



SUCCESS STORY

Dahuk's Kaiser Roll King

Political stability and economic growth bring Kurds home from Europe



Photo by David DeVoss, USAID-Tijara

Ari Hishyar Sedeq Hassan's "Laween" Supermarket offers Dahuk shoppers freshly baked bread in addition to regular grocery store products.

Started eight years ago with financing from USAID, Iraq's microfinance industry has provided loans worth \$88 million to 360,000 entrepreneurs. Timely microfinancing has produced 206,000 jobs and improved Iraq's private sector economy.

In 1999, Ari Hishyar Sedeq Hassan moved to Germany where he worked in a bakery in the small town of Gronau, producing Black Forest Rye Bread, cinnamon buns and Kaiser Rolls. Thirteen years later, Ari decided to return home to Dahuk in northern Iraq. "The economy and security have improved so much here, there really was no reason to remain in Europe," he explains, adding: "On the flight back from Germany I was one of 23 Iraqis permanently returning home on the plane."

Ari arrived in Dahuk with the idea of integrating a working bakery into a western-style super market. In North America this pairing is well established with studies showing the smell of freshly baked bread inspires people to buy food items. The combination Ari proposed was new to Iraq, but its logic was not lost on the *Bright Future Foundation (BFF)*. One of 12 microfinance institutions supported by the USAID-*Tijara* Provincial Economic Growth Program, BFF recognized a winning business proposal and loaned Ari \$9,000 to lease market space and buy the oven needed for German-style baked goods.

The success of Ari's *Laween* Supermarket was not preordained. The majority of Iraqis prefer unleavened flatbread baked in a tandoor. Also there was a pricing issue. A single kaiser roll in Germany costs 55-cents; in Iraq, ten rolls jumbled together in a bag sell for 70-cents. All doubts about Ari's marketing concept, however, disappeared within days of *Laween's* opening. "People loved the concept and bought our bread the moment it came out of the oven," says Ari. "Before long we were selling more than \$500 worth of bread each day."

Today, Ari's bread is so popular that it's sold before it's even baked. Other Dahuk supermarkets and restaurants have standing orders for his sesame and poppy seed rolls that are produced daily thanks to four new employees.

Based on his success, Ari recently applied for a small and medium enterprise loan from one of the nine private commercial banks affiliated with USAID-*Tijara*. "If I can buy another oven I'll open four more supermarkets and a coffee shop bakery that will produce brioche and crullers, for the people of Dahuk."