



EMBASSY OF THE REPUBLIC OF SERBIA
STOCKHOLM - KINGDOM OF SWEDEN

Newsletter *cooperation*

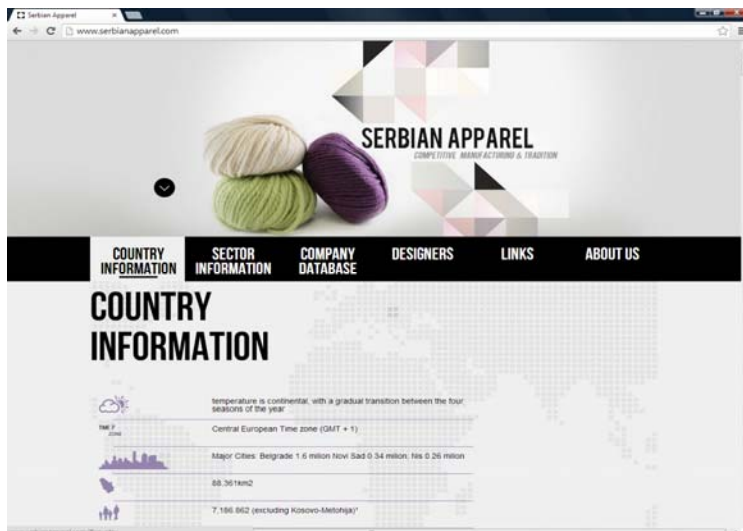
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We wish you all a very Merry Christmas and Happy New Year

During the 2013 we have launched our Newsletter aiming to better inform and promote business opportunities in Serbia by bringing a wide scope of all manner of topics from sectors overview, success stories, and business news. Hope to be even better next year and offer you even more interesting range of news and topics to read about. In the meantime we wish all our readers a very, very Merry Christmas and Happy New Year.

New SERBIAN APPAREL web site is up! Take a look!



Serbian textile industry web site is refreshed and redesigned, and we think this is the best yet! You can search through the web site easily and with just one click see the newest information from the sector, updated companies database or new fashion trends presented by Serbian designers also teased on the home page as well. Serbian textile industry has a lot to offer (please read more in the sector overview below) and the new web site finally gives us a chance to showcase most of them. Enjoy by exploring our new web site and Serbian textile industry business opportunities and newest fashion trends.

www.serbianapparel.com

Serbian textile industry designed to embrace new cooperation prospects

Textile and garment production has a long history and admirable tradition of fruitful collaboration with foreign partners. Before the disintegration of Yugoslavia, textiles were one of the leading export. Over 70% of the export revenues originated from the western European market. The majority of these textile companies were located on the territory of Serbia. During the eighties of the last century, Serbian companies produced garments for a wide range of US and western European companies.

Production was mostly conducted on a cut-make-trim (CMT) basis. Traditionally, Serbian companies provide the following types of products and services: CMT (cut-make-trim) or CM (cutmake),

Original Equipment Manufacturer (OEM) services and quality CM and CMT services provided by Serbian companies are well known internationally, confirmed by the presence of renown global brands (Pompea Spa, Dolce&Gabbana, Patricia Pepe, Leon Street Design, Glitz, Lisca and others).

Over the last 10 years, the Serbian fashion industry has evolved from a domestic, manufacturing-based industry into a design-oriented sector operating in the global marketplace. Brands – majority of Serbian brands are perceived as brands of good quality available at competitive prices. Traditionally, Serbian brands have had a strong presence on the regional markets, while leaders in this sector have a stronger international presence including the EU, USA, post-Soviet states, Turkey

and other markets. Over 1,500 companies employing 30,000 personnel operate in the Serbian textile industry which includes garment, textile and leather production. This is nearly 2% of the total number of companies and 2.9% of the total number of employees in Serbia, or 8.7% of employees in the manufacturing sector. The companies in the textile and garment production generate 0.7% of Serbia's turnover.

Serbia's strong tradition of textile manufacturing and exports yielded business-minded companies with highly skilled workforce. Companies have proven they have experience in maintaining customer relations and meeting customer requirements according to international standards.

Source: [SIEPA](#)



New 4 million euro venture capital investment fund in Serbia

New budget proposal for 2014 provides 4 billion dinars (4 million euros) allocated to support innovation and entrepreneurship. This will be done through creation of the venture capital investment funds (VC) aiming to support innovative ideas and operations of start up companies.

“We want to create funds in Serbia that will invest money. The state has earmarked an amount of money to invest jointly with private funds and enable the creation of preconditions for entrepreneurs to receive funding,” said Minister of Economy Sasa Radulovic.



Finnish PKC Group to invest 8 million euro in new auto cable factory in Serbia

Serbia's First Deputy Prime Minister Aleksandar Vucic signed in Smederevo the Memorandum of understanding with the Finnish company PKC Group that specialises in the production of cables in automotive industry.

Finnish manufacturer PKC Group specialized in design and contract manufacturing services for wiring systems and electronics is planning to invest 8 million euro in the construction of cable factory in the Serbian town of Smederevo. In addition, 1,500 new jobs will be created once the investment is made. Signed document envisages that the total investment in capital assets will be completed by 2016.



Allt om Resor: Experience Belgrade's attractions, shopping and the beach

If you are planning to visit Belgrade during the upcoming holiday season, tourist magazine Allt om Resor and journalist Johan Söderlund give you some tips to make your trip inspirational, fun and, most of all exciting!

Belgrade is diverse and vibrant city from fashionable new design stores to plenty caffess, restaurants and clubs where you can feel and taste the real atmosphere. With so much to do, and if you are on your own, be curious as there is always something different to discover and experience in Belgrade.

Read more at: [Allt om Resor](#)



TIM ELIASSON, HUSSE

We were the first Swedish franchise to enter the Serbian market

We have also been operating over one year in Serbia, and we are very proud of being the first Swedish franchise to enter the Serbian market. The reason why we entered Serbia was because of our long cooperation with the Swedish Trade Council who helps us finding new partners, and thanks to their office in Belgrade we managed to find potential investors.

We have our logistic centre in Belgium and when we started export documents for pet food to Serbia did not even exist, so we had to push the Belgian authority to proceed and process previous agreed resolutions in order to make such documents available.

Our business partner Sasa Milutinovic, the Husse Master Franchisee for Serbia & Montenegro, is also proud of starting up the first Swedish franchise in his country.



The fact that the brand is Swedish has very high marketing value in Serbia. ““Swedish quality much prized in Serbia!” he says. He also mentions other positive aspects with the business such as the demand for pet food is increasing in Serbia. One reason is that people are starting to pay more respect towards their pets, meaning the pets are becoming a part of the family. So people care more for their pets and understand that they need more than just leftovers from the table.

Sasa also believes the product range Husse offers is very competitive, both in price and quality, as well as the Husse franchise license he is offering to people all over the country. The Husse franchise system is a low cost franchise with quick return of investment, so it works very well in a country which has a BNP per capita of 300 Euro per month.

But of course he still struggles with all problems every business face in Serbia, as well as throughout Europe, such as poor economic situation and the global financial crisis. So some people can't simply afford pet food, even if they want to give the best to their pets.

Because Serbia is a quite young pet food market many competitors with similar products and services quickly try to gain territory, but this is normal and competition is something we experience all over Europe.

One of the things we struggle with too is the fact that many customers in Serbia have been deceived by similar companies, especially when it comes to home delivery. So we are working against a bad reputation. So the fact that we offer free samples of our food sometimes causes opposite effect than what we intended, people think it is too good to be true so they don't want to order.

Also franchise in general is a new concept in Serbia, so we need to put a lot of effort explaining carefully to people what it is and what they get for their investment.

So we are happy to operate in Serbia and it is always exciting to enter a young market with great potential.

Tim Eliasson holds Sales Manager position in the Swedish pet food manufacturer Husse. Company offer quality pet food with free home delivery throughout Europe. Overall we operate in 42 countries with 45 Master Franchisees and 750 sub- franchisees/ distributors with a total turnover of approximately 25 million Euros.

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