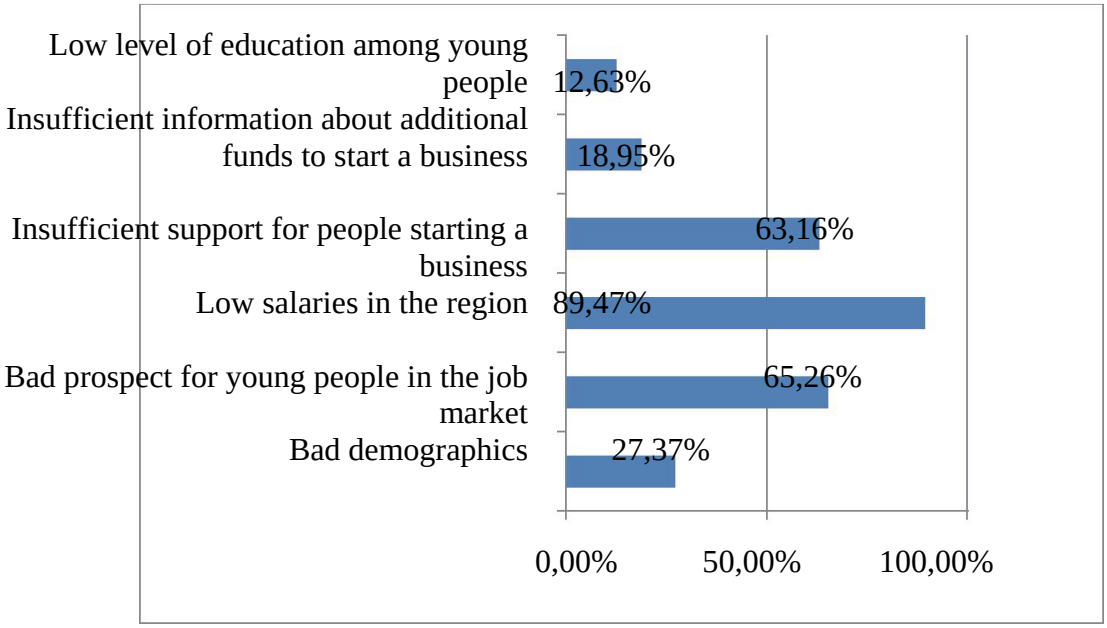
Chart 3. Rating of the job market in Lodz



Source: Own calculations

Among the main problems characterizing Lodz labour market respondents mention low wages in the region and bad prospects for people starting their business.

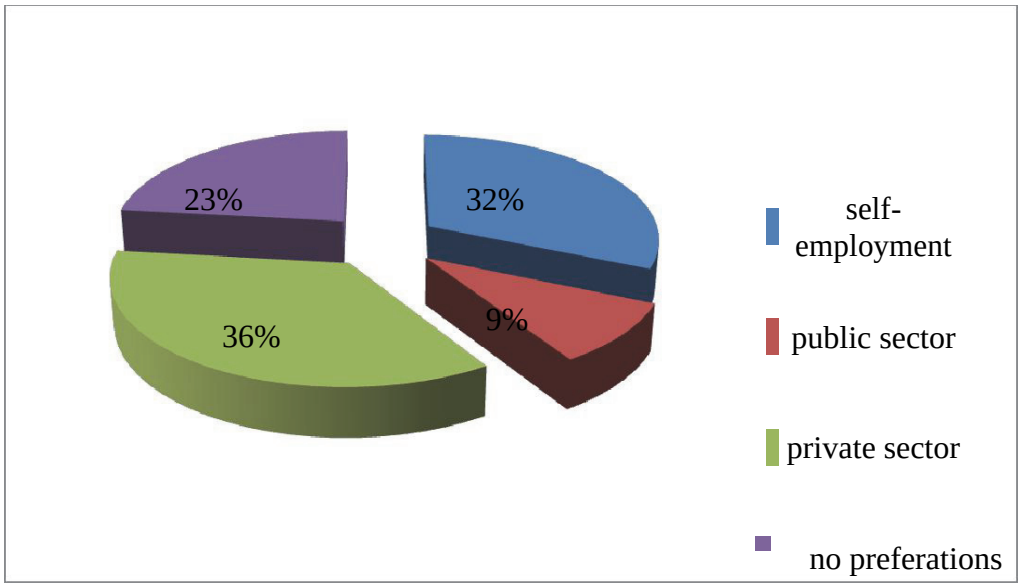
Chart 4. Problems of the job market in Lodz



Source: Own calculations

One of the features of the modern labour market is moving away from the principles of employment based on 'classic' employment regulated by labour law, in favour of other forms of employment, regulated by the Civil Code, such as freelance or contract work. Self-employment is becoming more and more common. Among the preferred forms of future employment, respondents chose mainly a job in another private company and self-employment.

Chart 5. Preferable type of employment



Source: Own calculations

Issues related to the development of entrepreneurship and the development of the job market are closely associated with the support offered by local authorities.

In today's world, economic level of the region is determined by the economy structure dominated by a network of small and medium-sized enterprises. Their existence guarantees the social and economic stability. They are also a significant factor in the process of creating new workplaces. One of the problems faced by Lodz SME sector is the lack of reliable support in improving both innovation and regional competitiveness.

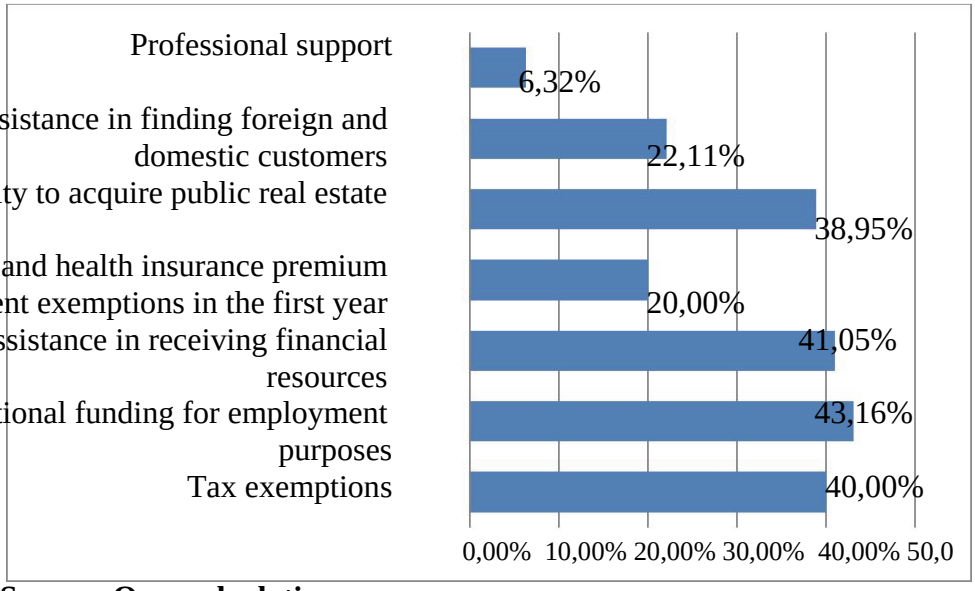
Solutions concerning institutional, organizational and financial aspects are insufficient, and the cooperation between the SME and the business environment institutions as well as public administration is too weak to speak about any reliable support for SME sector. Supporting local entrepreneurship is considered one of the most effective ways to reduce unemployment or stop migration of young and active people.

Entrepreneurship in relation to the territorial unit is understood as starting and expanding economic activity by entities with diverse activity spectrum, including entities in SME sector. Local authorities have in this regard a range of instruments. Their usage depends on circumstances in a particular period and region. Among the instruments used to support entrepreneurship, crucial are those aiming at creation of a competitive environment for companies already running and their development:

- creation and development of existing structures supporting the entrepreneurship in the city;
- taking action towards attracting external investors;
- providing potential entrepreneurs with full information about the opportunities to start and run their own business;
- providing entrepreneurs with full information about the opportunities to receive and use EU funds;
- development of urban communal resource management system, keeping SME sector needs in mind (land and residential real estates);
- promotion of companies located in the city;providing favourable financial conditions for taking up and running their own business in the city;
- direct or indirect public support for entrepreneurs, in order to multiply their financial resources which determine their further development;
- organization of the education system in accordance with the requirements of contemporary and future job market.

None of respondents stated clearly that the local authorities support young entrepreneurial people in an appropriate manner in the labour market. 47% of students replied that such support is not offered in Lodz. 53% of the students do not have opinion on this subject. At the same time more than 40% of respondents would expect a support in the additional funding for employment purpose, and obtaining external funds and tax exemptions.

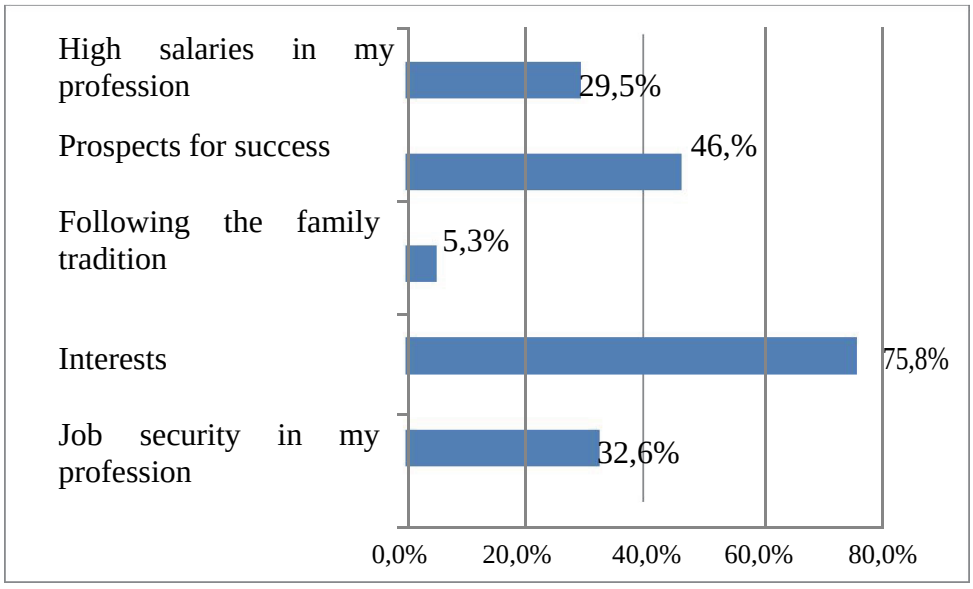
Chart 6. Support from local and national authorities expected by young people starting their own business



Source: Own calculations

Respondents were also asked a question about the compatibility of the educational offer of school, in which they study and needs of the labour market. The vast majority of respondents replied that the school offer in this aspect is satisfactory. Being asked about the reasons of their educational choice they pointed the interests and possibility of success. "The possibility of success" was also often combined with "high wages in this profession."

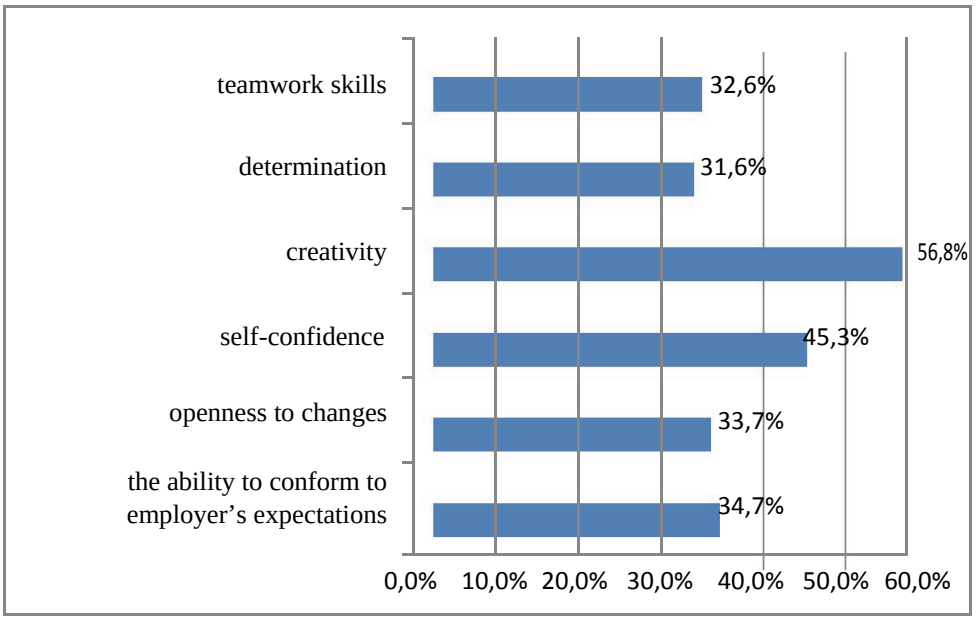
Chart 7. Reasons for choosing your education path



Source: Own calculations

Respondents also answered the question of what features should characterize the person entering the labour market in the context of a potential success. Creativity was the most frequent feature mentioned, but other features were important as well.

Chart 8. Features characterizing a person entering the job market
Source: Own calculations



4.3. Conclusion of the Research Results

Having analyzed the answers to the survey questions it can be stated that:

1. Young people mostly see their future in Lodz labour market, despite unfavourable opinions. Those who would be determined to work in another region, as the main reasons mention better earnings in other markets and desire to change the place of residence. Median salary in Lodz was approx. 3700 zl (approx. 883 Euros) in 2014 and approx. 100 Euros lower than the median salary in the whole the country at the same period. Lodz region is in 7th place (out of 16) in terms of remuneration in Poland.

2. Most respondents rate Lodz labour market at an average level due to the wages offered by the market and slight chances to find a rewarding job by the young.

3. A significant part of respondents would prefer to work for a private company or to be self-employed (68% respondents) in the future.

4. Young people expect to receive the support from the local authorities when they start their business. Additional funding for employment purposes, assistance in receiving financial resources (from EU funds), tax exemptions are favourable forms of support. It is intended to facilitate not only the business activities, but it should also help young entrepreneurs in the first year when a company does not yet earned position in the market, and many contractors. Tax cuts and subsidies for worker employment are therefore an essential condition for an increase of investment and employment, and thus strengthen competitiveness of the company.

5. The main reasons for choosing the current profile of education were the interests and the ability to achieve a professional success.

6. According to respondents the most favourable features among people starting a career are creativity and self-confidence. Creativity is understood as a way of thinking leading to the new ideas, concepts and solutions. Therefore, it is one of the factors influencing entrepreneurial attitudes and the opportunity to achieve a professional success.

Appendix 1 - Evaluation Survey

P.R.I.M.E. Erasmus+
Evaluation survey

Output 2

Demographic information

Sex: □ male □ female

Age: □ under 18 □ 18-20 □ 21-23 □ over 24

Student at: □ vocational school □ technical school □ post-secondary school

Survey

1. Do you plan to work in Lodz agglomeration in the future?

□ YES □ NO

If NO, please choose the 2 most important reasons:

□ I won't be able to find work compatible with my education
□ I can earn more in a different region
□ I want to move after finishing my education
□ Local authorities do not provide sufficient support for young people in the job market

Others

……

2. Do you think that local authorities provide sufficient support for young people in the job market?

□ YES □ NO □ NO OPINION

3. What type of employment would you prefer in the future?

□ self-employment □ private sector □ public sector □ no perforations

4. Do you think that modern jobs (e.g. stylist, designer) are replacing traditional jobs (e.g. tailor, shoemaker)?

□ YES □ NO □ NO OPINION

5. Rate the job market in Lodz on a scale from 0 (very bad) to 4 (very good).

□ 0 □ 1 □ 2 □ 3 □ 4

6. Please select 3 factors, which describe the job market in Lodz in the best way?

□ bad demographics – shortage of working age people
□ good demographics – sufficient number of working age people
□ bad prospects for young people
□ low salaries
□ salaries corresponding to your education
□ local authorities do not provide sufficient support for young people

□ local authorities provide sufficient support for young people
□ insufficient information about the opportunities to receive financial resources to start a business (EU funds, national funds)
□ sufficient information about the opportunities to receive financial resources to start a business (EU funds, national funds)
□ low level of education among young people entering the job market
□ satisfying level of education among young people entering the job market

7. What kind of support would you expect from local and national authorities while starting your own business?

□ tax exemptions
□ additional funding for employment purposes
□ providing assistance in receiving financial resources
□ social and health insurance premium payment exemptions in the first year of business activity
□ opportunity to acquire public real estate
□ providing assistance in finding foreign and domestic customers
□ professional support

8. Do you think that your school's educational offer meets the needs of the job market?
□ YES □ NO □ NO OPINION

9. Please select 2 reasons for choosing your education path.
□ job security in my profession
□ high salaries in my profession
□ interests
□ prospects for success
□ following the family tradition

10. What features should characterize a person entering the job market?
□ the ability to conform to employer's expectations
□ flexibility and openness to changes
□ self-confidence
□ creativity
□ determination
□ teamwork skills
□ the ability to notice needs and improve ideas
□ the ability to take advantage of every opportunity
□ readiness to take risks

AKSARAY - TURKEY

CHAPTER 1

General Considerations

Public institutions of higher education, population, migration, working and social security, investments, agricultural lands, administrative and socio economic status, industrial and commercial structure of region, technological advances, play an important role in the economic development of a city. While counting these factors as indicators of development of a city, these are the influential of the employment of the city. In other words these are the factors that can impact employment. In this frame, we want to study Aksaray from the point of situation of employment and evaluation of different jobs in the city.

Aksaray is a primeval city which connects north to south east to west. This city is important for not only its strategically position but also with its primeval history. It is one of the oldest cities of Anatolia which combines past and future in the other words yesterday and tomorrow. Unfortunately such deep rooted country land is not known enough.

First industrial organization in city is Azmi Milli Turk A.Ş, which was established in 1924 with government leadership. This factory also meets the electricity requirement by its own hydroelectrically power plant and responded the electricity requirement of city. Aksaray Milk products which subsidiary of SEK was established in 1976 and Later it was privatized. In year 1986 Mercedes Benz Türk A.Ş. Truck Factory was opened. Main industrialization in city have started in 1989 after it had become city and it became faster after 1996 with being active of Aksaray Osb. There are total 243 enterprises in city which rely on automotive, automotive supporting sectors, textile, food, milk and milk products, chemistry and plastic, metal and machine industry, land and mining sectors, and many enterprises make new investments in organized industrial zones. Estimated 8000 people are employed in city's industrial organizations.

Commerce has dynamic structure in city. Super markets, shopping centers, and stores, wholesale and retail centers in city center have important role for making commerce active continuously. Heavy vehicle repair workshops, small handicrafts workshops, supplying spare parts, furniture business, woodworking, carpentry also make contribution to commercial life. Also workers which abroad comes Aksaray for vacation also make commerce active. Commercial management developed more in particular with activation of organized industrial zone According to information which is provided by customs directorate, exported products are milling machines, calcite, ready garment products, panel radiator, carbon dioxide gas, fan, garage door, spare parts , silo, truck, plastic pipe, milk products, hand cart. etc and imported products are spare parts and some inputs which are used in machine production.

1.1.Population

According to 2014 Address –Based Population Registration System, the population of Aksaray is **384.252.** Annual population growth rate is **3.8 ‰** between 2013 and 2014. Population density (number of people per kilometer) is **51**. In Aksaray, **63.8 %** of the population (245,122 people) live in the city or town centers while **36.2 %** (139,130 people) live in the villages. The population of the City Center is 195,990. In 2014, median age was 29.9 for women, 28.4 for men and 29.2 for the total.

1.2.Migration

Net migration rate of Aksaray is -6.85 ‰ in 2013-2014.

Table 1: Migration Between 2012 and 2013

Period	Number of Immigrants	Number of Emigrants	Net Migration	Net Migration Rate ‰
2013-2014	11. 936	14. 577	-2. 641	-6,85

1.3.Education

Level of Education

Table 2: Education by Completed Level of Education and Sex (15 +years old) - 2014

Level of Graduation	Total	Male	Female
Illiterates	17.368	2.270	15.098
Literate but Haven't Graduated from Any School	14.939	4.971	9.968
Graduated from Elementary School	86.175	37.249	48.926
Graduated from Primary Education	63.560	34.768	28.792
Graduated from Junior High or Equivalent School	21.749	13.134	8.615
Graduated from High or Equivalent School	46.236	27.816	18.420
Graduated from College or Faculty	23.636	13.688	9.948
Master's Degree	1.583	1.063	520
Doctorate Degree	478	296	182
Unknown	2.830	1.489	1.341

Table 3: Higher Educational Institutions, Students and Staff (2014-2015)

Higher Education	Institutions	Students	Academic Staff
University /Faculty	1/9	6.237	662
College	4	1.262	
Vocational Higher Educational Schools	6	4.443	
Science and Social Science Institute	2	865	
Police Vocational Higher Educational School	1	520	34

1.4.Working and Social Security

122.713 people constitute the active and passive employed population of city. 1,79 % (6.796 people) of the total use the social benefits through the law about monthly payments to the elderly Turkish Citizens who are over 65, in need, weak and lonely. Number of people who use green cards (benefits provided to the people who do not have public social security and not able to afford private ones) is 64,660 and the ratio to the total population is 17,01.

Table 4: Social Security (2014)

Social Security	SSK (for Workers)	BAĞKUR (for Employers)	Emekli Sandığı (for Officials)	Total	Ratio to the population of the province (%)
Number of Active Employed	45.301	21.035	13.692	80.028	20,83
Number of Retired (with Salary)	18.220	19.312	5.153	42.685	11,11
Number of Dependents	67.578	89.088	29.534	186.201	%48,46
Total	**131.099**	**129.435**	**48.379**	**308.914**	**%80,39**

Basic Labor Force Indicators

Participation to the labor force in Aksaray is 50,1. Employment ratio is 47,2 % and unemployment ratio is 5,8 in 2013.

Table 5: Participation of the people who are 15+ to the Labor Force in 2013

	Participation 2012 (%)	Employment 2012 (%)	Unemp-loyment 2012 (%)	Participation 2013 (%)	Emp-loyment 2013 (%)	Unemp-loyment 2013 (%)
Turkey	50	45,4	9,2	50,8	45,9	9,7
Aksaray	48,6	45,8	5,8	50,1	47,2	5,8

Table 6: Labour Force and Sex in TR71 (Aksaray, Kırıkkale, Kırşehir, Nevşehir, Niğde) in 2013

TR71	Population 15 years and over	Labour force	Employed	Unemployed	Labour force participa-tion rate (%)	Unemployment rate (%)	Employ-ment rate (%)	Not in labor force
Male	550	384	360	24	69,7	6,2	65,4	167
Female	578	162	150	12	28	7,5	25,9	417
Total	1.128	545	510	36	48,3	6,5	45,2	584

1.5.Economy

Gross value added in Turkey in 2014 is 10.404 $ while it is 7.087 $ in TR71 Region in the same year.

Table 7: Gross Value Added by Sectors in TR71 Region

	2006				2011			
	Agriculture	**Industry**	**Services**	**GVA**	**Agriculture**	**Industry**	**Services**	**GVA**
Value TL	2.174.779	1.734.293	3.744.427	7.653.499	4.037.938	4.064.127	9.673.603	17.775.668
Rate %	28,4	22,7	48,9	100	22,7	22,9	54,4	100

Purchasing power parity value in Turkey in 2012 was 1,05 while it increased to 1,11 in 2013 and to 120 in 2014.

Table 8: Labor Force by Sectors (NACE Rev. 2)

Year	Total	Agriculture	Industry	Services	Agriculture	Industry	Services
	Turkey						
	.000				**%**		
2012	24.821	6.097	6.460	12.264	24,6	26,0	59,4
2013	25.524	6.015	6.737	12.771	23,6	26,4	50,0
2014	25.933	5.470	7.227	13.235	21,1	27,9	51,0
TR71 Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir							
	.000				%		
2012	480	171	79	230	35,7	16,5	47,8
2013	510	189	83	237	37,1	16,3	46,6
2014	494	170	88	237	34,3	17,8	47,9

Exports and Import (2008 – 2012)

Table 9: Economic Activities (ISIC, Rev.3) Export (1.000 $)

	2009	2010	2011	2012	2013
Turkey	102.142.613	113.883.219	134.906.869	152.464.374	**151.802.637**
Aksaray	**56.620**	**56.963**	**83.658**	**62.764**	**74.174**

Aksaray carried out 17,8 % of the total exports in the region and 0.05 % in Turkey in 2013. In ISIC Rev. 3 category, machines and equipment that is not classified elsewhere, metal materials, motor land vehicles and trailers take place on the top exported materials list.

Table 10: Economic Activities (ISIC, Rev.3) Import (1.000 $)

	2009	2010	2011	2012	2013
Turkey	140.928.421	185.544.332	240.841.676	236.536.949	**251.661.250**
Aksaray	**31.484**	**48.390**	**66.850**	**50.426**	**47.051**

Aksaray carried out 14.4 % of the total imports in the region and 0.02 % in Turkey in 2013. In ISIC Rev. 3 category, basic metal industry, agriculture and livestock, machines and equipment that is not classified elsewhere take place on the top imported materials list.

Table 11: Top Ten Exported Products by Their Values, 2014

ISIC Name	Value ($)
Machines and Equipment That is not Classified Elsewhere	31.067.618
Metal Industry (Excluding Machines and Equipment)	17.589.694
Motorized Land Vehicles and Trailers	12.318.885
Plastic and Rubber Products	9.319.229
Other Transportation Vehicles	4.902.906
Textile Products	3.188.774
Food and Beverages	2.298.868
Quarrying and Other Mining	1.366.751
Chemicals and Chemical Products	1.234.371
Electrical Machines and Equipment That is not Classified Elsewhere	970.040
Total Export	**86.317.246**

Table 12: Top Ten Imported Products by Their Values, 2014

ISIC No	ISIC Name	Value($)
27	Basic Metal Industry	12.705.818
23	Coking Coal, Refined Petrolium Products and Nuclear Fuel	6.633.550
17	Textile Products	5.301.437
28	Metal Industry (Excluding Machines and Equipment)	4.912.219
31	Electrical Machines and Equipment That is not Classified Elsewhere	4.455.883
25	Plastic and Rubber Products	4.115.826
1	Agriculture and Livestock	2.949.047
29	Machines and Equipment That is not Classified Elsewhere	2.874.589
34	Motorized Land Vehicles and Trailers	2.300.425
24	Chemicals and Chemical Products	2.110.772
	Total Imports	**50.425.649**

Types and Numbers of Companies

Table 13: Number of Companies by the Number of Employees

0-9 Employee	10-49 Employee	50-249 Employee	250+ Employee	Total
13.989	**704**	**33**	**6**	**14.732**

Infrastructure of the Industry

Industrial Park (IP)

5.622.655,07 m² field of **5.757.655,07 m²** designated industry lots is already allocated and **99,4 %** of occupancy rate is reached in Aksaray Industrial Park.

Figure 1: Aksaray Industrial Park

Table 14: Investment at IP (2014)

IP General Area (Ha)	**798**
Total Number of Lots	**315**
Allocated Lots	**313**
Number of Companies Began Production	**168**
Number of Companies under Construction	**91**
Number of Companies at Project Level	**43**
Total Number of Companies	**302**
Occupancy Rate (%)	**99,4**
Number of Total Employment	**7.500 people**

Table 15: Energy Infrastructure of IP

Construction of Natural Gas Distribution Network	**Completed**
Construction of Electrical Network	Completed
Capacity of Natural Gas Network (m^3 / year)	394.200.000
Annual Gas Draft (m^3)	17.000.000
Electrical Power Production Facility (%)	Not started yet
Constructed Electrical Power (MWh)	50
Waste Water Facility	Completed
Health Care Center	Completed
Security System	Completed

Table 16: Number of the Companies by their Activity Areas at Industrial Park (2014)

Sectors	Number of Companies	Facilities Started Production	Sectors	Number of Companies	Facilities Started Production
Metal Materials	63	37	Glass	5	3
Food and Beverages	45	22	Chemical Materials and Production	3	1
Construction, Marble and Construction Materials	45	24	Feed	3	2
Automotive, Bodywork and Sub-Industry	18	10	Agricultural Tools	2	2
Plastic and Rubber	30	17	Electrical Machines and Equipment	-	-
Textile, Weaving Products	19	8	Energy	2	-
Furniture Production	31	18	Fertilizer	2	2
Machine and Equipment Production	20	13	Oil	2	1
Mining	11	7	**Total**	**302**	**168**

There are also 806 companies at 3 small industrial sites.

Patent and Utility Model Application

Number of applications for patents is 20 and for utility model is 21 between 2010 and 2014.

Leading Sectors

Industries that supply highest employment are clothing industry with 2.589 employment, motor and motorized vehicles industry with 1768 and milk and dairy products industry with 1.521 employment.

Contribution of Agriculturel Sector to the GDP (Gross Domestic Product) (2001)	**% 31.3**
Place in the Value of Agricultural Production in the country (2011)	**41**
Contribution of Agriculturel Sector to the GDP (Gross Domestic Product) (2001)	**% 31.3**
Place in the Value of Agricultural Production in the country (2011)	**41**

Agriculture

Agricultural Land

Table 18: Agricultural Land Use (2014)

Land Use	Amount (ha)	Ratio in Agricultural Land (%)
Cropland Field	406.286	97
Orchard	2.502	0,6
Vegetable Patch	9.882	2,4
Vineyard	1.759	0,4
Total	**420.430**	**100**

Dry farming is practised in the 71 % of agricultural area , and irrigated farming is in the 29 % of agricultural area. However, irrigated farming can reach 85 % of the total 420,430 ha agricultural field.

Agriculture and Economy

Table 19: Contribution of Agriculture to the GDP

Contribution of Agriculturel Sector to the GDP (Gross Domestic Product) (2001)	**% 31.3**
Place in the Value of Agricultural Production in the country (2011)	**41**

Figure 2: Agricultural Production Map

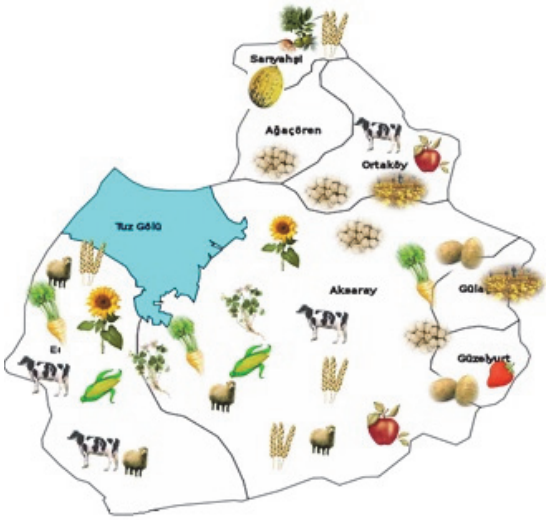


Table 20: Agricultural Production Value

AGRICULTURAL PRODUCTION VALUE		
2002	**2013**	**Increase %**
471.264.000 TL	2.060.833.000 TL	437

While the number of sheeps and goats have increased 51 %, the number of cattles have increased 142 % since 2002 to 2014.

Food Industry

Table 21: Food Industry

Types of Agricultural Plants and Factories	Number of Plants
Milk And Milky Products, Milk Storage Centre	102
Meat and Meat Products	4
Flour and Flour Products, Flour Millstone	47
Bread and Bread Various Products	111
All Sorts of Cakes Producing Production Such As Cakes, Pastry, Dough and Milky Sweets	53
Sugar and Candy Products	12
Eggs and Eggs Products	8
Prepared Foods	9
Feed Company and Feed Vendor(Storage and Celler)	157
Others	7
Total	**538**

Industry

Automotive and Auto Supply Industry

Mercedes Benz Aksaray Truck Company, which is located in a 560,000 m^2 area whose 80,000 m^2 is closed area, has 14,500 annual vehicle production capacity and has produced 150,000 various tonnage trucks with its 1600 employee since 1986 when it was first established. It has sold them primarily in the internal market. In the last ten years, it holds 33.4 % of the market share in the market of 6 tons or higher tonnage trucks.

Since 2001, the company has exported their goods to mainly East, Central and Western Europe markets and its truck sales have reached to 28,000 in 58 countries. Approximately 230 million € investment has been made for the Aksaray Truck Company till today and a new investment of 130 million € which was planned to be finished in a 5 year period started in 2011.

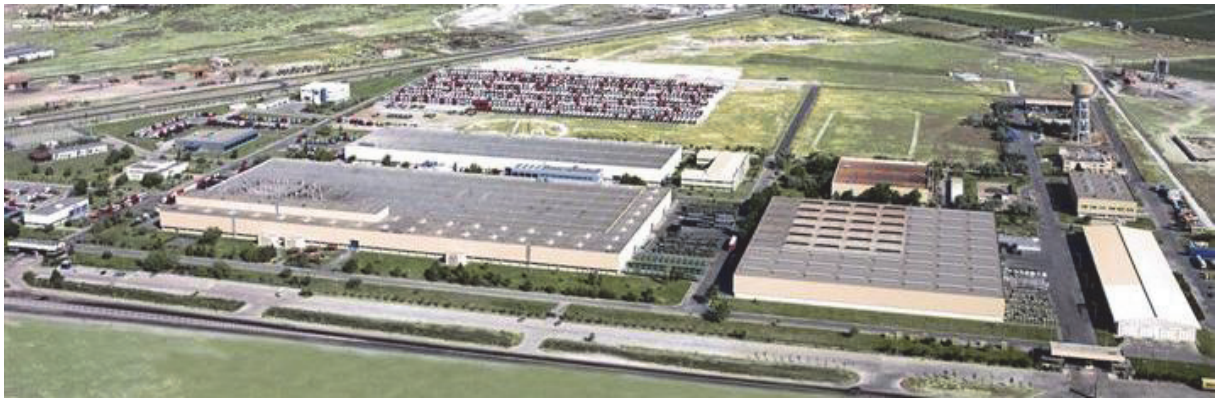
The following products are produced by the factory:

- Light class trucks;
- Heavy class transportation vehicles
- Tow trucks,
- Construction vehicles,
- Unimog 4000 type (vehicles with universal engines for all-purpose and conditions) vehicles

The factory has been very effective in the development of both automotive supply industry and automotive body work. Today many foreign and local companies in these fields continue to produce in Aksaray and even started to export their products to many countries including European countries.

Most of the companies that work in this sector focus on production of body work equipment. Truck mixers, dumpers, tankers, garbage trucks, sewage trucks, box bodies, bodywork equipment, containers, and rims are included among the products of these companies.

Automotive supply industry can benefit from the regional incentives. 1600 people are working in automotive supply industry and approximately 2200 people are looking for job in automotive industry.



Textile and Ready Made Fabric Industry

There are many companies with different sizes in knit fabric and textile fabric readymade clothing industries.

Number of the companies working in knit fabric clothing is 6 and the total number of the employee is 504 while the number of the companies working in textile fabric clothing is 3 and the total number of the employee is 416.

Main products include T-shirts, combed cotton gloves, pants and home textile.

Overall number of people working in the textile sector is 1170 in 2013. An international Turkish company, COLIN'S which established its first factory in Aksaray in 2004, started to construct the second factory on a 15,000 m^2 area, which will employ 1,250 people, in 2013.

CHAPTER 2

A Sample of Traditional Jobs in Aksaray

2.1. 'Taşpınar Carpets'

A Symbol of Thousands of Years of Turkish Culture: Taşpınar Carpet

Carpets and rugs were staples of the nomadic Turks of Central Asia. The family trees of communities carried the signs of the tribes to which they belonged. The thousands of years old adventure, from Central Asia to Anatolia, of the culture and motif of the Turkish carpet is given new life in our age with Taşpınar carpets.

Every single knot of a Taşpınar carpet reflects an aspect of history, emotion and idea. Carpets are hand-made from the wool which is colored by using the natural dye made from the plants collected at Mt. Hasan. After the wool is taken from sheep, it is washed and dried. After being combed, they are thinned at spinning wheels and are made into yarns of double-thread wool. The woolen threads are colored by being boiled in large cauldrons and made into yarns.

The dye used for Taşpınar carpets come from Mt. Hasan. The acorns falling from the oak trees are collected and boiled. Vine leaves, wild plums, Russian thistles, immortelle, and root dye are used in obtaining the red, blue, indigo, brown, green, gray, and white color that are characteristic of Taşpınar carpets. After the woolen threads are boiled in the dye, Taşpınar carpets are woven delicately knot by knot.

The carpets are woven on weaving looms that are locally known as *ıstar*. The motifs on Taşpınar carpets are drawn from memory or from precedent examples and are designed as depicting beads, feet, chests, corners and cores from the outer to the center. Contemporary Taşpınar carpets consist of a variety of floor, head, double, sofa, prayer rug, pillow, and cushion carpets.

The Carpet Restoration Center of the World: Sultanhanı

Hundreds of years old carpets from all corners of the world are restored in the workshops of Sultanhanı village of Aksaray, and Sultanhanı is now a trade mark as the Carpet Restoration Center of the World.

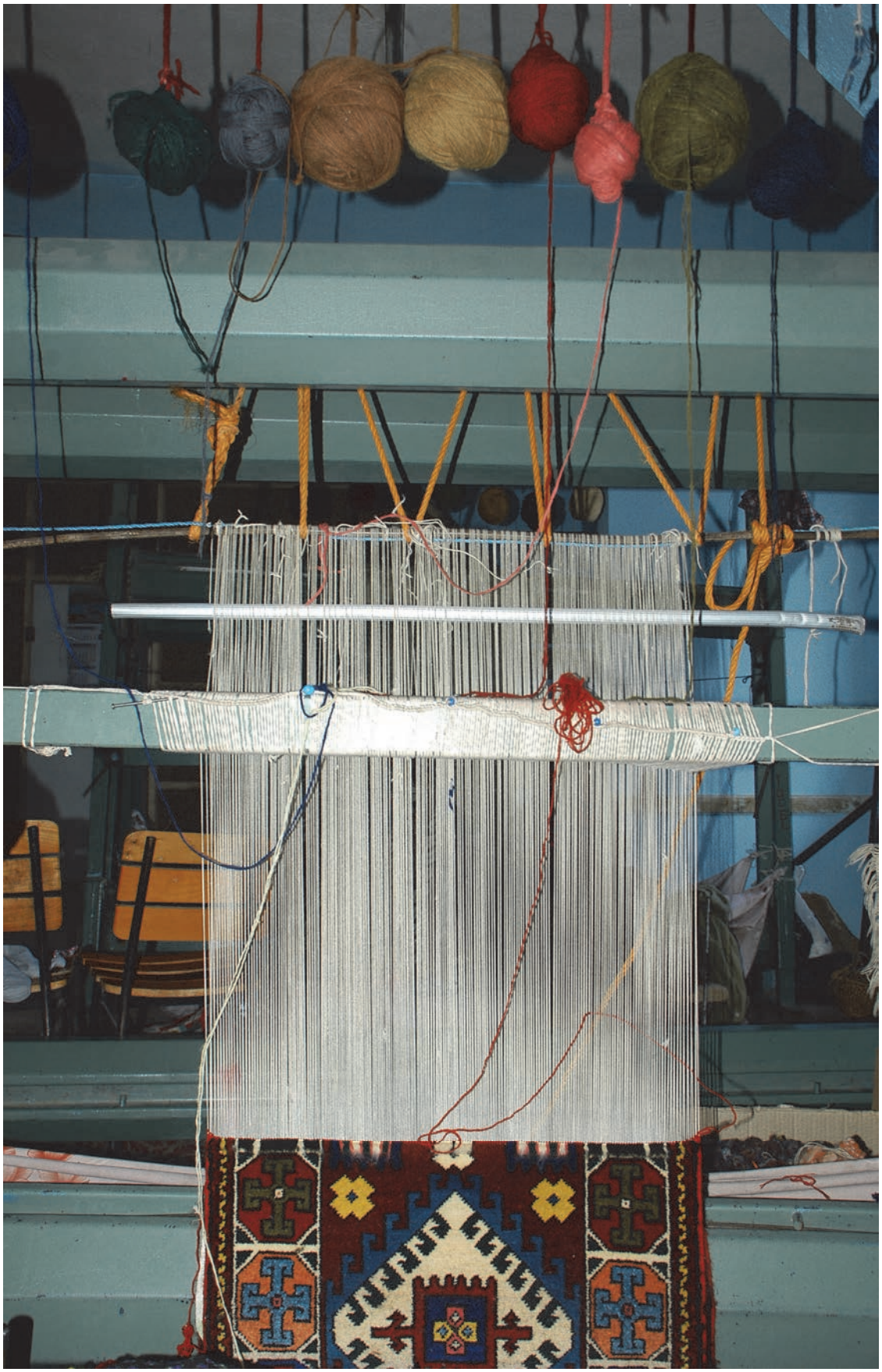
Even though Sultanhanı is a village of the city of Aksaray, it has world-wide fame for its caravanserai and for its carpet restoration workshops. The Seljuk-period caravanserai in Sultanhanı is the largest in the world and the village is a trade mark now for being "the Carpet Restoration Center of the World."

Sultanhanı entered the carpet business in the 1970's with carpet manufacturing and restoration Reaching a world-wide reputation soon enough, the village's operation turned international in the 1990's. Famous also for the quality of its carpets, Sultanhanı was adversely affected by the competition from Far Eastern countries in the carpet business. As a result, the firms in Sultanhanı followed a new strategy of focusing on carpet restoration.

Sultanhanı is now benefiting from the experience of carpet manufacturing in the field of carpet restoration. It now has a well-recognized and trusted fame as the "the Carpet Restoration Center of the World."

In the 50 workshops with varying sizes of Sultananı, thousands of masters and apprentices are employed. Thousands of young apprentices are trained to become masters in the future. That is another reason why it is justifiable to call Sultanhanı the largest and the most modern carpet restoration university in the world.

Many damaged carpets from Germany, the UK and the USA were treated in Sultananı and many antique carpets belonging to the British royal family were also restored there. Sultanhanı is now the place where the most valuable collections of the world are repaired. Over 100 carpets from Dolmabahçe Palace were also restored in Sultanhanı to start anew.



2.2.Akbor

Pıpe Industry and Trade Inc

AKBOR Pipe Industry and Trade Company is located in the industrial zone of Aksaray, Turkey, with a closed area of 7.000m2 and open area of 60.000m2.

Key staff of AKBOR including production, quality and planning technical personnel are the pioneers of GRP pipes design and manufacturing in Turkey.

They manufacture GRP pipes by using continuous filament super winding process on automatic machinery controlled by the latest technology equipment including high performance PLC and HMI'S.

Their standard manufacturing ranges of GRP pipes and fittings are from 300mm to 4200mm diameter and up to 40 bars pressure.

They have acquired ISO 9001 quality management certificate from AFAQ-AFNOR international an ISO 14000 for marketing, sales, manufacturing and testing of GRP pipes are designed, manufactured and tested according to AWWA and ASTM standards ant meet specifications of BSI, DIN,ISO, EN and TSE standards.

AKBOR quality policy is to insure the maximum quality work by supporting the customer from the design phase up to the commissioning including installation and supervision of the GRP pipes.

General Properties

Typical technical properties and related advantages of GRP can be summarized as follows.

Properties

- Non-metallic material, inert chemically resistant
- The GRP coupling are chemically resistant and watertight
- Low weight (about ¼ of a steel pipe and 1/10 of a concrete pipe)
- Long pipe sections
- Excellent inner smoothness
- The pipe's physical properties comply with international standards

Advantages

- Long effective service life 50 years. No need for expensive catholic protection systems. No need for expensive internal and external coatings. Particularly low maintenance costs.
- Easy to assemble- save time. Effective sealing under pressure and vacuum. Coupling enabling angular deflection, allowing change of direction without requiring additional fittings.

- Quick and easy installation. There is no need for heavy equipment to transport pipes. Cheaper transportation
- Few connections-very fast installation
- High-Hysen-Williams factor- signification energy savings. Smooth inner surface provides excellent hydraulic properties, unchanged throughout its working life. The energy savings in time are equivalent to the purchase cost of the pipe.
- High quality product

Applications

Due to the its long life, GRP pipes are preferred in the following applications;

- Main pipes and branch lines for potable water distribution systems.
- Pipes for sewage systems
- Pipes for irrigation systems
- Pipes for waste water systems
- Pipes for hydraulic-electric power stations systems
- Pipes for cooling systems of power stations
- Pipes for submarine systems
- Pipes for systems in chemical plants.

Raw materials

Raw materials are provided to AKBOR according to its related Quality Control System certificates. All the raw materials are subjected to sample tests before use, including visual and packaging tests which are stipulated in the international standards.

Resins

Resins, classified in to three groups which are ortophtalic and bisphonolic are high grade thermosetting types depending on their applications. Organic peroxide is used for curing the resins.

Fiber Glass

Fiber glass shall be compatible with the impregnating resins and is used for improving the mechanical properties of the GRP pipes. Fiber Glass is classified into five groups; hoop, chop, surface mate, woven roving, chopped strand mat.

Silica Sand

Silica sand is an inert filling material used for improving the stiffness of the pipes. It is a cost effective material.

Other Raw Materials

Organic peroxide, styrene, cobalt, polyester films are also used as complementary materials.

Missions of the Company

- Manufacturing high quality GRP pipes in conformity with international standard and raising client satisfaction to an optimum level.
- Ensuring to profit and right of our shareholders, employees and clients
- Creating new job opportunities by investing sustainable projects.
- Training and investing Research and Development R&D with the idea of continuous innovation.
- Being sensitive to environmental issues.

Vision of the Company

Becoming a leader Company in the world of GRP pipes

Total Quality Management

All the phases of the products starting from acceptance of raw materials to site supervision of pipe installation must be controlled with great care, keeping products quality at high level continuously. AKBOR uses the latest advanced technology and control system and control system available in the market of GRP pipe which is the continuous filament super winding process.

Mining

Feldspat (Fld): 2,505,000 m^3 (raw material for ceramics) 950 ton reserve (raw material for glass and ceramics)

Gypsum: approximately100,000 tons

Kaolin (Kao): approximately 841,000 tons visible, 1,860,000 tons in total (can be used in paper industry) kaolin with alunite, plus 375,000 tons of possible reserve

Brick: 2,000,000 tons of geological reserve

Besides there are following mineral deposits whose reserve works haven't been done so far:

Calcite
Quicksilver (Hg)
Diatomite (Dia)
Sulphur (S)
Marble (Mr)

Approximately 1000 people are employed in mining industry. Majority of the approximately 30 companies work in marble-granite, calcite and brick industry.

SWOT Analysis

Table: 22: SWOT Analysis of Aksaray

Strengths	**Weaknesses**
• Means of Transportation due to the fact that the city is located on the junction of Adana, Konya, Kayseri and Ankara; • Comparatively advantageous position to other cities due to its geographical position; • More SMEs than the other regional cities, increasing number of companies that choose Aksaray for investment; • Industrial infrastructure that is suitable to develop further (and developing Industrial Park); • Existence of national and international companies like Mercedes Benz, SÜTAŞ and COLIN'S in the city; • Existence of natural and cultural touristic values and consequently availability of touristic varieties (culture, nature, winter, thermal and faith); • High level of capacity using rate in food industry; • Increasing trends of investment and entrepreneurship with the current incentives; • Existence of vast agricultural lands for agricultural investments; • Easiness of providing good quality, low priced agricultural products such as feed (clover, field corn etc.), increasing number of cattle; • Increasing consciousness for merging companies; • High level of establishing cooperatives among the producers; • High potential of qualified and cheap labor force;	• The fact that the culture of the organizations regarding acting together has not developed sufficiently; • The fact that the culture of entrepreneurship has not developed sufficiently; • Limited accumulation of capital; • Weakness of institutional structure for efficiency and functionality; • Inadequacy of innovation and branding; • Insufficiency of the touristic facilities for varieties of tourism; • Shortness of lands per organization and the fact that the lands are divided and small; • Inadequacy of the specialization of plant production; • Insufficiency of the processing facilities that can increase the added value to the agricultural products; • Inadequacy of the irrigation and drainage infrastructure; • Difficulty in shipment of the products to the far destinations; • The fact that culture of searching efficient marketing methods and new markets has not developed sufficiently; • Lack of direct communication between local institutions and private sector; • Lack of railway; • Lack of airport.

• Low production costs; • Know-how in some sectors like food and agriculture, textile, and automotive sub-industry, low external dependence with regards to production technology.	
Opportunities • IPARD supports; • The fact that industry in big cities are moving to Anatolia; • Increasing interest in clustering works; • Many recent studies on development strategy of the city and accumulation of knowledge; • Developing business relations with Middle East; • Agreement and cooperation of public institutions on development; • The potential of attracting industrial investments from neighboring developed provinces owing to the incentives; • Advantaged position in incentives provided by the Ministry of Economy; • The fact that the railway project is in the program of the government; • Development of the cooperation between the new University and the city ındustry; • Increase in informing companies on available public supports and incentives.	**Threats** • Giving more public support to the East and South East; • Decreasing the import taxes and duties in agricultural products; • Peoples' less care for culture and nature tourism and more interest in sea, sun, sand tourism in internal tourism; • Major industry companies may choose other provinces instead of Aksaray for sectorial concentration, • Being distant to the other related industries such as plastic, iron and stell, machine industry.

TABLE OF CONTENTS