

# **Economic Promotion through One-Town One Product**

**Dr. Eric S. Parilla**  
Northwestern University, Philippines

**DOI Link:** <http://dx.doi.org/10.6007/IJARBSS/v3-i7/75>

**Published Date:** 01 July 2013

## **Abstract**

OTOP Philippines supports micro, small and medium enterprises (MSMEs) to manufacture, offer and market distinctive products or services through the use of indigenous raw materials and local skills and talents. It is a government program that supports micro, small and medium enterprises (MSMEs) to manufacture, offer, and market distinctive products or services through the use of indigenous raw materials and local skills and talents. Here in Ilocos Norte, One-Town-One-Product program is being spearheaded by the local chief executives of the different municipalities and towns and the Department of Trade and industry. Through several local ordinances, the different towns and cities have identified their own products under the program which will receive the support of the government and of the Department of Trade and Industry.

This research aimed to find out the economic impact of One Town One Product program of the government in the Province of Ilocos Norte. The OTOP owners in Ilocos Norte are already adult, dominated by college graduate and married women. Most of them have not attended seminars and trainings and are not members of professional organizations. Majority of the OTOP businesses in Ilocos Norte have existed for 16-20 years and are engaged in manufacturing and most of them are sole proprietor. The Government agencies like the Department of Trade and Industry and Department of Science and Technology had assisted the OTOP businesses through skills training and business counseling. It was found out that employment has the biggest impact on the OTOP program in Ilocos Norte.

## **1. The Problem**

### **1.1 Introduction:**

The One Town One Product (OTOP) is a priority program of the previous administration of President Gloria Macapagal-Arroyo to promote entrepreneurship and create jobs. Through OTOP, local chief executives of each city and municipality take the lead in identifying, developing and promoting a specific product or service, which has a competitive advantage. OTOP Philippines supports micro, small and medium enterprises (MSMEs) to manufacture, offer and market distinctive products or services through the use of indigenous raw materials and local skills and talents. It is a government program that supports micro, small and medium enterprises (MSMEs) to manufacture, offer, and market distinctive products or services

through the use of indigenous raw materials and local skills and talents. OTOP started in the Philippines in 2004 following the success of the One Village One Product (OVOP) movement pioneered by former Oita Governor Morihiko Hiramatsu. The program highlights the key concepts of regional pride, rediscovery of indigenous products, entrepreneurship, and Public-Private Partnership (OTOP Program Management Office, 2007).

Here in Ilocos Norte, One-Town-One-Product program is being spearheaded by the local chief executives of the different municipalities and towns and the Department of Trade and industry. Through several local ordinances, the different towns and cities have identified their own products under the program which will receive the support of the government and of the Department of Trade and Industry. Different products made out of indigenous materials are being showcased by the program such as the Inabel of Paoay, empanada of Batac and wine and vinegar for Laoag City. The main goal of the program is to alleviate and improve the living conditions of the community especially the under privilege one. In order to promote the OTOP program in the Ilocos Region, several trade fairs are being conducted such as the 15th Partuat ti Kailokuan Trade Fair & Garden Show at the Ilocano Heroes Memorial Hall in Laoag City, Ilocos Norte held last November 11, 2010. The trade fair is being conducted by the Department of Trade & Industry provincial office in partnership with the Partuat ti Kailokuan Association and the Provincial Government of Ilocos Norte under Governor Imee Marcos. A manufacturer's fair, it aims to promote the One-Town-One-Product (OTOP) of the various Local Government Units of the province. The OTOP is a government program aimed to support local entrepreneurs and LGUs develop markets for their products and help push the local and national economy. It is in this context that this research was conducted. This study provides awareness on the contribution and impact of the OTOP program in the socio-economic development of Region 1 measured in terms of its improved quality of products, employment opportunities, and improvement of living conditions, improved income, improved technology and strengthening communities.

## **1.2 Statement of the Problem:**

This study aims to assess the economic impact of OTOP program to Ilocos Norte. More specifically it will seek to provide answers on the following questions:

1. What is the profile of the entrepreneurs under OTOP program in terms of:
  - a. Age,
  - b. Sex,
  - c. Civil Status,
  - d. Educational Attainment,
  - e. Seminars/Trainings Attended and
  - f. Membership to organizations?
2. What is the organizational profile of the enterprises under OTOP in terms of:
  - a. Years of existence,
  - b. Type of Business,
  - c. Business Form,
  - d. Number of workers,
  - e. Start-up capital
  - f. Present Capital
  - g. Average annual sales, and
  - h. Source of capital?

3. What is the extent of these assistance programs given to the different cities and towns under the OTOP program in Ilocos Norte?
4. What is the economic impact of OTOP in selected towns of Ilocos Norte along the following areas:
  - a. Employment generated;
  - b. Improved living conditions and quality of life
  - c. Improved technology, and
  - d. Improved quality of products?

### **1.3 Theoretical Framework**

#### **1.3.1 Support of the Government and Non-Government Units**

The trade and industry committee of the House of Representatives has promised its full support to the One-Town-One-Product (OTOP) program of the Department of Trade and Industry (DTI). After careful deliberations the House passed the 2012 budget of the DTI under next year's proposed General Appropriations Act or GAA of which for SME development alone, the House approved a total budget of P402 million which shall be used for, among others, entrepreneurship and skills training, policy studies formulation, and MSME development advocacy. Moreover, there are deliberations on the Anti-Trust or Fair Competition Act of 2011. When finally passed, this law is expected not only to protect consumers from unfair trade, anti-competitive conduct and combinations in restraint of trade, but it is also aimed at levelling the playing field for micro, small and medium enterprises by preventing the concentration of economic power who threaten to control production, trade or industry in order to stifle competition, distort, manipulate or constrict the discipline of free markets, and increase market prices in the Philippines.

Only recently, two of the country's leading business groups have given their support to the OTOP program. The Philippine Chamber of Commerce and Industry (PCCI) and the Federation of Filipino Chinese Chamber of Commerce and Industry have signed a memorandum of agreement (MOA) with the DTI giving OTOP entrepreneurs access to the groups' financing program.

#### **1.3.2 OTOP in Ilocos Norte**

Table 1 shows the different OTOP products of the different towns including its descriptions.

Municipality	One-Town-One-Product Project	Description
Bacarra	Sugar cane Vinegar Industry (Municipal Resolution No. 2008-031)	<p><b>VINEGAR/BASI</b></p> <p>Vinegar is made from an upgraded variety of sugarcane juice. Its rich and lush taste can be attributed to the generations old process of fermenting vinegar done the traditional “Ilokano way”, 100% pure and organic. This product is also known for its therapeutic and healing properties.</p> <p>Basi (sugarcane wine) is made from the Juice of the crushed red-rinded sugarcane variety compounded with elements like barks and fruits of an indigenous <i>samak</i> (Macaranga) tree. The resultant brew is a mellow pale red drink as an outcome of the mixture of aromatic fruit of the <i>samak</i> tree.</p>
San Nicolas	Terra Cotta Industry (Pottery/Ceramics)  (Municipal Resolution No. 2008-116)	<p><b>CERAMICS</b></p> <p>Pottery and brick making are among the major industries of Ilocos Norte. This industry has been in existence for centuries now. These products are known for their durability, functionality and symmetry. They were for a long period of time, indigenous as they became an integral part of the way of life of the native inhabitants of the province.</p>
Sarrat	Binakol(Loom woven) Products  (Municipal Resolution No. 2007-86)	<p><b>LOOMWOVEN PRODUCTS</b></p> <p>Hand loom weaving is a process where threads that make up the warp and weft are interwoven in an upright loom by one or two weavers. These products are widely accepted not only in the Philippines but also in other countries. Handloom products include blankets, pillow cases, towels, placemats, table napkins, table runners are clothing materials.</p>
Paoay	Chichacorn  (Municipal Resolution No. 2009-33)	<p><b>CHICHARON (CORNIC) – FRIED CORN SNACKS</b></p> <p>Chicharon / cornick is a crunchy corn kernel made from glutinous white corn. Its taste enhanced by garlic and other flavoring such cheese barbecue, sweet and spicy and <i>adobo</i>, makes it a deliciously tempting snack. Mega Bawang is the brand being used by the Paoay Chicharon Producers</p>

		Association, however, the producers have their respective brand names for their products.
Batac	Batac Empananda  Municipal Resolution No. 55s 2008	<b>EMPANADA</b> When it comes to <i>empanda</i> , Batac empanada is the best. It has the distinct taste that makes it different. It is made of a savory filling of green papaya, mungo, chopped Ilocano sausage ( <i>longganisa</i> ) and/or egg. The dough that serves as a wrapper to enclose the filling is thin and crisp made from rice flour. It is deep fried rather than baked.
Currimaos	Native Delicacies	<b>NATIVE DELICACIES</b> Native delicacies such as <i>bibingka</i> , <i>suman</i> , <i>tupig</i> and <i>puto</i> are always commercially available in the province specifically in the Municipality of Currimaos. These products, except <i>puto</i> are made from glutinous rice and are enhanced by coconut oil and brown/white sugar or molasses.
Pagudpod	Shell Craft	<b>SHELL CRAFT</b> Beautiful shells and pebbles lay along the magnificent ivory beach shore of Pagudpod. These are gathered by the residents and are manufactured into fashion accessories and functional items. The unique designs and craftsmanship of these products are sought after or taken as <i>pasalubong</i> by tourists.

## 2. RESEARCH METHODOLOGY

### 2.1 Research Design

In this study, descriptive method and documentary examination were used to determine the status of OTOP program and its role in the economic development in Ilocos Norte.

To establish the previous status of the businesses under the OTOP program as the baseline data, documents coming from the Department of Trade and Industry and the business establishments will be reviewed.

On the other hand, survey questionnaire was utilized to come up with the economic impact of OTOP program in selected towns of Ilocos Norte. To validate such, focus group discussions was conducted to the business owners and the community where the OTOP program was established.

To further come up with a thorough analysis of the OTOP program, the researcher interviewed DTI officers and the LGU officers.

## 2.2 Statistical Treatment

The data gathered in the study was analyzed statistically through the use of the following:

The frequency and percentage was used to indicate the profile of the respondents and organizational characteristics. The mean and standard deviation will be used to describe the extent of assistance and impact of OTOP in the economic development of Ilocos Norte.

## 2.3 Locale and Sample of the Study

The population of the study consisted of 3 groups namely: entrepreneurs under the OTOP program, Local Government Unit Officers and DTI officers.

## 3. Presentation, Interpretation and Analysis of Data

This section of the study presents the analysis and interpretation of data as gathered from the questionnaire.

### 3.1 Personal Profile of Micro-entrepreneurs in Ilocos Norte

**Age.** there are eleven (11) OTOP entrepreneurs included in this study. Of this number 4 (36.36%) belongs to the age group ranging from 38-48 and 60 and above years old. On the interview conducted, most of the owners are on the 2<sup>nd</sup> generation and those who really started the business were either dead or have already been retired and are just staying home, however, are still assuming the role of a consultant. On the other hand, 3 (27.27%) have age ranging from 38-48 years old

**Gender and Marital Status.** Moreover, of this number (11), there are 8 (72.73%) are female and 3 (27.27%) are male. Upon inquiry on the entrepreneurs, their business started as part of augmenting the income of the household and eventually became successful over the years, that is why, there are more female than male OTOP entrepreneurs.

It appears that as to marital status, it can be observed that most of the respondents are married (6 or 54.55%). On the other hand, 5 (45.45%) are widower.

**Educational Attainment.** The table also presents that the highest number of OTOP entrepreneurs are college degree holders (4 or 36.36%). This implies that OTOP entrepreneurs in the province of Ilocos Norte value their education.

**Seminars Attended.** As to seminars attended, all of the respondents (11 or 100%) have attended seminars. This implies that OTOP entrepreneurs in Ilocos Norte give priority to attending to seminars that could enhance their businesses. It shows that the government and other agencies like the Department of Trade and Industry do coordinate and link with the OTOP entrepreneurs for seminars that could improve their skills and competencies in

managing the businesses. This is an indication of strong programs of these agencies of the government. Based from the documents analyzed, all the towns and cities have identified and issued a resolution on the OTOP program they will adopt. This is an indication of the seriousness of the local governments to really push through with the OTOP program in their respective towns.

**Membership to Professional Organizations.** Most of the respondents (9 or 81.82%) have only one affiliation to professional organization and that is the One-Town-One Product program. This implies that OTOP entrepreneurs do not necessarily put emphasis in having networks by being members of professional organizations that could help in their businesses.

### 3.2 Business Profile of Micro-entrepreneurs in Ilocos Norte

**Years of Existence.** As presented in the table, most micro-businesses in Ilocos Norte existed for 16 to 20 years (54.54%). This implies that businesses under the OTOP program had been in the business for several years. This could imply that these OTOP businesses are already established and they had been sustainable and profitable.

**Type of Business.** Majority of the microbusiness owner-respondents (81.81%) are engaged in manufacturing. This implies that in Ilocos Norte, most of the OTOP businesses established are into creating original products and services that had been accepted by the people because of its quality. Examples of these businesses are the cornick industry in Paoay, longaniza in Laoag and pottery in San Nicolas.

**Business Form** The table reveals that all of the respondents are single proprietorship in business form. When the researcher asked some of the respondents of the reason why they had established it as single proprietorship, they have mentioned that it is easier to establish a single proprietorship business and they said that it is less complicated as well in terms of management.

**Number of Workers.** In terms of number of workers, it can be observed that most of the respondents have more than 10 employees at present (63.63%). However, when the researcher tried to verify the data gathered it was found out that most of their employees are family members and community members. They have also mentioned that when they were just starting, they have no employees and that they depend mainly on themselves and the help of their family members. But as their businesses grew, they were able to employ their neighbors as well.

**Source of Capital.** All of the OTOP business owners have started their businesses using their own savings. When the researcher verified the data, they have mentioned that it is not easy for them to loan out in the bank before especially that they do not have any collateral for the loan. So they just took the risk and used their own money.. This is also an indication that OTOP business owners have limited knowledge and awareness to the different financial institutions that lend money and support starting entrepreneurs.

### 3.3 Extent of Assistance for OTOP Businesses in Ilocos Norte

**Table 2.**

**Extent of Assistance Programs for the OTOP Businesses in Ilocos Norte**

Assistance Programs	X	DR
A. Financial Assistance		
- Department of Trade and Industry	1.00	P

- Department of Science and Technology	1.25	P
- Non-government Organizations	2.23	F
- Banks	2.25	F
<b>Average</b>	<b>1.68</b>	P
<b>B. Technical Training Courses</b>		
- Department of Trade and Industry	4.56	E
- Department of Science and Technology	4.00	VG
- Non-government Organizations	2.34	F
- Banks	1.00	P
<b>Average</b>	<b>2.98</b>	G
<b>C. Business Counseling</b>		
<b>D. Product quality/Product Development assistance</b>		
<b>E. Marketing/Distribution assistance</b>		
<b>F. Skills and Entrepreneurial Training</b>		
<b>Overall Average</b>	<b>3.28</b>	G

*Legend:*

<b>Descriptive Rating</b>	<b>Statistical Range</b>
5.00 – 4.21	Excellent (E)
4.20 – 3.41	Very Good (VG)
3.40 – 2.61	Good (G)
2.60 – 1.81	Fair (F)
1.81 – 1.00	Poor (P)

As manifested in the table, what the OTOP businesses are commonly assisted with is in the skills and entrepreneurial training with a mean rating of 4.34 and a descriptive rating of “Excellent”. This means that government and non-government organizations such as the Department of Trade and Industry and Department of Science and Technology extends to the OTOP businesses several skills and entrepreneurial trainings where it aims to develop their management skills in running a business. Based from the documentary analysis, there had been at most 45 skills training conducted upon the start of the OTOP program in Ilocos Norte, Moreover, participation was always above 60% and that many of the OTOP pwners and employees have availed of such training. Going deeper into the topic, the researcher interviewed Dr. Angelina Tagay, the president of the Chichacorn industry in Paoay, Ilocos Norte, she emphasized that there should be more assistance of the government in terms of financial, capitalization and promoting the different products under the OTOP. She also said that the assistance extended to businesses like them needs a lot of improvement and that it should be more extensive and more in depth and not only “ningas kugon”. Moreover, Mrs. Josephine Duldulao, head of San Nicolas Damilian Association also mentioned to the researcher that the assistance in terms of skills and business management is already extensive, but in terms of financial assistance, the government still needs to give more. She however mentioned that some of the equipment being used by their Association were purchased by some agencies such as the Department of Science and Technology. On the other hand, Ms. Mary Anne Abad, head of Sarrat Binakol Association mentioned that some government organizations are extending help to them such as the Department of Science and Technology who is giving assistance to them in temr sof packaging. They were also benefited by the generosity of Governor Aimee Marcos who gave them raw materials to produce and

bought their finished products. Also the DTI is educating weavers through business counseling, product quality and marketing assistance.

### 3.4 Economic Impact of OTOP in Ilocos Norte

**Table 3. Economic Impact of OTOP in Ilocos Norte**

	X	DR
<b>A. Employment</b>		
1. Jobs were created for family members	5.00	VHI
2. People in the locality are also given jobs.	4.32	VHI
3. Employees receive fair and just remuneration from the business.	3.98	HI
4. Provisions of stable jobs for employees.	3.43	HI
5. The MSMEs under OTOP help generate gainful employment for the family/community in particular and in Ilocos Norte in general.	4.00	HI
<b>Average</b>	<b>4.15</b>	<b>HI</b>
<b>B. Quality of Life</b>		
1. Quality clothes and footwear	3.90	HI
2. More saving in the form of bank deposits, insurance protection on pre-need.	4.45	VHI
3. Acquisition of lot/s.	3.20	MI
4. Construction of a house.	4.12	HI
5. Major improvements to existing house.	4.31	VHI
6. Purchase of motor vehicle such as car and jeep.	3.45	HI
7. Purchase of appliances like refrigerator, microwave oven, electric fan, electric iron, washing machine etc.	4.10	HI
8. Purchase of household furniture like sala set, dining set, chairs, cabinet, beds, etc.	4.19	HI
9. Availment of the services of a doctor or hospital, not only relying on self-medication or herbal medicines for some illnesses.	3.21	MI
10. Elementary/secondary/college education of children.	4.00	HI
11. More/better recreational activities like travel, picnics, outings, parties, club affiliations.	3.12	MI
12. Hence, I can say that MSMEs under OTOP help contribute to the improvement of the living standards or quality of life of the people of Ilocos Norte.	4.09	HI
<b>Average</b>	<b>3.85</b>	<b>HI</b>
<b>C. Improved Technology</b>		
1. The OTOP program helped my business grow financially.	3.56	HI

2. I was able to improve on my business skills and technical know-how because of the OTOP assistance program.	4.30	VHI
3. I was able to develop my business operations because of OTOP program.	3.98	HI
<b>Average</b>	<b>3.95</b>	<b>HI</b>
<b>D. Improved Quality of Products</b>		
<b>Adequacy of Products/Services</b>		
- Products/Services are available when needed.	3.45	HI
- Products/Services at the shelf/service providers meet the daily demands of customers.	3.56	HI
<b>Appropriateness</b>		
- The quality of the product/service fits the desire of the customers.	4.12	HI
- The uses of the product/service respond to the needs of the customers.	4.13	HI
- The price of product/service is within the reach of customers.	4.12	HI
<b>Timeliness of the Product/Service</b>		
- The delivery of the product/Service is always on-time.	3.98	HI
- Delays, errors and wastages are at a minimal level.	3.54	HI
<b>Progressiveness</b>		
- Product/Service is constantly innovated to meet the changing needs of the customers .	3.98	HI
- Facilities and amenities are constantly upgraded.	3.01	MI
<b>Equity</b>		
- The product/service is environment friendly.	4.12	HI
- There is a provision for credit especially to customers who are deprived and underserved.	4.00	HI
<b>Continuity</b>		
- Inventory of products and service is enough for a certain period of time.	4.15	HI
- There are no delays of delivery of products and services due to lack of supply.	3.45	HI
<b>Demeanor</b>		
- Employees are friendly and accommodating.	4.10	HI
- Employees are knowledgeable of the product/service they are selling.	4.13	HI
- Employees give full assistance to customers.	4.35	VHI
<b>Average</b>	<b>3.89</b>	<b>HI</b>
<b>Overall Average</b>	<b>3.96</b>	<b>HI</b>

Legend:

**Descriptive Rating**

5.00 – 4.21

4.20 – 3.41

**Statistical Range**

Very High Impact (VHI)

High Impact (HI)

3.40 – 2.61

Moderate Impact (MI)

2.60 – 1.81

Low Impact (LI)

1.81 – 1.00

No Impact (NI)

Employment is considered the biggest impact of OTOP program in the Industry. Jobs were created for the family members as well as the whole community. Although most of the workers are contractual, their jobs assisted them in sustaining their basic needs, such as sending their children to school. Based from the documents presented to the researcher, there had been almost 2,000 job opportunities given to local town folks and that the locality where the OTOP business was located showed an increase in income per capita and was able to show the improvement of their lives through acquisition of houses or renovation of their old houses. The data presented by DTI also manifested that the OTOP businesses provided employment to local people who were not able to finish schooling because of financial constraints. Moreover, when the researcher went to Paoay, particularly in Salbang where the Chichacorn industry was located, it was observed that almost all the houses are concrete and the roads are all in good condition. In San Nicolas, on the other hand, the 72 members that rely on making pots, were able to augment their income through the OTOP program. Based on the records of DTI, there had been an increase of employment rate in the locality where the OTOP business was located by as much as 60%. It also showed that most of the beneficiaries are out of school youth and house wives, who instead of waiting for their husbands, make their time more productive by making pots, chichacorn or longaniza.

On the other hand, based on the survey conducted, the table manifested that really indeed the biggest impact of the OTOP program is employment. And when the researcher interviewed the employees, they had unanimously told the researcher that through the OTOP program, their economic status had improved and that it had a great impact on their lifestyles. Going into specifics of the table presented, it can be noted that the four areas considered in the research (employment generation, improved living conditions, improved technology and improved quality of products), were able to post descriptive rating of 'High Impact". This means that the owners as well as the employees are really convinced that the OTOP program was able to help them improved their lives, not only economically but also improved their self worth as well.

The following table shows the impact of OTOP in Ilocos Norte. The data is based on the Monitoring Report of Department of Trade and Industry as of last Quarter of 2010.

**Table 4. Monitoring Report for OTOP Program as of 2010**

Performance Indicators	Target	Accomplished to Date	% of Accomplishment
New Jobs Generated			
-Community based jobs generated	84	76	90%
- Home-based jobs generated	199	209	105%
Jobs Sustained	1200	1244	103%
Amount of Sales			
- Export Sales (in US \$ M)	4,000	600	15%
- Domestic Sales (in PhP M)	26, 430,000	18,057,470	69%

Based from the documents presented to the researcher by the DTI officer, it can be deduced that jobs creation is the greatest impact-indicator of the OTOP program. This is to validate the previous findings in Table 5. In one year, there had been almost 300 jobs created because of the program and that DTI reported a high mark of accomplishment (90% and 105%) for home based and community based jobs creation. However, as seen in the table, there seems to be a problem in exporting the products because the percentage of accomplishment is only 15%. This is where DTI and other agencies help the OTOP businesses. When interviewed, the main problem was marketing the product especially meeting the international standards for packaging and branding the product. DOST and DTI should work more in order to attain their targeted export sales for the OTOP products.

#### **4. Conclusions and Recommendations**

##### **4.1 Conclusions**

In the light of the findings of this study, the following conclusions were drawn:

1. The OTOP owners in Ilocos Norte are already adult, dominated by college graduate and married women. Most of them have not attended seminars and trainings and are not members of professional organizations.
2. Majority of the OTOP in Ilocos Norte have existed for 16-20 years.
3. Most of the OTOP in Ilocos Norte are engaged in manufacturing and most of them are sole proprietor.
4. Government agencies had assisted the OTOP businesses through skills training and business counseling.
5. Employment has the biggest impact on the OTOP program in Ilocos Norte.

##### **4.2 Recommendations**

In view of the aforementioned findings derived from the study, the following recommendations are hereby advanced:

1. Organization of OTOP business owners and form a formal association where there will be officers and by laws so that there will be an association that will help DTI and other agencies in enhancing the OTOP program in Ilocos Norte.
2. DTI assisted benchmarking trip by OTOP business owners in Ilocos Norte to different towns and municipalities in the country for possible learning session on best practices. The main objective of this trip is for the business owners (preferably the officers of the OTOP Association) to learn the best practices of the different OTOP programs in the different regions of the country. Moreover, a round table discussion, where they will invite speakers should also be organized.
3. Provision of technical assistance in the formulation of a marketing plan for OTOP products. The marketing plan will improve the marketing mix of the OTOP products so that it will be more marketable not only to the local tourists but also can be considered to be exported to other countries. It will include strategies on product development and quality, branding, pricing, and packaging.
4. Coordination with the Provincial Government for the inclusion of OTOP products in the Province's website and improvement and updating of DTI's website.

5. The government of the Province of Ilocos Norte should align some of its funds and budget to support OTOP especially those that exhibit a strong capability to grow and eventually develop into globally competitive enterprise.
6. The academe should take active part and involve themselves in the assistance and sustenance of OTOP in the Province of Ilocos Norte.
7. The microfinance sector and other financial institutions should make available financial support especially to those viable OTOP businesses being threatened by stiff competition. Moreover, they should look at the perceived high interest rates and stringent paper requirements and the long waiting period before the loan proceeds are released.

## **References**

### **A. Book**

Ames, Micheal D. and Norva L. Wellsfry. 1983. *Small Business Management*. New York: West Publishing Company.

DRUCKER, P. 1985. *Innovation and Entrepreneurship: Practice and Principles*. Heinemann, London.

Samuelson, P.A. and W.D. Nordhaus. 1993. *Economics*. 4<sup>th</sup> Edition McGraw Hill, Inc.

Schumpeter, J. 1943. *The theory of Economic Development*. Translated by R. Opie from the 2<sup>nd</sup> German Edition, Cambridge: Harvard University Press.

### **B. Internet Sources with Author**

Beckert, Jens. 2002. ) *Beyond the Market: The Social Foundations of Economic Efficiency*

Bellofiore, Ricardodo and Nicola Taylor (Eds). 2004. *The Constitution of Capital : Essays on Volume 1 of Marx's Capital*

Bibow, Jorg. 2011. *Keynes on Monetary Policy, Finance and Uncertainty: Liquidity Preference Theory and the Global Financial Crisis (Routledge Studies the History of Economics)*

### **C. Internet Sources without Author**

<http://successtaes.blogspot.com/2010/05/otop-visayas-island-fair-marketing.html>

[http://www.iovoppa.org/journal/01\\_200810/ja/08\\_erec-j.pdf](http://www.iovoppa.org/journal/01_200810/ja/08_erec-j.pdf)

<http://www.tarabitab.com/tag/one-town-one-product-otop-exhibit/>

[http://ilocos.net.ph/index.php?option=com\\_content&task=view&id=47&Itemid=123](http://ilocos.net.ph/index.php?option=com_content&task=view&id=47&Itemid=123)