



Business parks coming online in Honduras offer many amenities. Photos courtesy of Altia Business Park.

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Hondurans Create Ideal Conditions for Business and Call Center Hubs



Honduras is in perfect position to accommodate the service sector. Photo courtesy of Bufalo Plaza.

Recognizing the ongoing demand by U.S. and other foreign companies for call centers, business processing outsourcing, and telemarketing operations, especially those that are nearer their customers in terms of culture, language and distance, Hondurans are developing the facilities, infrastructure, and personnel to meet those needs. Much of the activity is taking place in San Pedro Sula, the nation's second largest city and its commercial and industrial hub.

Bufalo Plaza, a new business park about 11 miles from downtown San Pedro Sula, will open in June 2009. The facility, which will operate year round, will offer exclusive telephone and data line connections, plus low-cost VoIP and Internet connections powered through the national electrical grid and its own power generator to guarantee 24-7 connectivity.

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Having identified English speakers with excellent computer and communications skills and a desire to work for competitive wages in the industry, Bufalo Plaza will recruit and screen potential employees. With ample parking, a quiet and safe environment, natural lighting, proximity to the international airport, on-site customs, and round-the-clock security, Bufalo Plaza is an attractive place for companies and employees alike.

Opening in the third quarter of 2009, Altia Business Park will host a range of local and international companies such as Navega, the Asociación de Maquiladores, McCann Ericson, NetSol Technologies, and Regus. Built to Leadership in Energy and Environmental Design (LEED) standards, Altia will have an automated access system; security cameras with movement and temperature sensors; a computer-controlled electrical system for maximum efficiency; an environmentally friendly, intelligent-design air conditioning system; and a world-class telecommunications infrastructure with high-speed optical networks.

Among the park's amenities will be restaurants, convenience stores, a clinic, gym, beauty parlor, and pharmacy. Companies that locate in this class A sustainable business park will be able to draw upon graduates from one of Altia's strategic partners, the private university UNITEC, whose students specialize in such fields as mechatronics, business management, civil engineering, industrial engineering, and computer science. In addition to learning Spanish and English, UNITEC students may be trained in a third language such as French, Italian, Mandarin, German, or Portuguese.

Honduras is in perfect position for hosting international call centers, telemarketing operations, and outsourcing services companies. One of the most competitive countries in telecommunications and the Internet in Central America, Honduras has access to the three submarine cables that pass through the region (Arcos, Maya and Emergia).

Navega, the region's largest fiber optic network operator, provides high-capacity data transport services, voice applications, and broadband Internet. The carrier has identified the following major advantages Honduras offers companies wishing to establish call centers and other telecom services in the country:

1. First-world, reliable telecommunications infrastructure;
2. Geographical position in the heart of the Americas;
3. Clear laws and incentives that encourage the industry's development;
4. Highest concentration of bilingual schools in the region;
5. Neutral accent among English-speaking Hondurans; and,
6. Skilled and low-cost workforce.

Other advantages Honduras provides include some of the lowest logistical costs in the region, cultural affinity to the United States, and proximity to similar times zones, since the country is in the Central Time Zone.

Bufalo and Altia are in the forefront of business parks that are gearing up for international call centers. Centers currently operating in Honduras are used primarily by credit card companies and market research firms that rely chiefly on Spanish-speaking employees with high school or vocational school educations.

One example is the call center for Honduras and El Salvador of Cervecería Hondureña, S.A. de C. V., a beer and soft drink production and distribution company owned by international brewing giant SABMiller. Since August 2007, the center has operated from the company's San Pedro Sula headquarters. Among the skills its 129 tel-sell and customer service agents possess

are linguistic effectiveness, integrity, customer-service orientation, the ability to listen and to follow instructions, excellent interpersonal relations, and a focus on results.

While most of the workers speak Spanish only, SABMiller does have bilingual tel-sell agents to service its English-speaking customers in Honduras' Bay Islands.

President Grant Harries says the company carefully recruits employees with the right skills for their jobs and retains good workers through such practices as paying competitive wages, providing a comfortable

environment with pleasant rest areas and spacious workstations, and breaking up the daily routine through motivational activities. Harries expects SABMiller will expand its call center to reach another 4,000 customers through its tel-sell system by the second semester of its fiscal year.

Navega Sales and Marketing Manager Julio Herrera notes that Honduras has qualified telecommunications workers to support the Internet and communications services industry, as evidenced by the fact that in recent years, private mobile phone companies, data transmission operators, and Internet service providers have begun operations in the country without creating staff shortages. In addition, Honduras' six private universities and two public universities continue to graduate trained professionals to work in telecom.

Moreover, telecommunications companies are investing millions of dollars in the industry. Navega, for example, spends an average of \$2 million annually strengthening and expanding its fiber optic network and technology platform to handle burgeoning demand. In anticipation of the arrival of new contact and call center business in Honduras, Navega has budgeted another \$10 million for 2009 to consolidate its platform service management tools and customer service.



Call centers such as that operated by SABMiller can find bilingual speakers with computer and communications skills. Photo courtesy of SABMiller.

Honduras Marks the Best Regional Economic Performance in the Midst of Global Recession



Honduras' large, industrious, skilled workforce has powered economic diversification.

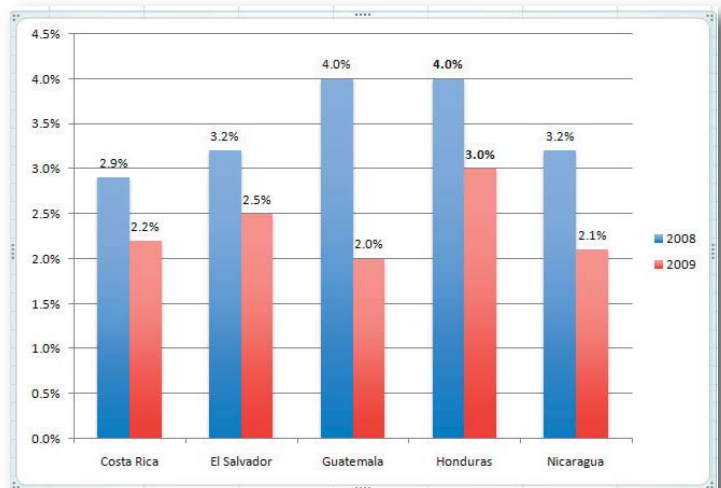
With the global economy in the grip of the worst crisis in 60 years, finding countries that still show positive economic growth is extremely difficult. Due to the severe fall in commodity prices worldwide and significantly weakened trade flows, most countries will record negative growth rates in 2009. Central America is one of the few bright spots internationally, and the Central Bank of each country forecasts economic growth rate of more than 2% this year.

Within this scenario, predictions are that Honduras will enjoy the most economic growth of any country in the region. Indeed, according to the latest projections of the Central Banks of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, only Honduras will reach a projected economic growth of 3%, compared with 4% economic growth in 2008. The next best economic performer in the region should be El Salvador, which expects to expand its economy by no more than 2.5% this year.

According to the Monetary Program of the Central Bank of Honduras (BCH), the country's economy should perform even better in 2010, growing by more than 3%. The BCH identified several sectors that will contribute to the improved economy, including financial intermediation and construction, telecommunications, the commercial sector, and agribusiness – primarily production of coffee, bananas, African palm oil, and shrimp.

Honduras is in a perfect position to weather the economic storms because its economy has diversified significantly over the course of

Economic Growth in Central America



Source: Central Banks of each country

the past decade. As a result, Honduras today produces and exports not only raw materials and commodities, but also processed goods including textiles and garments, auto parts, other light manufacturing products, and processed food items. Telecommunications and tourism services also are strong contributors to the nation's economy.

More Luxury Resorts are Coming to Honduras



Ocean views, white-sand beaches, and other amenities attract buyers and visitors to luxury resorts such as Infinity Bay Spa & Beach Resort. Photo courtesy of Infinity Bay.

Infinity Bay Spa and Beach Resort, located on a prime stretch of beachfront on Roatán's West Bay, is completing its second phase of high-end condos designed as vacation homes or investments. The resort, which claims to be "the most earth-friendly resort on the island, if not the entire Caribbean," consists of 145 spacious studio, one-, two-, and three-bedroom, fully furnished condominium villas, built on both sides of a fresh-water, lagoon-style infinity pool. A world-class spa will begin pampering guests later this year.

Ever since Infinity Bay opened in December 2007, it has won accolades from visitors. *The Wall Street Journal* called it "the swankiest" place to stay on the island, and *Travel World News* said the resort "sets a new standard of luxury."

The spacious, airy units, each with open floor plans and a veranda, are tastefully furnished with hardwood bedrooms sets; fully equipped, state-of-the-art, kitchens with granite-topped counters; ceiling fans; satellite television; air conditioning; broadband Internet services; and telephones.

From the resort's private dock, residents and guests may hop a water taxi to shop and party in the nearby village of West End or visit other parts of the tropical island. Guests also have access to a wide range of water sports, including snorkeling, scuba diving, sailing, kayaking, and swimming.

Perhaps what really sets Infinity Bay apart is its emphasis on being earth-friendly. The resort's attractive villas adhere to strict "green" construction practices, with little impact on the sugar-sand beach and turquoise water for which the island is famous. Its water purification system produces potable water for all of the villas. The resort has an advanced septic system

that purifies effluent so it can be used to irrigate the many native tropical shrubs, flowers, and palm trees that decorate the landscape. Solar-assisted water heaters and buildings constructed of solid concrete save energy, as do the "smart" sensors in every unit that turn off lights and ventilation when the villas are unoccupied.

Further along the island's north coast, Nikki Beach Boutique Resort, a complex of Mediterranean-style, ocean-view condominium villas, opened to owners and guests on May 1, 2009. Developed by Trade Mark Building and designed by Todd Murray, the villas feature private balconies, gourmet kitchens, whole-house water purification systems, exotic hardwood cabinets and doors, and designer furnishings and overlook an infinity pool. The adjacent **Nikki Beach Resort & Spa Roatán** will open in the fall of 2010.

Located on 13 acres of oceanfront on the island's north coast, Nikki Beach will deliver five-star luxury with more than 100 lavish one- and two-bedroom suites, each with its own flat-screen HDTVs and complimentary wireless Internet access. Amenities for both resorts will include in-room catering and bar hosting and private VIP cabanas with full bottle service. In keeping with Nikki's signature style, the resort will have a lavish spa, high-energy Ultra Lounge where guests can dance the night away, heliport and jet service for customers, mega-yacht marina, and an 11-acre, interactive nature park and reserve that will be home to more than 20 species of exotic native animals.

Nikki Beach Roatán will provide a balance of night life and wildlife for visitors who want to enjoy the brand's famous music and entertainment while also appreciating the natural beauty, flora and



Roatan's Nikki Beach Boutique Resort offers seaside luxury.



The largest tourism development in Honduras is taking shape at Los Micos on the Caribbean coast.

fauna of the island. According to, Blue Ocean Reef Director of Sales and Marketing Josh Murray, “The glamour, style, first-class dining and incredible energy that Nikki Beach is known for will help us cement Roatán’s status as an in-demand destination for the upscale, international traveler.”

Golfers who have been yearning to play on Roatán will be in for a treat this December, when the Black Pearl Golf Course designed by Perry and Pete Dye opens on the island’s north coast. Starting at the ocean’s doorstep, the Black Pearl rises into the island’s scenic rolling hills, then back to the seaside clubhouse. Near the clubhouse, a 155-slip, full-service marina will provide deep-water access for yachts and other seagoing vessels.

The Black Pearl is the gem in **Pristine Bay Resort**, the first luxury golf resort in Honduras, which will open in the first quarter of 2010. The development on 405 seaside acres also encompasses a five-star, 120-room Resort and Spa at Pristine Bay; beach club; and ocean-front Bay Village, where residents and guests may enjoy boutiques, art galleries, restaurants, cafes, and other entertainment options when they are not on the links or snorkeling over the nearby Mesoamerican reef in the azure ocean.

In addition, the master-planned community will offer buyers an array of residential choices, including bay view and golf course condominiums, two-, three-, and four-bedroom villas, and quarter-acre custom home lots, many with unobstructed ocean views. “The variety of designs and price points makes us a very enticing option for persons who’ve always dreamed of owning a tropical island getaway in a development offering all the amenities of home,” said Pristine Bay Resort Vice President of Sales and Marketing Mario Toriello.

Nature and native culture are important components of **Mystic Cove**, a 311-acre mixed-use development project planned for the southeast coast of Roatán, about 25 minutes’ drive from the island’s international airport. Taking advantage of the property’s hilly landscape, the Mystic Cove site will showcase forgotten species of native plants and flowers and will follow the environmental sustainability guidelines of Audubon Lifestyles. The project will include a 165-room, internation-

ally branded luxury hotel, convention center, restaurant, and beach club, plus a five-star, ultra-luxury, international flag boutique hotel with over-the-water bungalows, restaurant, retail village, and world-class spa offering Mayan treatments. The hotels will be open to tourists and to owners. The most secluded enclave on the site will host a private residence club with its own beach reserved for residential luxury tourists. Mystic Cove is scheduled to open in late 2011 or early 2012.

The next destination resort coming on line will be on the north coast of Honduras near the town of Tela, once home to banana barons. Opening in the first half of 2012, **Los Micos Beach and Golf Resort** will feature the 150-room, five-star Conrad Los Micos and a 250-room, four-star branded hotel, plus an 18-hole, Gary Player-designed, championship golf course and clubhouse. Named for the monkeys (los micos) that inhabit the unspoiled and protected forest and lagoons in the area, the resort over time will add meeting and convention facilities, 447 residential villas, beach club, commercial area with attractive shops for visitors and residents, equestrian center, and two additional hotels. Los Micos Beach and Golf Resort is part of the largest tourism development project ever undertaken in Honduras and is a private-public partnership between Honduran developers with extensive knowledge of the hospitality and resort business and the Honduras Institute of Tourism.

Discerning vacationers who want to own property even more off the beaten path are purchasing lots at **Memory Bay**, a luxury boutique resort and spa on the Bay Island of Guanaja. The resort, designed by Lane Pettigrew, one of the leading resort architects in the Caribbean, includes 30 one-, two- and three-bedroom oceanfront villas, each with plunge pools or Jacuzzi. Among the amenities will be a destination spa, marina, Crazy Parrot Bar and Grill, the Golden Parrot Restaurant (offering fusion Caribbean cuisine), and 34 single family lots with exceptional ocean views. The Crazy Parrot Bar and Grill already is open for business and offers patrons magnificent views of the ocean while they dance, dine, or imbibe. Memory Bay is being designed as a destination getaway, taking advantage of the extraordinary natural beauty of one of the remaining unspoiled islands in the region, where there are no roads, no cars, and no worries. “It’s the Caribbean of yesteryear,” according to Project Consultant Daniel O’Connor.

Honduras' Increasing Popularity for Cruising Leads to New Facilities on Roatán



Cruise ships are bringing passengers to the new Town Center for island tours, shopping, and entertainment.

Royal Caribbean Cruises passengers arriving at the beautiful Bay Island of Roatán now disembark at Town Center, Central America's first combination cruise port and community center. This pedestrian-friendly waterfront shopping and entertainment facility offers modern, duty-free retail stores selling internationally recognized fashion, accessories and jewelry, plus specialty shops carrying local crafts and souvenirs. Painted in vivid Caribbean shades of blue, yellow, ochre, and pink, the two-story center also houses restaurants, a coffee shop, entertainment services, rental cars, and a bank.

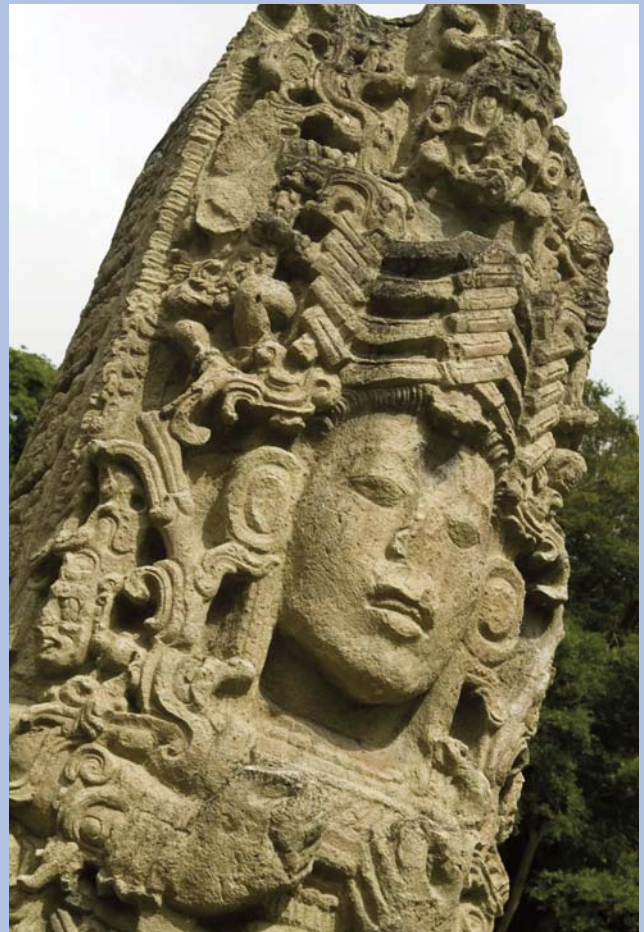
An inviting plaza, with live music, lush landscaping, water features, and colorful vendor kiosks, greets arriving cruise passengers. Strolling along an expansive walkway lined with large-scale iron chandeliers and foliage-covered, arched trellises, passengers reach the conveniently located taxi and tour bus pick-up area, from where they can begin island excursions. Indigenous materials of stacked stone, colorful planters, wood shutters, and metal shed roofs of varying heights and pitches add authenticity to the colonial style of the village.

Royal Caribbean, the Municipality of Roatán, and the Honduran Institute of Tourism are investing a total of \$40 million to meet Honduras' growing popularity as a cruise ship destination. Some 400,000 cruise ship passengers are expected this year at the two-berth terminal, and the cruise line and the Port are planning the Town Center's second phase, which will include space for additional shops, offices, restaurants, entertainment, and a hotel.

Several miles away, on the other side of Roatán's international airport, the Carnival Cruise Port at Coral Cay is scheduled to open later this year. A special feature will be a chair lift that will whisk people off the ship and directly to the nearby Roatán Marine Park. Designed to accommodate two mega-ships and 7,000 passengers daily, the new terminal will feature shops, restaurants, bars, a lighthouse, a lagoon with waterfalls, and a nature trail. An adjacent transportation area will provide parking for taxis, tour buses, and rental cars.

Cruise arrivals to Roatán have increased by 170 percent over the last five years. The increase has led to more business for travel-related companies on the island that provide services to cruise ship passengers, according to Port of Roatán Director General Jario Molina R. Some passengers are so intrigued by the Bay Islands that they return to spend a few days in Honduras, he said.

Currently the second most visited cruise destination in Central America, Honduras is expected to capture the # 1 position in the near future.



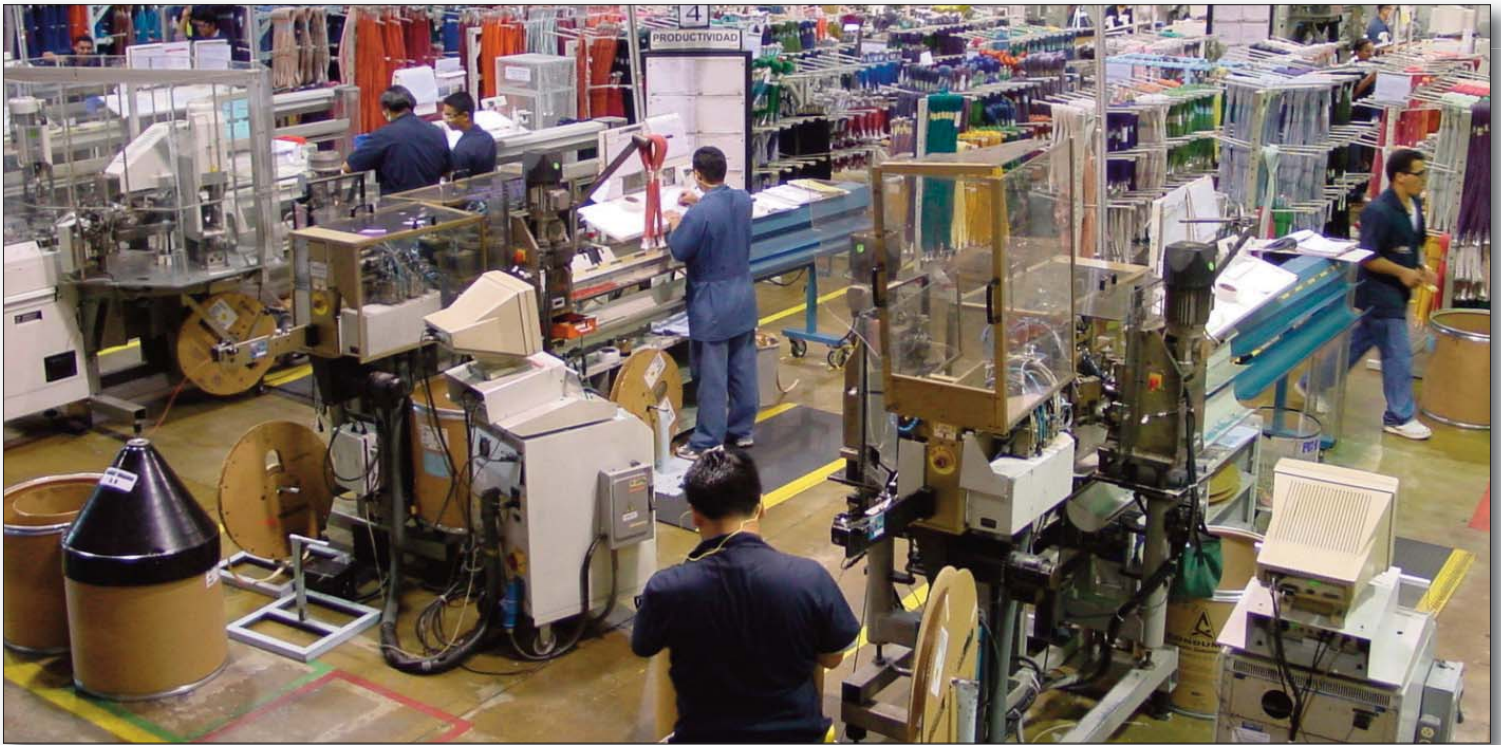
Copan's majestic stella and ruins enchant visitors.
Photo courtesy of Honduras Institute of Tourism.

New Airport Near Copán Set to Open in 2010

Visiting the magnificent Mayan ruins of Copán, a UNESCO World Heritage Site, will become much easier next year when a new airport opens a short distance away.

Crews are clearing the ground at Llano Grande in Concepcion County to prepare for construction of a paved airport runway that will accommodate small planes operated by regional airlines such as SOSA and Isleña, TACA's regional carrier.

When the new airport opens late next year, tourists who want to explore Copán and the adjacent charming colonial village of Copán Ruinas will be able to fly into the new airport and then travel by road just 45 minutes rather than spend nearly three hours driving from San Pedro Sula's La Mesa International Airport, currently the closest option for arriving by plane. Once the new airport is ready for business, tourism officials expect visitors will fly onto other popular destinations after spending time in the beautiful Copán valley.



The textile industry in Honduras is in perfect position to ride out the economic storms.

Honduras Textile Sector Provides Opportunities In the Midst of Economic Challenges

One of the bright spots for Honduras in the current global financial crisis is its textile sector. Even as exports of manufactured goods, commodities, and other goods and services have declined worldwide, ranging from one percent in some countries to more than 25% in China, Honduran textile companies have been able to implement measures that are enabling them to weather the financial storm.

While purchase orders from the United States, Honduras' Free Trade Agreement partner are down, Honduras' textile industry is better prepared to deal with the crisis and can serve as a model for other Central American nations. "Honduras has advantages over its competitors because many years ago, most of its businesses implemented the 'full package' system, in which the garment is entirely manufactured in this country, from yarn, to finished garment, to packaged product ready for sale. In other nations, many providers still simply join the pieces, which is less attractive to the outsourcers and their customers," says Vilma Sierra, executive president of FIDE, Investment and Exports.

This advantage may be particularly valuable during an economic downturn. Jesus Canahuati, president of Elcatex, one of the largest industrial groups in the region and a leading knitted fabric manufacturer notes that many buyers are consolidating their accounts because of the recession. "Our customers want to place their orders with fewer contractors to reduce manufacturing costs and still get good prices, fast delivery and great quality," Canahuati says. He believes "this presents an interesting opportunity" that Honduran textile companies can exploit because of other advantages the country offers.

Honduras' advantages are apparent as it begins to compete with Pakistan and other Asian countries in consolidating suppliers for U.S. customers. In addition to proximity to the U.S. market, which reduces the time and cost of product delivery, Honduras offers competitive wages and just-in-time delivery, an inventory strategy technique much in demand these days. Orders placed for goods produced in Honduras take 12 weeks to reach U.S. stores, compared with four months for orders placed with companies in China and Pakistan. Honduran textile products account for almost 6% of the market share in the United States currently.

Despite the economic situation, some companies recognize the need to invest for their longer term health, and Honduras is one of the places they are considering. For example, Canahuati said, a U.S. manufacturer is investing \$36 million in the country to produce polyester raw material there.

In the meantime, Honduras is not standing still waiting for the situation to improve. Textile companies proactively are implementing strategies and tactics to cut costs. Traditionally, that might have meant layoffs as businesses waited for purchase orders to pick up. But a program funded by the Inter-American Development Bank (IDB) is paying for employee job training, which means workers have valuable new skills to offer as business improves.

Although he does not expect U.S. demand for textile products to fully recover soon, Canahuati anticipates that depleted inventories will create demand for more products, helping to revive investment in factories that suspended expansion plans because of the crisis.

**When your customers call,
Honduras answers.**



In Honduras, a growing number of U.S. companies are discovering ideal conditions for call center and back office operations. With 850,000 people between 18 and 35, Honduras has the largest young work force in the region, many of them bilingual. Low labor costs, a recently liberalized telecom industry, and a nearby location that overlaps U.S. time zones all combine to make Honduras a most attractive destination for investment in the service sector. Put Honduran hospitality on the line with your customers. For more information or a meeting, call FIDE, [1-866-588-1153](tel:1-866-588-1153) or [+\(504\) 566-3040](tel:+(504)566-3040), on the Web at investinhonduras.org.

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