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**IDENTIFICATION PLAN: PROTECTION AND PROMOTION OF
INTELLECTUAL PROPERTY RIGHTS OVER THE MACANA OF
GUALACEO**

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Whether small or large, I dedicate every goal I accomplish to my parents. They have been my greatest motivation, support, and example of struggle, commitment, and love in all aspects of my life. I thank my brothers, my family in general, my friends, colleagues and university teachers, and co-workers, all of whom have been contributing to my personal and professional growth. I thank God and life for how fortunate and blessed I feel for the people around me, for the teachings and opportunities.

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ABSTRACT

The creation of a plan for the identification, protection, and promotion of intellectual property rights will allow both the artisans who make the macana, as well as other similar products, to have easier access to a document that provides them with first-hand information about the process to protect their handicrafts and whether they fulfill the requirements, obtain the recognition and protection provided by Intellectual Property to collective marks. Based on the objectives set out when carrying out this work, first, Intellectual Property general aspects will be analyzed, therefore, the primary differences between intellectual property and intellectual rights will begin, then the copyright on artistic works will be analyzed, subsequently, a general analysis on the aspects about distinctive signs. A considerably relevant aspect to be discussed is the protection of the collective trademark, through the revision of the registration process and its requirements. Additionally, the potential benefits and advantages of registering a Collective Trademark will be defined, followed by background regarding successful scenarios on Collective Trademark in other countries. Another topic to be analyzed is the protection of traditional knowledge held by community members that dedicate to macana's weaving and its appreciation as a collective form of ownership. Consequently, it is imperative to analyze the historical background of the macana, as well as the crafting process. Finally, a design plan on the creation of a collective mark and a marketing strategy for national and international market positioning are going to be developed; along with a study on the copyright registering process availability on original and differentiating designs and its distinction among other designs.

Keywords: Gualaceo, macana, international marketing plan, Intellectual Property Rights, Collective Trademark, Copyright, Traditional knowledge.

INTRODUCTION

Traditional intellectual property can be considered as the area of knowledge that handles the protection of the development of ideas in the artistic, scientific, industrial, and commercial fields. It is also related to other several concepts such as trade, industry secrets and unfair competition. The origin of intellectual property is as remote as society itself; however, it was not until the fifteenth century that considerable efforts were made for its regulation worldwide. Some events accelerated this progress such as the Industrial Revolution and the invention of the printing press, which generated the promulgation of fundamental international instruments which are still binding to this day, along with other legal instruments of protection at the regional and national scale.

In Ecuador's case, Intellectual Property Rights also include the protection of new varieties of plants and traditional knowledge, including traditional cultural expressions, such as the Ikat fabric technique. This technique is used in a variety of products, from which the macana could be the most widely known. In our country, this technique has been developed mainly in Gualaceo and its surroundings. However, it is also known about the existence of imitations in other geographical points of the country and the world, consequently, we find the importance of identifying and applying the correct tools of intellectual property rights to protect this craft, as well as a positioning plan of these tools both nationally and internationally, and thus achieve an economic development for the inhabitants of the producing localities.

CHAPTER 1: GENERALITIES OF INTELLECTUAL PROPERTY; HISTORICAL BACKGROUND AND CURRENT SITUATION OF THE MACANA

This chapter will analyze the basic concepts of intellectual property, as well as a compilation of the historical background of the macana to understand how this process has evolved to the point of obtaining a Declaration of Intangible Cultural Heritage of Ecuador, as well as its current situation.

1.1 Intellectual Property and Intellectual Rights

Knowledge and ideas, which have always been fundamental to the development of society, manifest themselves in several ways and are continuously expanding. Initially, there was no effective system by which recognition or protection was attributed to the rights of intellectual creators over their work. Over time, however, the importance of having a general legal framework with minimum criteria for the protection of the development of ideas and knowledge has taken relevance. Therefore, the role of the World Intellectual Property Organization (WIPO) has been vital to issue guidelines at the global level through the different agreements for the protection of knowledge and ideas.

Protection systems were gradually embraced in the different regional and national legislation for the forms that these ideas take, whether inventions, trademarks, artistic, literature, and other works. Consequently, their authors and owners will get credit for it, which guarantees the promotion of creativity and innovation. Intellectual property is commonly known as the area that protects the development of ideas and knowledge, in all areas of the human intellect. For this reason, it is important to start outlining some fundamental concepts on intellectual property that have been studied by different authors and entities. To develop this research project, it is also important to understand first the conceptual basis, and then underline its importance and its relationship with the topic of the aforementioned project.

Intellectual Property allows authors, creators, and inventors to be beneficiaries of their creation or invention and to recognize their rights over it. The book “Manual de

Propiedad Intelectual” (2008), defines intellectual property as the domain that is established over intangible or immaterial things differentiating it from common property, which attributes dominion over material or tangible things. The two share the essential elements of property: the usage and disposition by the owner of the property, including the chance to get economic and patrimonial retribution. Intangible or immaterial things are those that are born out of ideas, knowledge, imagination, fantasy, everything that is produced by human talent or intellect that led to the development of art, creations, or inventions, that also have a moral aspect. The profit-making aspect refers to the economic return that can be derived from it, while the moral aspect goes to the imprescriptible and inalienable right that the author possesses by the simple fact of creating intangible property. This right prevents misappropriation and disclosure or publication without the author's authorization (Palacios, 2008).

Similarly, the World Intellectual Property Organization (2020) defines Intellectual Property as those inventions of the mind that range from works of art or literature, computer programs, inventions, and other signs that can be used in commerce such as symbols, images, and names. These inventions of the mind are protected by intellectual rights that may be represented in patents, copyrights, and trademarks that are embodied in detail in each legislation. In Ecuador, since the promulgation of the Organic Code of the Social Economy of Knowledge, Creativity and, Innovation-COESCCI, intellectual rights are made up of: Industrial Property; Copyright and Related Rights and the sui generis system of Plant Varieties and Traditional Knowledge, which will be dealt with in this chapter (World Intellectual Property Organization, 2020).

The regulation of intellectual rights is the proper way to promote scientific, artistic, cultural, and technological development, as well as to encourage creativity, innovation, and adequate knowledge management. This will ensure the effectiveness of the holder's rights and its benefit in society. As mentioned above, WIPO is the specialized agency of the United Nations Organization dedicated to intellectual property to promote innovation and creativity in the service of the economic, social, and cultural development of all countries, through an international system that is balanced and effective in intellectual property. Among its functions are:

- 1) Promote respect for intellectual property through the promotion of legal instruments that administrates and harmonize national legislation.
- 2) Provide technical-legal assistance to the Member States and coordinate with other international organizations matters related to intellectual property.
- 3) Conduct studies and research and disseminate information on intellectual property.
- 4) Provide international registration services and publish data.
- 5) Administrate international agreements on the subject.

(Gobierno de México, 2019)

On the other hand, in Ecuador, the entity in charge of the protection of intellectual rights is the National Service of Intellectual Rights, known by its acronym (SENADI). It has the functions of protecting, promoting, disseminating, and conducting the proper use of Intellectual Property. The law that governed before 2016 in the country was called the Intellectual Property Law, which was replaced by the Organic Code of the Social Economy of Knowledge, Creativity, and Innovation of Knowledge, whose purposes are: promoting the development of science, technology, innovation, and creativity; encouraging the production of knowledge in a democratic, collaborative and supportive manner; generating a pluralistic and inclusive vision in the use of knowledge; promoting the fair and equitable sharing of benefits arising from activities related to the generation, transmission, management, use and exploitation of knowledge, technology, innovation, and traditional knowledge; avoiding the misappropriation of biodiversity and associated traditional knowledge of peoples, communities and nationality, among others (COESSCI, 2016). In addition, this code includes everything in terms of intellectual property rights, definitions, protectable affairs, the standards of application, classifications, which are used as a basis and criteria to identify matters on intellectual rights (Servicio Nacional de Propiedad Intelectual, 2016).

1.2 Copyright and Related Rights

Copyrights and related rights are part of what is traditionally considered intellectual property and, in our legislation, as one of the modalities of intellectual rights. The Berne Convention for the Protection of Artistic and Literary Works and the Rome

Convention for the Protection of Performers, Broadcasting Organizations, and Producers of Phonograms support both Copyright and Related Rights. According to the Organic Code of the Social Economy of Knowledge, Creativity, and Innovation (2016), copyright and related rights recognize and guarantee authors and holders the rights to their works, in addition to recognizing the rights of artists, performers, broadcasting organizations, and producers of phonograms, respectively. Among the protectable works, it can be found research texts, brochures, software, conferences, speeches, choreographies, musical compositions, books, audiovisual works, plays, sculptures, comics, models, maps, plans, video games, photographs.

For copyright and related rights to be acquired and exercised, their deposit or registration is not necessary, nor are they linked to the right over the material property in which they are incorporated. An author is the natural person who carries out the intellectual creation, such as an artist, while a performer is a person who interprets, represents, reads sings, recites, or performs in any way a work. The person who has his name, pseudonym, or other sign identifying him in the work shall be presumed to be the author. Legal or natural persons that are different from the author may be owners and may benefit from the economic rights of the work since the one who holds the moral right is only the author and has the right to choose whether to keep the unpublished work or disclose it. The author also has the right to claim the work's paternity at any time and to oppose deformations, mutilations, or modifications that go against the reputation of the author or his work (Andean Community, 1993).

1.2.1 Copyright

Copyright is born at the very moment of the work's creating and is protected without considering destination, purpose, merit, genre, or form of expression. It can be artistic, literary, or scientific. Copyrights are original and are subject to be reproduced and disseminated in any form known or to be known in the future. It is important to point out that the rights that are protected are how ideas are expressed, explained, incorporated, or illustrated within works. An idea that does not take shape in the ways will not be protected. In addition, ideas containing artistic or literary works, their technical or ideological content, methods of operation, and mathematical concepts are

excluded from copyright, since it is not possible to claim rights over areas that are of universal knowledge such as ideologies (COESCCI, 2016).

It is important to emphasize that copyright is compatible with the industrial property rights that the works contain, as well as other intellectual rights, in addition not only the original works are protected but also translations, revisions, arrangements, adaptations, annotations, summaries, extracts, updates and other modifications that were made of to the work, as long as this derivative work is original and has the permissions and authorizations of the owner of the original work. There are two fundamental reasons for these rights to be protected; firstly, to protect the rights of creators and innovators over their creations within the legislation, and, secondly, to encourage innovation and creativity by contributing to social and economic development (OMPI, 2016)

In Ecuador it is very common to find artistic works such as handicrafts, whose authorship could be indeterminate, likewise, there is limited knowledge on the community members side, about the benefits of intellectual property and about which modality or modalities of intellectual rights could be used to protect their works and thus avoid misuse, illegal appropriations, or imitations thereof, which affect their reputation and harm the economy of their owners. If a work has been created within a commune, community, town, or nationality and the author or authors of it cannot be identified, the right of self-determination will be protected and will belong to the community. Another figure that could be applied in this case, could be that of the collective work, which is that created under the coordination and initiative of a natural or legal person who under his name is responsible for disseminating and editing contributions from different authors with their contribution to obtain a unique creation, it may not be attributed separately to their collaborators, but it is a right over the whole of the final work (COESSCI, 2016).

The Berne Convention states that literary and artistic works cover all productions in the literary, artistic, and literary fields, whatever their form of expression. The convention lists the following examples of works:

- Lectures, speeches, sermons

- Books, writings, and pamphlets
- Pantomimes and choreographic works
- Musical or dramatic works
- Cinematographic works
- Works of drawing, architecture, painting, sculpture, lithography, engraving, sculpture
- Applied works of art such as illustrations, maps, plans, etc. (OMPI, 2016).

Among the various types of works, the COESCCI talks about artistic works, among which we find drawings and designs that can be applied in various products, for example in clothing, provided that such designs meet the requirement of originality, it is for this reason that, it could be protected by Copyright, a current design inspired by a traditional one, as long as collective rights are respected and the aforementioned requirement is met, that is, in this case, we would be facing an innovation or inspiration, which does not mean appropriation, if it is done within the legal limits.

Image 1 Book of designs for Macanas



Source: Own authorship

Authors are entitled specific rights over their works or creations; these can be moral rights and economic rights. Moral rights refer to that attribution and credits that are granted to the owner of the right over its creation, which is inalienable and imprescriptible for the author. These rights give the author the power to preserve his unpublished work or disseminate it, to claim the paternity of his work at the time they

consider necessary, and to oppose deformations or alterations that threaten the integrity of his work. In addition, the author may demand that his name or pseudonym be included or excluded each time his work is used. The author can access the unique or rare copy if it is in the possession of a third party to exercise his right of disclosure (COESCCI, 2016, p. 45).

On the other hand, economic rights are rights of an economic nature, these have a delimited period depending on the regulations of each country and allow the author to exclusively profit from his work or to authorize others to do so. In Ecuador's case, economic rights have protection that lasts the entire life of the author plus seventy years after his death. Economic rights encompass the right to equitable remuneration since the compensation that must correspond to the author of creation or work on it for certain uses or forms of exploitation of the work is recognized. Among these rights is that of the reproduction of the work under any procedure or form, the public communication of the work by any means that disseminates signs, words, or images, for example, scenic representations, projections, public exhibitions of works of art or their reproductions. Other exclusive rights of the author or his/her successor in title are: the public distribution of copies of the work through sale or rental, the importation without authorization of copies of the work, the translation, arrangement, adaptation or transformation, and finally the making available of the work to the public (COESCCI, 2016, p. 46).

1.2.2 Related rights

Related rights are the protection of performers' rights in their performances. These rights do not in any way affect the protection of copyright. Performers are those who sing, read, recite, perform in some way those works. The holders of these rights have the exclusivity to allow the broadcasting and communication to the public of their performances and the fixation of their unfixed performances. As for their performances fixed by any procedure, they have the right to limit or authorize the reproduction by any means, the commercial distribution of the original work or copies to the public and their public disposition.

Holders of related rights have the power to profit fair remuneration for the values arising from broadcasting or communicating to the public their performances. The protection of related rights lasts for seventy years counted from January 1st of the year following which the interpretation, execution, fixation, or publication took place or was made and 50 years from January 1 of the year following the development of the protected service, respectively (COESCCI, 2016).

1.3 Industrial Property

Industrial Property refers to the set of exclusive rights that protect the innovative and commercial activity, both of people and companies, through the exclusive identification of products, goods, and services that are offered in the market. The intangible assets of the creator include intangible goods, which help the marketing and advertising of a certain element related to the market, industry, and commerce so that competitive advantage is acquired (CIBEPYME, 2013)

For the protection of Industrial Property, the Paris Convention states in article 1.3 that: "Industrial property is understood in its broadest sense and applies not only to industry and commerce itself, but also to the domain of agricultural and extractive industries of all manufactured or natural products, for example, wines, grains, tobacco leaves, fruits, animals, minerals, mineral waters, beers, flowers, flours" (Paris Convention for the Protection of Intellectual Property - Official Register 244, 1994).

There are two categories of creations that protect industrial property, which are patents and distinctive signs. For industrial property creations that are subject to registration, they must comply with certain requirements such as patents, novelty, inventive level, and industrial applicability, and the case of distinctive signs, distinctiveness. It should be noted that these creations' ultimate purpose is guaranteeing the rights of consumers so, as general rule, they have a certain period of protection and eventually then become public domain, as in the case of patents of invention.

1.3.1 The Distinctive Signs

Distinctive signs are considered signs that allow the owner to differentiate or identify products, services, business activity, and commercial establishments of the same or related species. Its purpose is preventing the consumer from confusing a product or service offered by the competition thinking that he/she is acquiring a specific one, this confusion can be direct or indirect (CIBEPYME, 2013). According to the Court of Justice of the Andean Community, it will be:

- *Direct: in case the link of identity or similarity induces the purchaser to acquire a product or use a certain service thinking that he-she is buying or using another, which implies the existence of a bond also between the products or services.*
- *Indirect: it is indirect when the bond causes the consumer to relate, contrary to the actual facts, two products or two services as originated from the same or similar brand origin (CIBEPYME, 2013) "*.

According to the National Service of Intellectual Rights, a distinctive sign is a valuable business' intangible good. Consequently, the consumer manages to identify everything related to the products or services offered in the market. Additionally, it serves as a legal instrument that grants transparency in the market and avoids confusion when purchasing a product or service. A distinctive sign can be represented by a word, number, symbol, logo, design, among others, and can be classified into:

- Brand: Collective and certification mark
- Tradename
- Business slogan
- Distinctive appearance
- Appellation of origin
- Guaranteed Traditional Specialty
- Geographical indication
- Indication of provenance

Due to its correlation with the treated topic, this part will only refer to collective trademark and the appellation of origin.

1.3.1.1 The Collective Mark

The Organic Code of the Social Economy of Knowledge, Creativity, and Innovation (COESCCI) in force in our country, defines the collective mark as any sign capable of distinguishing the origin or common characteristics of products or services belonging to different producing companies. They use it under the control of the owner. In other terms, it refers to any sign adopted by a group of producers or service providers that is used to distinguish the goods or services offered by its members.

The National Intellectual Rights Service states that informing the public about the characteristics and specs of a product for which the trademark is used is the main objective that a collective mark seeks. The owner of collective marks could be any association of producers, manufacturers, traders, and other organizations that constitute the popular and solidarity economy, legally established. They may acquire a collective mark as a distinctive sign in the market by filling the application for acquisition with the competent national authority in intellectual rights matter.

On the other hand, collective marks perform different functions than individual trademarks, in the book *Collective Mark: Law No. 26,355* written by Iglesias (2008) we can identify the following:

- Differentiating function.
- Quality function.
- Indication of origin function.
- Advertising function.
- Specialty function.

Additionally, regarding the characteristics of a collective mark, the following could be noted:

1.-Associativity: Refers to the consolidation of organizational structures of various producers for the creation of a single legal person, at the same time, entitling it as owner of a collective mark.

2.-Uniformity: Consolidates the characteristics of a good or service, maintaining only the main factors, so that at the time of producing or offering it, respectively, a quality standard is met, and the value of the collective mark is granted.

3.-Inspection and verification: It refers to the specific regulation of rules of mark usage in accordance with the statute, which is compelling for all authorized members.

4.-Development of market strategies: It consists of the usage of any commercial or advertising tool to put the collective distinctive sign in good marketing position.

5.-Territory delimitations: It means that the registration of the collective mark must be specified in the competent national entity. This allows demanding its good use and management and simultaneously to be able to prohibit trademark use in case of not meeting the established guidelines or common interests established by the collective without prior authorization.

In summary, the main characteristics of collective marks are as follows, firstly, they allow to distinguish on the market any good or service offered by any member of an association in relation with competitors. On the other hand, by relying on a regulation on the use of the collective mark and the associative regime, the members of the association guarantee the compliance of applicable rules, who self-impose sanctions in case of omissions or breaches on these regulations. Likewise, the use of said collective mark is reserved or limited only to those who constitute the association, which means that the use by third parties not belonging to the association, by principle, is denied.

1.3.1.2 Registration of a distinctive sign

In order to register a distinctive sign, more precisely, a trademark in Ecuador, the National Intellectual Property Service recommends that prior to file an application, it must be verified that there are no similar signs previously registered in the market. This is known as a background search, which requires opening of a virtual locker and an invoice payment of the phonetic search fee which costs \$ 16.00 (2020).

Once the phonetic search has been performed, and there is no reasonable doubt of the existence of prior application or registration, the application and a trademark registration fee must be submitted online. Trade name, commercial slogan, and distinctive appearance must be paid for a value of \$208.00. This fee may vary depending on whether it is an application and certification marks, the value will be \$ 400.00. If it is an origin collective mark application the cost is zero and finally if it is the three-dimensional trademark registration the cost is \$ 1002.00 (Servicio Nacional de Propiedad Intelectual, 2016).

Once the application has been completed in the respective form, supporting documents are required to be attached. Some of these supporting documents include a power of attorney or the designation of a legal representative, in case the applicant consists in a company, the pdf design along with the proof of payment of the respective fee. The next step consists of carrying out a formal evaluation, its goal is to check that all requirements are met for the publication of an extract of the requested trademark in the Intellectual Property Gazette that circulates fortnightly on the SENADI website. The requirements are:

- Duly legalized and apostilled power of attorney, if an authorized third party applies for the trademark, or the applicant is a foreign legal entity not domiciled in Ecuador.
- Appointment of Legal Representative, in the case of companies do not have a designated proxy with a power of attorney.
- In the case of a graphic or mixed mark, the representation must be attached in pdf format, in a 5x5 cm size.

For the registration of a collective mark, these requirements will be additionally necessary:

- Copy of the statutes of the association, organization, or group of people applying for the collective mark registration, which shall be used by the petitioner of the collective mark as control of the quality of the goods or services.
- Copy of the Rules on the Use of the Collective Mark, stating the terms and conditions and way the collective mark shall be used; and
- The list of members of the group.

If these requirements are met, the publication of the requested trademark in the Intellectual Property Gazette will be given and in case that a third party is affected by the potential registration of the trademark, the third party may file his opposition. The opposition may be submitted within thirty working days following the date of publication and must be duly substantiated. The final steps consist of the examination of registrability or merits if in case that opposition was filed or in case any opposition was rejected. Subsequently the acceptance or rejection for the trademark is resolved using a duly reasoned resolution. Finally, the title is issued when the registration of the trademark has been granted (ibid.).

1.3.1.3 The benefits of collective mark registration.

The registration of the collective mark provides benefits and advantages to an organized community, group of manufacturers, producers, marketers, among which we find:

- Improved access to markets with greater demand for products.
- Obtention of funding and various types of support, both from the public and private sectors becomes simpler due to the existence of an organization among the members.
- It does not need to be constituted from big producers, quite contrary, they are suitable to be used by small or medium groups of organized producers.
- It allows competitive efforts to be directed towards common objectives and goals so that it is easier to accomplish the offer, quality, and delivery time that certain markets demand.
- Greater presence in the market, likewise, greater recognition in trade (Instituto Mexicano de la Propiedad Intelectual, 2018).

1.3.1.4 Collective mark case studies in Peru, Colombia, and Mexico.

Case of Peru: Handicrafts Ñari Walac

Ñari Walac is an association of artisan weavers located in northern Peru, in Narihuala, Piura that was formally constituted as such in 2004. Currently, this association consists

of 200 local artisans who have inherited the art of weaving straw from generation to generation over years, reflecting and ethically supporting the conservation of their traditional culture and fine art. (Ñari Walac)

In 2019 Ñari Walac, after the disasters caused by the phenomenon of “El Niño” in 2017, decided to be registered as a collective trademark so that all the artisans who make up the association obtain all the benefits of it while being able to learn and work from their homes to have a source of income. The products consist of hats, utilitarian’s, ornaments all are 100% handmade following quality standards and always maintaining the Peruvian essence reflected in cheerful and vibrant colors without neglecting innovation and trend. According to the official website of the association, the mission of this brand lies in each of its products for their creativity and good quality; while on the other hand, there is also the mission of promoting the competitive development of craftsmanship, cultural identity, improvement in their living standards while being socially responsible and respecting the environment.

Both nationally and internationally the Ñari Walac brand has had a great reception due to the high demand for the products manufactured, likewise, following its quality standards, all the artisans have reached a level of excellence in the art of weaving, as well as being able to achieve their mission since the creation of the association, they have also obtained greater recognition in the markets and credibility of their customers (Ñari Walac, n.d.). Among its products, you can find clothing accessories in different shapes, sizes, and colors, also decorative home furniture and Toquilla straw hats that have refined finishes.

Image 2 Association of Artisans "Ñari Walac"



Source: (Ñari Walac, n.d.)

Image 3 Site Plate



Source: (Ñari Walac, n.d.)

Image 4 Modern Wallet



Source: (Ñari Walac, n.d.)

Case in Colombia: Fique Curiti

The collective brand Fique Curiti finds its origins in 2011 through the creation of the Weavers Association of Curiti, which is currently constituted of 8 companies that jointly elaborate products based on fique. The town of Curiti in Colombia is known as "Loom place of Looms" maintaining a connotation of the work that has been done for generations by women and men in the weaving of fique, a traditional activity of the region. Only in Curiti more than 1,000 people are linked to the manufacturing chain of the fique, and this activity has been present in the area since 1649 by the indigenous

settlements of "Los guane". In addition, it is said that the guane blankets have a similar quality to that of the Quechua or Aztecs, and the activity with fique began with the production of backpacks and domestic tools and furniture, such as carpets among others. The recognition of the quality of its products has allowed them to reach international markets in countries such as France, Italy, Spain, and Japan. In addition, being grouped under an association allows addressing to some problems such as blockages in unfair competition and unfair payment of artisans (SIART, 2014).

The consolidation of the collective brand for the artisans of Curiti in Santander means being identified and protected in the markets under a single brand, which allows them to enter markets such as the United States, the European, etc. with unique authenticity. (SIART, n.d.)

It should be noted that the town of Curiti is recognized in Colombia as a town with a tourist and artisanal vocation, where the fique is the emblem of the area, that is the reason why today it is part of the tourist corridor of the Colombian Northeast. The collective mark in this case is the previous step to obtain an appellation of origin, which the Association of Weavers of Curiti has set itself as an objective to achieve to further strengthen its products in the international market (SIART, n.d.).

Image 5 Fique Curtí Santander Collective Brand



Source: (Colombia, 2017)

Image 6 Production by Figue Curiti Santander



Source: (Zuahaza, 2020)

Image 7 Products of Figue Curtí Santander



Source: (Colombia, 2017)

Case in Mexico: Lacquer Profiled in Gold of Patzcuaro

The State of Michoacán in Mexico, is the collective marks leader of that country, reaching 20 registered collective marks. Michoacán is considered in Mexico as the largest producer of added value to national handicrafts. In that country, once the collective mark is obtained, it differentiates its products based on their "Region of Origin" for example "Catrinas de Capula, Region of Origin", in this way both the origin and characteristics associated with a good are known nationally and internationally. (A tiempo, 2020)

In the case of the Gold Profiled Lacquer of Pátzcuaro, from the Michoacán Region of Origin is characterized by its drawings' nuances, mainly within dishes or "maques" known colloquially. However, this technique is also used to produce frames, trunks, and jewelry. In addition, it is almost a rule to always handle a black, red, or blue background to further highlight the figures in gold. The process of making these products depends on the technique used by each artisan, but usually each piece is carved in wood. Then the imperfections are polished and repaired to place several layers of lacquer until a smooth surface is obtained. The drawing on the surface is outlined with a special paste that simultaneously serves as glue to the 23-carat gold sheets that have been requested and the decoration is finished with an oil painting for the protection of the entire work (México desconocido, 2021).

Image 8 Profiled lacquer of Patzcuaro Collective Mark



Source: (Reflejo de Michoacán, 2020)

Image 9 Producer of Patzcuaro Profiled Lacquer



Source: (México desconocido, 2021)

Image 10 10 Pátzcuaro Profiled Lacquer Production Process



Source: (México desconocido, 2021)

1.3.2 Appellation of origin

The appellation of origin is a sign that identifies a product as originating from a country or a region, when its quality, reputation, or characteristics are imputable, mostly due to its geographical origin. It considers natural and human factors since they are an essential and indispensable part of the formation of an appellation of origin. The Appellation of origin allows identifying a country, a region, or a certain place where these factors intervene in the processes of production, elaboration, and/or extraction of a certain product. An example of this is tequila, when it is mentioned, it gets linked to its country of origin: Mexico.

The promotion, granting, and dissemination of this distinctive sign is the role of the National Directorates of Industrial Property and Plant Varieties. Generally, this applies to agricultural products, food, handicrafts, and some industrial products. Among the main factors, it can be mentioned that the appellation of origin consists of the name of a place or geographical region of the country, which is used to designate a product originating in that geographical region thus the product has special characteristics and qualities concerning to other products from the same class or species. These characteristics are due exclusively to the geographical environment, including natural factors and human factors. In addition, it aims to provide legal backup, protect the place and differentiation of the product, coordinate the value chain, and promote exportation. Some of the appellations of origin that are protected by Ecuador are: Café

de Galapagos, Cacao Arriba, and Sombrero de Montecristi (Servicio Nacional de Propiedad Intelectual, 2016).

The Organic Code of the Social Economy of Knowledge, Creativity and Innovation mentions that there are certain cases in which the signs are not protectable by the figure of the denomination of origin. Among them there are products that do not meet the definition of Appellation of origin, those that go against public order, morality, and law, and those which may mislead the public as to the nature, form of manufacture, quality, reputation, or geographical origin of the products. The common or generic indications that are considered as such by specialists of the subject or by the public of Ecuador shall not be considered as appellations of origin either. These exceptions also include trademarks that have already been registered or applied in good faith before the appellation of origin has been protected in the country. This also applies for wine products, if they were already a common denomination of a grape variety already existing in Ecuador on January 1, 1995 (2016).

In order to protect an appellation of origin, it must have the protection declaration issued by the competent authority in intellectual rights, in the case of Ecuador, SENADI. It is important to identify how an Appellation of Origin is registered, as the requirements vary in the registration of a trademark. The registration is known as the Application for Declaration of Ecuadorian Appellation of Origin, for which it is necessary to have the following supporting documents:

- A document proving legitimate interest of the applicant.
- An Appellation of Origin report on the object of the declaration.
- A report of the delimited geographical area of production, extraction or processing of the product to be designated.
- A report on the products designated by the Appellation of origin; and review of the qualities, reputation, or other essential characteristics of the products designated by the appellation of origin (Portal Único de Trámites Ciudadanos, 2020).

According to the COESCCI, it is not exclusively the Ecuadorian appellation of origin that acquires this recognition, but also those in protection in other countries if an international agreement is in force. Therefore, if there is a recognition of appellation

of origin in Ecuador, the rights of this denomination must be respected in the country and in the countries that Ecuador holds an agreement with. In this case Ecuador is part of the Andean Community of Nations and has ratified the Common Regime on Industrial Property regulated by Decision 486, also in force in Bolivia, Colombia, and Peru. A clear example of the registration of an appellation of origin is "MONTECRISTI", which will be described below (COESCCI, 2016, p. 122).

Montecristi Toquilla Straw Hat

In some provinces of the country, including Manabí, the traditional toquilla straw hat is woven; for a long time, this product has been mistakenly called "Panama Hat" giving the idea that this product is coming precisely from Panama. Despite the fact that this type of hat is made in several countries of the world, the quality of the toquilla straw hat from Ecuador is still valued internationally; therefore, it was necessary that those who are dedicated to this art, take actions to achieve the recognition of these hats and their subsequent protection; this being one of the first products to acquire the appellation of origin in Ecuador in 2007 and to be declared Intangible Cultural Heritage of Humanity by UNESCO, in 2012.

In 2005, the Union of Artisans of Montecristi Toquilla Straw initiated the recognition process of the Montecristi designation of origin to identify the toquilla straw hat of the area, it was through a reasonably motivated petition, in which the legitimate interest of those who are part of this association was proposed, in the means that their product gets recognized with this distinctive sign and that this tradition is preserved.

The application for declaration of the appellation of origin "MONTECRISTI" was filed on February 17, 2005 and published in the Intellectual Property Gazette No.483 on July 6 of the same year. As described in the procedure for the registration of a distinctive sign in the country, there is always the right to file an opposition. For this reason, on September 2, the CORPORACION DE HABANOS S.A. filed the first opposition to the declaration of protection as an appellation of origin to

MONTECRISTI alleging that it does not correspond to an appellation of origin; since MONTECRISTI is not the name of any product and that the natural factors do not comply to the designated place. The second opposition was presented by the companies Rafael Paredes e Hijos Cia. Ltda., Serrano Hat Export Cía. Ltda., K. Dorfzaun Cía. Ltda., Homero Ortega P. E Hijos, Exportadora Ávila Hnos., Garcés Orbe Exportaciones Cía. Ltda., Centro Artesanal Chordeleg and Mr. José Antonio Lojano Punin on September 23, 2005, who stated that they are the main exporters and producers of the toquilla straw hat in collaboration with the artisans of the southern zone of Ecuador, and mentioned that the correct term for hats that have been mistakenly known as Panama Hat should be called SOMBREROS DEL ECUADOR and that the quality of the hats they craft is comparable and even superior in some cases to those made in Montecristi. The declaration of appellation of origin for these companies and persons does not grant them an exclusive right, but rather a chance for multiple people to access to such denomination, on the condition that they comply with certain standards and their products comply with the parameters that were previously established for the elaboration of the product (Expediente Declaratoria de Protección de la Denominación de Origen "Montecristi", 2005)

Later, on November 28, 2005, the COMPANY ELABORADOS DEL CAFÉ ELCAFE S.A. filed a third opposition stating that the Company is the legitimate owner of the trade name MONTECRISTI and those of the MONTECRISTI brand, with which it protects its products. Under this statement, they pointed out that the name MONTECRISTI does not comply with the legal requirements to be registered as an appellation of origin and that this does not constitute an appellation of origin since the special characteristics that distinguish hats take place in several geographical regions of Ecuador in which they are produced, including natural and human factors.

In December 2005, the UNION OF ARTISANS OF MONTECRISTI TOQUILLA STRAW was informed about the filed oppositions, granting them a term of thirty days to present objections to the claims. By and through a letter dated February 13th, 2006, the association replied to the first opposition stating that it is not within the prohibitions of the declaration of appellation of origin provided in Decision 486 by the Commission

of the Andean Community. On the same date, the second opposition was filed stating that the toquilla straw hats made in Azuay are not the toquilla straw hats made in Montecristi; on the exclusivity of use, the Association pronounced on the validity of the declaration granting exclusive rights of use of a geographical indication and that it is determined by the subsistence of the conditions that motivated it and that it is not within the prohibitions of registration.

In January 2007, the respective physical inspections were carried out in the place where the hats raw materials are cultivated and processed and in the workshops of the artisans who explained in detail to the IEPI representative how the entire making process of the hat takes place, ratifying the existence of the natural and human factors involved in the process, which was registered in the corresponding report. After analyzing the report, on March 20th, 2007, the IEPI's competent authority decided to reject the filed oppositions and declared the MONTECRISTI appellation of origin to identify the toquilla straw hats that are made in the Montecristi canton, in the Province of Manabí, Ecuador, considering that the quality of the hats is determined by the selection of straw, the fineness of the weft, the uniformity of the fabric, the regularity of the finish determined by the hat's cup rows. (Expediente Declaratoria de Protección de la Denominación de Origen "Montecristi", 2005)

Image 11 Toquilla Straw Hat



Source: (EcuadorNoticias, 2021)

1.3.2.1 Similarities and differences between the appellation of origin and the collective mark

Both the collective mark and the appellation of origin share aspects in common, however, they also have some differences determine the guidelines to consider which of these institutions is applicable to protect a product, among these differences are, on first place that, in the appellation of origin's case, quality is a direct consequence of the conjunction of natural and human factors, whereas, in the collective mark's case, this concurrence is not mandatory. Another difference is that, in terms of the registration requirements and process with the intellectual property rights competent authority as well as the ownership, as in the case of appellations of origin the owner is the Ecuadorian state, which grants concessions in favor of those who comply with the requirements and conditions established for each recognition.

Among the concordant aspects of both the collective mark and the appellation of origin as they are distinctive signs, we find that, the ownership of a distinctive sign, will grant the following: the right of exclusive trademark use, hence, only the owner can use the sign; the right to legally prosecute against any third party who uses the distinctive sign without the authorization of the registration's owner; the protection of the trademark nationwide in the Republic of Ecuador and right of priority in the CAN countries (Colombia, Peru and Bolivia). Other rights include the right to restrict the importation of goods that use same signs to or similar to the distinctive sign registered by the owner, presuming that they infringe Intellectual Property rights. Owners of collective marks and appellations of origin have the right to grant licenses to third parties and to collect royalties, and may franchise their product or service provided that the conditions that led to its granting or recognition are observed; and when registering its sign this makes it an intangible asset, which, in many cases, becomes the most valuable asset of a company (Servicio Nacional de Propiedad Intelectual, 2016).

With respect to the applicable regulations, distinctive signs in Ecuador and their application are regulated by the Organic Code of the Social Economy of Knowledge, Creativity, and Innovation (COESCCI), as for the subregional level, in Decision 486 of the Commission of the Andean Community.

As a summary, we could say that the collective mark is a sign that serves to distinguish the origin or specific characteristic of a product or service belonging to two or more

companies that do not depend on human or natural factors. While the appellation of origin refers to the sign that identifies a product as originating in a country or region, in the case that both the quality and the reputation or characteristics are imputable, mainly because of its geographical origin. This takes great importance on determining the country or region of origin, and its distinguishing set of human and geographical factors. Both distinctive signs are nationally regulated by the Organic Code of the Social Economy of Knowledge, Creativity, and Innovation in Decision 486. Both signs grant several benefits such as the exclusive right to use the sign for the purposes that were presented in the application, prohibition of use without the prior consent of its owner, the intangible value that is granted to a sign, among others.

1.4 Traditional knowledge

Ecuador is a country with a lot of history and tradition, it is recognized for its communities, communes, nationalities, and peoples that have developed and transmitted from generation-to-generation wisdom and traditions. Their knowledge and practices are part of our cultural heritage and identity, they deserve permanent protection since unfortunately, on many occasions there has been a misappropriation of this traditional knowledge. The term "traditional knowledge" is used to describe, in general terms, "indigenous intellectual and cultural property", "indigenous heritage" and "heritage rights in accordance with customs and tradition". For the effective development of a plurinational and intercultural state, the effective application of this heritage of the uses and customs that are protected by the collective rights of peoples, communities, and nationalities must be practiced, considering that the protection of intangible assets is protected even at a constitutional range.

The World Intellectual Property Organization defines traditional knowledge (CC.TT) as those experiences, skills, practices, and wisdom that have been developed and transmitted over generations between communities, and that are part of their spiritual and cultural identity. This term includes signs, and distinctive symbols that are associated with traditional knowledge, as well as traditional cultural expressions (WIPO, 2021). Traditional knowledge in general can refer to ecological, environmental, agricultural, medicinal, artistic, artisanal, fishing, hunting matters, among others, which must develop from the relationship between human beings,

territory and nature. They can refer to ancestral and local knowledge, the intangible component associated with genetic resources and traditional cultural expressions. The legitimate holders of traditional knowledge are the nationalities and indigenous peoples, Afro-Ecuadorian people, the Montubio people, the communes and ancestral communities that inhabit the national territory, any legal entity is excluded from being the holder of these rights. The primary objective of the effectiveness of these rights seeks to prevent the illegitimate appropriation of traditional knowledge of the peoples and to contribute to its perpetuation and preservation (COESCCI, 2016, p. 136).

Among the objectives established in the Constitution of Ecuador we find the protection of the collective rights of communities, people, and communes. This includes intellectual rights to potentiate the knowledge and practices that arise from the community. Article 57 of the Constitution, paragraph 12, mentions that the following collective right related to traditional knowledge shall be guaranteed and protected in the country:

"Maintain, protect and develop collective knowledge; its sciences, technologies and ancestral knowledge; genetic resources containing biological diversity and agrobiodiversity; medicines and traditional medicine practices, including the right to recover, promote and protect ritual and sacred places, as well as plants, animals, minerals and ecosystems within their territories; and knowledge of the resources and properties of fauna and flora."

Besides existing the prohibition of any form of appropriation of collective knowledge, in the sciences area, technologies and ancestral knowledge embodied in article 322 of the Constitution, in an intercultural state, the coexistence of traditional practices and knowledge together with intellectual property is necessary (Constitución de la República del Ecuador, 2008). The Organization of American States, in its Article XXVIII of the American Declaration on the Rights of Indigenous Peoples, addresses the protection of traditional knowledge, since it establishes that indigenous people have the right to full recognition and respect of ownership, domain, possession, control, development and protection of their tangible and intangible cultural heritage including those of collective nature. The collective intellectual property of indigenous people includes traditional knowledge and cultural expressions, including CC.TT

associated with genetic resources, ancestral designs and procedures, cultural, artistic, spiritual, technological, and scientific expressions, tangible, and intangible cultural heritage, among others (2016).

1.4.1 Voluntary deposit of traditional knowledge

Voluntary deposit, as the name implies, is a procedure in which the legitimate holders of traditional knowledge, who may involve communities, make a deposit in SENADI for the recognition and verification of collective rights over traditional knowledge that may or may not be associated with genetic resources. This way, illegitimate appropriation of the cognitive heritage of this knowledge is avoided and simultaneously allowing communities not only to use and profit, but also to dispose of their knowledge. This permits the owners to grant the use of their intangible resources to third parties outside the community. Rather than a constitutive fact, the deposit is intended to create a presumption of fact in favor of the depositary, which will serve as evidence to challenge the novelty principle of any invention that has traditional knowledge as a basis.

Although the deposit is not mandatory, it is a tool that will simplify for SENADI carrying out controls before and after granting intellectual property rights. The deposit of traditional knowledge is restricted to the public and becomes confidential if that is the will of the rightful holders. This process does not grant those who deposit traditional knowledge authorization to grant use and access to third parties without the express authorization of the legitimate holders and holders of such traditional knowledge. When granting intellectual property rights, SENADI will be responsible for verifying the information of the voluntary deposit application (COESCCI, 2016, p. 140).

It is important to emphasize that in order to initiate the process, free and informed consent on the part of the members of the community who intend to make the voluntary deposit of their traditional knowledge is a must. The appropriate application for voluntary deposit of Traditional Knowledge associated or not with a genetic resource is a requirement in the Voluntary deposit of traditional knowledge and must be completed in person or online. Therefore, the application must be submitted online or

at the attention offices of the National Intellectual Property Service and collect a sample of the plant or animal on which the traditional knowledge is based, and that sample must be entered into SENADI, additionally, a picture of that sample must be submitted. In case of being a deposit related to a cultural expression such as music or dance, a copy must be submitted on a CD. It is important consider the indispensable requirement of the authorization process of free, informed consent as well as the price, which must be submitted as a letter of consent of the voluntary deposit. Subsequently, the Certificate of Voluntary Deposit is ready to be handed. (Servicio Nacional de Propiedad Intelectual, 2016).

Examples of traditional knowledge according to COESCCI includes the following:

Figure 1 Protectable Traditional Knowledge

Therapeutic methods whose prevention, treatment and disease cure are ancestral and knowledge about combinations of natural biological extracts that serve for the preparation of traditional medicine.
Knowledge of natural biological compounds for product processing food, dietetic, dyes, cosmetics, and derivatives or similar.
Knowledge of natural products and compositions containing them for use in agriculture, as well as hunting, fishing, and other subsistence activities.
Knowledge about mechanisms and practice of sowing, harvesting, maintenance and collection of seeds, among other agricultural practices.
Tangible forms of traditional cultural expressions such as: clothing, works of art, drawings, designs, painting, sculpture, pottery, joinery, jewelry, basketry, fabrics and tapestries, crafts, traditional architectural works, musical and farming instruments, hunting and ancestral fishing.
Intangible forms of traditional cultural expressions such as: myths or legends, symbols, dances, songs and interpretations, ritual ceremonies, among others, regardless of whether they are fixed on a support of any kind.

1.4.1.1 Cultural expressions

Traditional cultural expressions (TCEs), also known as “expressions of folklore”, consider how traditional culture is manifested and transmitted from generation to generation, which is part of a community’s heritage and identity, comprising knowledge and experience that convey values and beliefs. Cultural expressions include designs, signs, symbols, music, dance, art, ceremonies, interpretations, architectural forms, handicrafts, narratives among other artistic and cultural expressions (World Intellectual Property Organization, 2020)

Protecting cultural expressions encourages creativity and cultural diversity, it is also a way to protect and preserve cultural heritage. Cultural expressions can also be protected under existing systems such as copyright, related rights, appellations of origin, trademarks, and geographical indications (ibid.). The creations or adaptations that are made and their basis are ancestral traditions and practices of expressions of communes, communities, indigenous peoples and nationalities, Afro-Ecuadorian people and Montubio people must respect the rights of the communities by the international, community, and national regulations for the protection of expressions to prevent their illicit exploitation, and the basic principles of the collective rights of these groups must be respected (COESCCI, 2016).

Preliminary conclusions

Once reviewed and analyzed the basics of intellectual rights, it could be stated *prima facie*, that the fabric of Ikat could be protected in three ways; regarding traditional designs through tangible forms of traditional cultural expressions, in the second *facie*, regarding Copyright, which may be held by the various artists or craftsmen, through an artistic work or a collective work if its author or authors are indetermined, and thirdly, from the commercial point of view, through a collective mark that shelters the members of a group, whose desire is to benefit from the consequential advantages, for example, in the export of the products identified with the sign and this could be a step prior to an application for declaration of Appellation of Origin, whether the causal bond between human and natural factors can be established.

Ecuador's legislation allows for a voluntary deposit of traditional knowledge for protection against misuse or appropriation of this knowledge that has been transmitted from generation to generation. Among the protectable material we find tangible forms of traditional cultural expressions such as clothing, works of art, drawings, designs, fabrics and tapestries, crafts, among others, thus being the Ikat fabric a craft embodied in a fabric that includes original designs of the artisans and transmitted from their ancestors. As new creations and original designs that artisans have been adapting to their garments, copyright can take action to protect these innovations, allowing their authors to have proper moral and patrimonial recognition and economic compensation if a third-party attempt to make use of their designs.

Finally, the collective mark, being a distinctive sign, as found in the studied cases, would allow both formal and informal associations to have a greater presence in several markets as once individual interests are united, it is possible to guide efforts to achieve a common benefit through the application of quality standards that, in return, allow the promotion and increase of sales of their clothing, both nationally and internationally. Regarding the declaration of appellation of origin, as pointed out, the concurrence of human and natural factors is a must, as happened in the case of the Montecristi hat, which is why it is imperative that, in the case of the macana, work is also done on a preliminary study at public or private sectors, that allows determining if in the geographical environment there are natural factors that concur in the creation procedure, to link them to the human factor, constituted by the ability of the artisans for the fabric and thus analyze the viability of filing for the application and its respective declaration, by some association of artisans or a decentralized government's entity.

1.5 Historical background and current situation of the Macana

In Gualaceo canton, province of Azuay, history, customs and culture are woven through traditional knowledge; wisdom, experience, practices and skills that are preserved from generation to generation and manifested through weaving. The macana is made by applying the ancestral technique of Ikat, a term that comes from the Malay word "mengikat", which means to tie. The macana is one of the representative garments in the female figure of the Chola Cuencana and the peasant

woman of the province. This garment has been an indispensable symbol for the Azuay female figure, which gives this garment a highly symbolic and sentimental value, in addition to the uniqueness and originality in each design impregnated in them (Quezada, Crespo, 2019).

The Macana or Gualaceo cloth is a craft made in the province of Azuay and has been a legacy for several decades that symbolizes identity, belonging and pride. After carrying out a technical study, the Ministry of Culture and Heritage, the National Institute of Cultural Heritage, and the Municipality of Gualaceo, along with the Bullzhun and Bullcay communities' artisans, the artisanal technique of Macana making "IKAT" is declared as Intangible Cultural Heritage of Ecuador in 2015 (Ministry of Culture and Heritage, 2015). One of the goals of the declaration is maintaining the conditions to enable the production, transmission and reproduction of knowledge on the elaboration of macanas that reflect social relations, historical processes, and symbolic ties. The Ikat technique does not only give symbolism to the garments made, but also exclusivity and authenticity, which require a better way of promotion. Therefore, this research covers the historical background of the Macana till its current situation, to carry out an analysis of proposals to identify, promote, protect this fabric's intellectual rights so that artisans receive the recognition they deserve for elaborating authentic works of art.

1.5.1 History of the Macana

As previously stated, the Ikat or Ikkat is derived from the Malay term "mengikat from Southeast Asia in Indonesia, the term is introduced in the West in the twentieth century, referring to both the process and the already finished fabric. This is because in order to achieve the desired design, the threads are treated with an insulating material, such as wax, and are tightly tied, which prevents dye from penetrating it and thus certain covered parts can remain undyed, the technique also consists of forming figures by knotting dyed threads (Lost in fabrics, 2018) . Believed to be one of the oldest textile techniques in the world, its exact origin is debatable, since, in different cultures and continents, samples of fabrics produced with identical or similar techniques have been found in places as far as the Asian Pacific region, Latin America and the Middle East. The only differentiating factor corresponds to the fabric that is

used depending on the environment in which they are produced, varying from cotton, silk, wool, banana fiber and even grass (Lost in fabrics, 2018).

In Gualaceo canton, popularly known as the Garden of Azuay, two communities that have traditionally been dedicated to the weaving of the macana stand out: Bullcay and Bullzhun. These communities, where the weaving or knotting of the cloths with the Ikat technique begins approximately in the year 1860, Manuel Cruz Orellana is one of the pioneers in this art. The cloth or macana becomes therefore, a fundamental piece in the clothing of the local women and a symbol of social status and prestige, because the more elaborated the macana, the greater the prestige granted to the beholder. (INCP Ecuador, 2017).

In these communities in Azuay, cloths made with the Ikat technique are part of a world in which the belief that weaving communicates and can transform those who come into contact with it predominates. In this way, these handmade pieces can be created for days, weeks or even months depending on the technique and complexity requested, usually, each thread is woven, tied, dyed, woven and knotted for the creation of a unique piece loaded with shapes and colors with particular symbols. In Gualaceo around 20 people currently dedicate to this traditional art, and about 150 in nearby towns of Bullzhun and Bullcay. (INPC Ecuador, 2017) (INPC Ecuador, 2017) (Ministerio de Cultura y Patrimonio, 2015).

Thus, the macana is a distinctive garment of the chola Cuencana or peasants of the area since the mid-seventeenth century, a period in which the Spanish people promoted its use for the distinction of indigenous and white women. The macana maintains the utilitarian function of being able to be used to carry babies or food during daily work, additionally, they are commonly used on holidays and Sundays on special occasions.

The macanas of Gualaceo have one of the most complex dyeing methods in the world, it is believed that the discovery of this art was born by observing that partially covered materials, when exposed to smoke, salt or being left outdoors, changed color, except in the part in which they were covered, or this knowledge could have been acquired when noticing the resistance that some threads had when submerged slightly to absorb

the dye. The elaboration and use of macanas has become important in South America as everything indicate that certain cultures that populated what is currently the territory of Ecuador and Peru used this technique for approximately 6000 years (Ministerio de Cultura y Patrimonio, 2015).

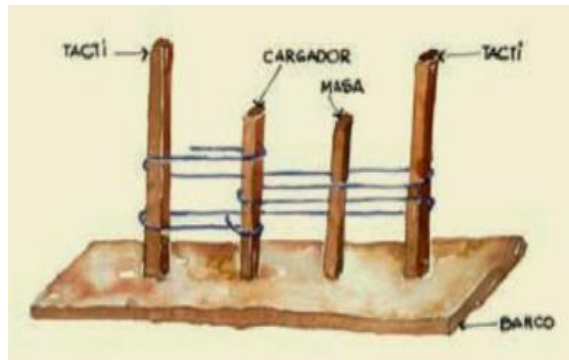
According to Olivas, the textile tradition of elaborating this cloth and its use extends from Cajamarca (Peru) to Cuenca (Ecuador), it is believed that the first fabrics were from Peru and were marketed especially for the festivities of La Virgen del Cisne in Loja and Cuenca, in fact, in Gualaceo due to this cultural exchange, a special tie was destined to the cloth called *Peruvian* where the decorative elements are exclusively roses, birds and flowers (2008).

According to some research, the knowledge of the Ikat technique in the country dates from the Valdivia culture, on the Ecuadorian coast, around 1800 BC.C, there is also evidence of the same use in the Milagro-Quevedo and Cañari 500 AD cultures. C. and 1500 A.C. Although there are no ancient samples of the fabric, the decorative findings in the ceramic pieces of these groups indirectly represent the handling of the Ikat, especially in the combination of the colors of the garments. This data reveals that the presence of the technique was not brought by the Spanish people; but reinforced in the time of the Colony (INPC Ecuador, 2017).

1.5.2 Macana production technique

In the preparation process of Gualaceo cloths, the preparation of the cabuya, the weaving and dyeing of the threads or are the previous steps to starting the weaving of Ikat. This last step determines the design of the garment. The raw material used in the manufacture of cloths consists mainly of yarn and dyes. The yarn used is traditionally made of sheep's wool. However, in recent years alpaca yarn, cotton and, rarely, silk, which was formerly used in extremely thin cloths, is frequently used. After acquiring the raw material, the initial step is to soak the cabuya that will be used in the mooring of the yarn that is distributed in the opener or winder, an instrument that holds the skein while the thread is placed on the bench. (INPC Ecuador, 2017).

Image 12 Warping bench



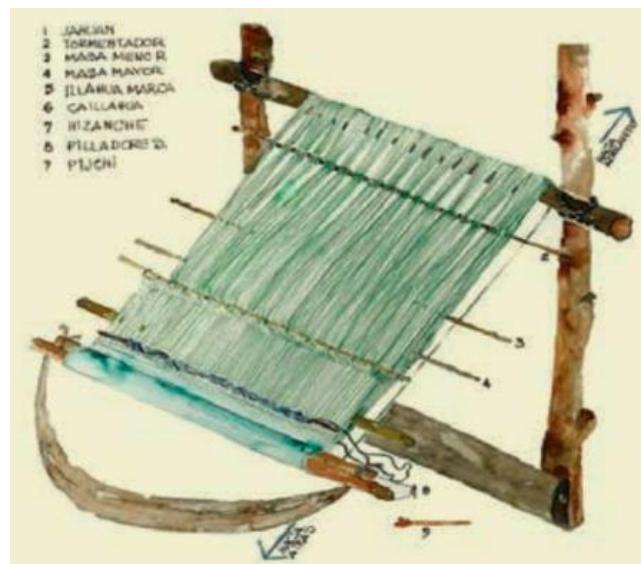
Source: (INPC Ecuador, 2017)

When the threads have already been arranged in the warp, the process of mooring begins, which consists of tying the parts where it is not desired that dye impregnates. Thus, forming each of the designs that will be created in the cloths, which can be symmetrical, with a dark, white, or dotted background. To achieve this type of design, the artisans group the yarn into various types of selection: *selection in S* or *selection of roses*. In addition, to choose and keep separate the threads and the warp that form a rope, a strong thread called *cuenda* is used, whose number varies according to the elements that are needed to form a design. In this way, for simple designs, two *cuendas* are used, and when more complex designs are crafted, up to twenty-six or more *cuendas* are used (INPC Ecuador, 2017).

Once the mooring of the warp threads has been finished, the dyeing is continued, for which the threads are introduced into a clay pot containing dye. There are three types of dyeing: with *añil puro*, *metodo placero* (*añil-anilina*) and with *anilina*. Gualaceo cloths are characterized by using natural dyes from walnut, cochineal, *ñachac* bougainvillea, cabbage, grill, onion, *añil*, etc. In addition, *penco* and lemon, among other elements are used as a mordant (substance that serves to fix the colors). After the warp threads have been dyed and dried, the *cabuya* is removed from the tied parts and, depending on the number of colors to be obtained, the threads are tied again, and the process is repeated. Only the threads of the fringes are not tied, so that in them the dye is impregnated (INPC Ecuador, 2017).

At the end of the dyeing process or Ikat, the weaving begins that is made on the loom or *ahuno*, a loom that already existed in America before the arrival of the Spanish. The loom has many elements that must be skillfully manipulated, as is the case for three sticks known as major mass, minor mass, and comb mass, which temper the threads. Another small stick called *a pigchi* is used to separate the strands from the fabric. The *caillahua* (guaba-shaped stick) is used to hit and adjust the fabric, from the bottom up. The guide or stormer together with the *zhin* and the pillars make up the structure that holds the garment (INPC Ecuador, 2017).

Image 13 Waist loom



Source: (INPC Ecuador, 2017)

The *jahuan* is an instrument that supports the entire structure and that shakes the fabric at the top. Likewise, the *chaperchi*, a leather structure that surrounds the weaver's waist and that was previously made of sheep leather with wool, straightens the fabric from below. This must be performed firmly to work the finish. Once the designs are woven, a process that lasts between two or three days, depending on the time dedicated to it by the artisan, the elaboration of the cloth is finished with the knotting of the fringe or skirting board that is done with the loose threads at the edges of the fabric and can take up to three months depending on the complexity of the design and the fineness of the knots. There are four techniques that allow obtaining different designs

in the fringes: by knotting the loose threads of the warp, by embroidery on a section of regular knots and by a crochet (INPC Ecuador, 2017).

There are currently just a few weavers who master the techniques of knotting fringes since most weavers go for a simple fringe as it requires less effort. In ancient cloths, you can still see “guardas” several centimeters high, with designs as complex as shields, birds, phrases, etc. For example, in ancient cloths you could see fabrics with birds, roses, plants of the area, animals, etc. Currently, geometric designs are more frequently used. This variation responds to time and ease involved in the elaboration of current designs, as before they were associated with the peoples’ lifestyle in the community (INPC Ecuador, 2017).

Dennis Pesley in his book "Paños de Gualaceo" mentions the tools used within the whole process to produce a macana or pañuelo, usually these tools are made of hard wood by the same artisans such as:

- Devanador, abridor, baliarín, muchacho: used to hold the skein of thread and facilitate with its circular movement the placement of the thread on the bench.
- Bench: weave, select and tie the threads before dyeing them.
- Bleaching pot, also called Chuchtuna: used for the preparation of bleach, has a hole in its base that allows water to be filtered from the main pot to the pot of the bathroom.
- Clay pot: implemented for the preparation and dyeing of the cloth
- Caillahua: it is a wooden squeezer that holds the yarn with force tempering only while placing the warp on the loom.
- Juca: reed tool used to form the lizos.
- Yarn of "illahuar": cotton with a thickness of 24 ends and length of 100 cm that keeps the lizos formed so that it makes resistance to the temples that are made to accommodate the yarn.
- "Ahuano" or commonly known as waist loom: it is of pre-Columbian origin; its implementation relies in the fabric of the cloth.

The Ikat is similar to the popularly known tie-dye technique, the difference lies in the fact that in the tie-dye the fabric is dyed when the threads are already woven, while in the Ikat the drawing is dyed on the strands before the fabric begins to be woven. In addition to this, macaneria is a familiar art, which is why the tasks and procedures to produce a macana are divided between men and women. The feminine tasks are those of the preparation of the cabuya, the dye, the separation of threads, knotting, dyeing, unknotting, the making of the fringe that is done at the end of everything and the starching. All these tasks were usually performed by women since they do not require physical strength, while the male tasks consist of the preparation of the warp on the loom and weaving, although it is true that there are fewer tasks, but you require more physical effort (INPC Ecuador, 2017)

The designs of the macanas vary throughout the cloth in different rows, guardas, fringes, colors and textures that are made during the knotting. Among the designs on the blanked stand out birds, flowers, plants, insects, geometric figures, animals, while the designs in the fringe are knotted, embroidered on simple knots, fabrics, and filled on the net.

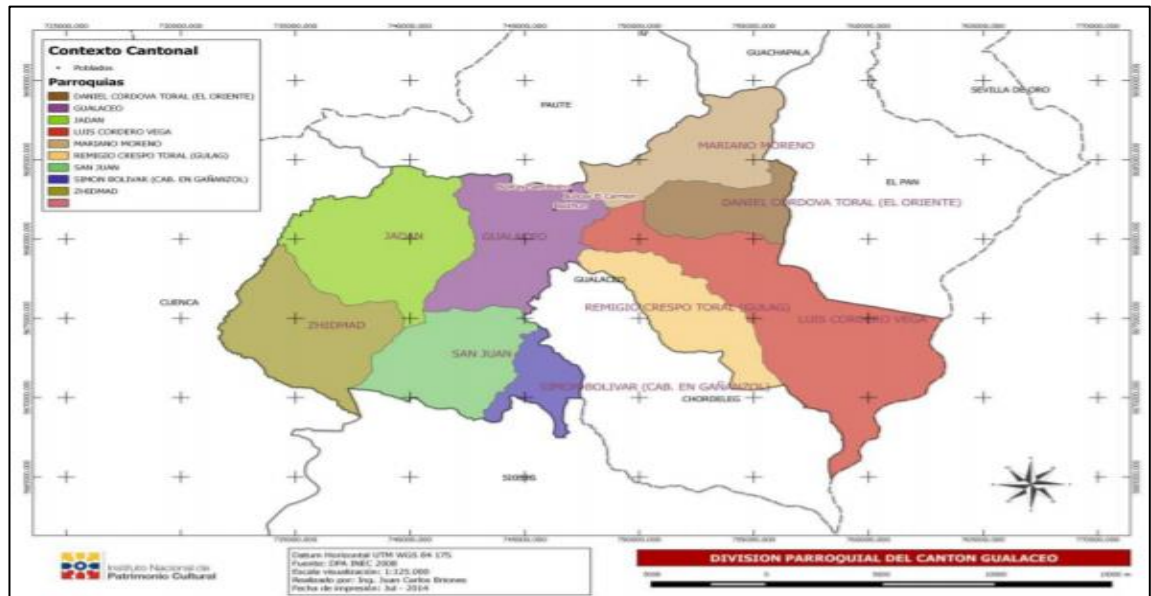
Image 14 Macana Weaving Procedure



Source: Ministry of Culture and Heritage 2014

1.5.3 Data on the place of production

Image 15 Map of Gualaceo Canton



Source: (INPC Ecuador, 2017)

Gualaceo is a canton of the province of Azuay located in a valley at 2,320 meters above sea level, in the northeastern part of the province. It is bordered on the north by the canton Paute. It is on the east by the cantons of El Pan and the General Leonidas Plaza Gutiérrez parish in the canton of Limon Indanza in the province of Morona Santiago, on the south by the cantons of Sigsig and Chordeleg and on the west by Cuenca canton at 35 km. The canton is rich in natural resources such as forests and rivers. It has an average temperature of 16.5°C. It also has a great biodiversity and a beneficial climate for a wide variety of human activities. The canton has an area of 370 km² and comprises 9 parishes: the urban parish of Gualaceo, is made up of 25 neighborhoods and in its peripheral area is composed of 40 communities. It also includes the rural parishes of Jadan, Luis Cordero (Laguan), Zhidmad, San Juan del Cid, Remigio Crespo Toral (Gulag), Mariano Moreno (Callasay) (Technical File for the postulation of the elaboration of the Macanas or cloths of Gualaceo intangible cultural of the nation, 2014).

1.5.4 The procedure for the Declaration of the Macana as Intangible Cultural Heritage

This ancestral art was declared Intangible Cultural Heritage of Ecuador on June 24, 2015, through ministerial agreement No. DM -2015-065 led by Guillaume Long, former Culture and Heritage Minister (MCYP), currently that date is known as the "Day of the Macana Festivity" for Gualaceo. This way, the declaration of intangible cultural heritage of the nation becomes a management tool to protect the traditional technique of Ikat used in the macanas or cloths of the Gualaceo canton (Ministerio de Cultura y Patrimonio, 2015)

To obtain the declaration, it was necessary to develop a technical study in a collaboration between the MCYP and the Municipality of Gualaceo, along with the artisans of the community collected and homologated the necessary information for the preservation and protection of this ancestral heritage. The technical study was proposed by the National Institute of Cultural Heritage (INPC), an organization that established the measurement parameters and monitoring through the preparation of a technical report for the declaration (CIDAP, 2015)

The research carried out by the INPC was based on parameters such as the registration and identification of artisans settled in the communities of Bullcay and Bullzhun, the visualization of the social and economic aspects at the local and regional level of the artisans and the identification of symbolic aspects and social cohesion that start from this knowledge. Within the elaboration of the macana there is a process of intergenerational transmission, becoming an important element of the Azuay people's identity, reflected in its use in social and cultural contexts, so at the time the MCYP did discard establishing dialogues to obtain international recognition at UNESCO's level (CIDAP, 2015).

1.5.5 Current situation

The situation of the COVID-19 virus worldwide has caused most companies to decrease their sales, consequently, production. Especially the artisanal sector, whose

liquidity is low and depends deeply on factors such as tourism and government support for the economic reactivation of its sector. The commercialization of the Macana has been significantly affected since March 2020, as consequence of the decrease in tourism due to the worldwide health emergency of COVID-19. The safety measures imposed by the government to prevent the outbreak have made it difficult for tourism to develop appropriately. Starting with the traffic restrictions that for several times prohibited the circulation of vehicles on weekends, in which greater recurrence of visitors was observed in Gualaceo.

Before the pandemic, people from the cantons of Azuay and around the country, visited Gualaceo to enjoy its gastronomy, landscapes, and take advantage of fashion and clothing shopping such as shoes made by Gualaceo citizens and the distinctive garment of the sector: the Macana. However, the pandemic has not been the only factor that has decreased the elaboration of this garment.

José Jiménez, owner of the Macana Museum in Gualaceo, mentions that few artisans continue to elaborate this craft as many have decided to abandon it due to the lack of government support for the promotion of their products. He assures that for a few years, several artisans have abandoned their work and there is very little interest among new generations to continue with this legacy. He also emphasizes that he has tried several times to talk to local and central authorities, to find an alternative to promote the macana, nationally and internationally. He has participated in fairs and events internationally and has even made macanas for personalities such as Queen Sofia and actress Salma Hayek who used her in the film *Frida*. Before the pandemic, José received around 30 tourists a day, who visited, admired his work, and acquired his macanas as souvenirs in the Museum of his property.

Image 16 Jose Jimenez Macana Museum



Source: (El Universo, 2019)

The artisans of the macana face difficult times due to macana's counterfeiting and the pandemic. Jose Jimenez denounces the inaction of the responsible entities of protecting this intangible heritage. He mentions that the existing counterfeits on the market are not handmade, most are machine-made and are produced daily in volumes that artisans of the macana could not produce, since the process of an authentic macana can take between 3 days to two weeks. The fakes are sold as if they were macanas, affecting the image of the Gualaceo fabric, since they do not have the same quality, designs are more geometric, with very intense colors and they need the knotting at the bottom. The price of counterfeits is an estimated USD 10, a price that the artisans of Gualaceo cannot compete with. There is a growing concern that the tradition of the artisans will disappear, more spaces are needed for the sale of these crafts and the registration of the collective mark could help the technique to be preserved and continue to be transmitted to new generations (El Comercio, 2020)

Currently, about 200 artisans are dedicated to the different processes of the elaboration of the macana in the Azuay. Lorena Paez, part of the technical table of the Inter-American Center for Crafts and Popular Arts (CIDAP) mentions that some events had been planned for 2020 to promote the Macana, but due to the pandemic they had to be postponed. For 2021, the Ardis event for craftsmanship and design is planned, which will have weaving as the main craft within the event.

Santiago Cevallos, former director of the National Service of Intellectual Rights, mentions that the differentiating factors that the macana has could constitute elements for the declaration of an appellation of origin or a collective mark and that, under these titles, anyone who is not from Gualaceo cannot sell shawls under the name of macanas. If this measure was disregarded, artisans are entitled to prosecute civil or administrative actions for the violation of intellectual property. Before the pandemic, there was an approach with SENADI to take the first steps towards the creation of a collective brand. Nonetheless, the process was stopped as this requires training for artisans on intellectual property and depends on the associative process (El Comercio, 2020).

1.5.6 Associativity: The Associations of Macana Weavers

Within this section, the matter of associativity will be addressed, therefore, it is essential to mention that the associations of artisans of macanas with greater economic, cultural, and historical participation of the sector are divided into three segments. The names of great representatives of this art are Leonidas Ulloa, Zoila Rodas, Piedad Ulloa, Natalia Vanegas, José Jiménez, among other artisans who have dedicated themselves, along with their families, to this art. The conformation of the associations is as follows:

1. **Hand Weaving:** José Jiménez is the leader of this association that, with more than 60 years, has kept the artisanal production as his financial support throughout his life. He makes macanas, garments and other items with the Ikat technique. His wife, Gladys Rodas was the winner of a UNESCO prize for her traditional shawls. In his experience, he recommends working alone and be independent. However, he comments that the only thing that moves him to work as the leader of an association is to establish an artisanal brand of the ancestral technique (Veléz Orellana & Yungasaca Montalván, 2018).
2. **The Fine Cloths of Gualaceo:** Carmen Sofía Orellana Rodas is a winner of a recognition by UNESCO for her shawls. She is the leader of one of the few associations legally formed by self-management. The association is made up of 11

women and a single man. Their association is born from a bad experience and a large part of those who make up the association are relatives in charge of all the production and sales management (Veléz Orellana & Yungasaca Montalván, 2018).

3. **Ruta de la Macana:** Natalia Vanegas and her family lead this association based on cooperation and risk diversification. Within her family, everyone has decided to specialize to guarantee a production of good quality. Natalia mentions that one does not live from art but that it is certainly satisfying to think that, from a small part of Gualaceo, one of the oldest and most traditional knowledge in the world is born (Veléz Orellana & Yungasaca Montalván, 2018).

Associations of macana weavers of the Gualaceo Canton are mostly made up of family groups. This has allowed their maintenance and development of art from generation to generation. Although it has been previously attempted to legally form a single association of the macana, it has been complicated or impossible due to the process of constitution of the association. For this reason, it remains unfinished, observing the need for a guiding plan derived from the central government so that the artisans can unite.

Preliminary conclusions

The traditional fabric macana with application of the ikat technique of Malay origin has become a distinctive factor of the communities of Bullzhun and Bullcay of the canton of Gualaceo. However, it is necessary to emphasize that many artisans opt for abandoning this art or avoid dedicating themselves to it. This is due, not exclusively because of the lack of government support they receive, but also due to the complex economic situation that their communities experience, where perhaps dedicating themselves to simpler activities could represent a greater economic income for their families. A milestone that has brought great opportunities was the Declaration of the Macana as Intangible Cultural Heritage in June 2015 by UNESCO. Despite achieving

necessary actions at a local level, in terms of developing technical, social, and economic studies, the macana has become another symbol of the Andean region as a result.

The distinctive feature of this art lies in its technique, which is considered one of the most complex in the world, consisting of knotting, weaving, warping, dyeing, and tying threads manually. The instruments used for this art are the warping bench and the waist loom and the jahuan, which, together with purely natural dyes, make up unique, colorful pieces, filled with shapes. As for the history, although at the beginning, the macana only fulfilled a utilitarian function to carry babies or food, it would eventually become a symbol of the Chola Cuencana, acquiring value and consolidation as being a garment of exclusivity, which would be used on holidays and special occasions.

Today, artisans, in addition to being guardians of its conservation and main promoters of tradition, have chosen to innovate and hope to turn the macana into a garment that can be used regularly, wearable by both men and women and everywhere in the world, integrating new trends into traditional fashion. Associativity is consolidated as a key factor for the permanence of this art. Only through the consolidation of a single association, it shall be possible to face current challenges such as counterfeiting, in which greater participation and artisanal promotion are promoted both nationally and internationally.

CHAPTER 2: REGISTRATION OF INTELLECTUAL RIGHTS OVER THE MACANA PLAN AND POSITIONING MARKETING PLAN.

For a long time, the advantages of registering a collective mark, and the impact it has on the promotion of a product, have been ignored. In Ecuador, many products could be identified with this figure, but unfortunately, there is little acknowledgment on the benefits and the process that must be followed for the respective registration. It is important to consider that along with the registration of an individual or collective trademark, a strategic plan must be created for its promotion. This chapter will describe the necessary requirements and steps to register a collective mark, along with the design of an international marketing plan that will serve to identify the target market and the necessary tools for the promotion and commercialization of the Macana at such level.

2.1 The registration of a Collective Mark to identify the macana and the elaboration of a marketing plan

International marketing is a strategy that allows taking advantage of the opportunities of international markets in a better way. It lets us know how to meet the needs of foreign customers and what they really want. Developing an international marketing plan allows the company to have greater control over the uncertainties of the foreign market and face international competition. This plan's management includes strategic decisions that the company must make, such as the decision to internationalize, the choice of target markets, the strategy regarding the entry and exit, and the adaptation of the policies of the international marketing-mix in the target market (Llamazares, 2018).

There are several advantages offered by the decision to internationalize a company such as accessing a wider market, improving the internal and external image of the product as the presence of a product in a foreign market will reinforce the image of the company in front of national and worldwide customers, this transmits an idea of support and solvency in the offered products. In addition, the presence of a company in several countries is also a way to diversify risks, because in a certain point, the

negative results in a market could be rewarded by positive results in markets with growth rates. Finally, continuous learning benefits the development of management techniques, innovation, and marketing and communication strategies (Llamazares, 2018).

2.1.1 Process of creation of the collective mark

The brand is the identification and representation of one or more products, the goal of a brand is to identify and distinguish a product or service in the market. Diffusion to the public of the essence of the product depends on it. Branding goes beyond the logo and company name. Each detail must encompass the characteristics of the service or product that remain in the mind of the consumer. It depends a lot on the image of the brand and how people will perceive the product. It is a way to differentiate itself from the competition, generate loyalty, thus you must comply in detail with its elements.

From all the above it follows that both *naming and branding* are disciplines that have a direct relationship with marketing and business strategy, so it is necessary to develop these concepts a little more.

Naming

Naming is a word from the English word *name* that means name, which would refer to giving a name or baptizing a product or a business with a name. Naming is the first step to give a brand a verbal identity, as it is the creation of the name itself, which allows the corporate identity to be built from scratch. A summary definition of this concept could be as follows: "Set of techniques and strategies that are developed in marketing for the creation of the name of a brand". Although commonly the action of giving a name is associated with people, animals, places, or things, naming deals with naming something intangible such as the brand, in addition, to give meaning to it, a name says a lot about the brand and makes its presence more attractive and recognizable. According to the LLLY Branding Study, the name is the starting point and key point to start any brand strategy, because the name of a brand does not only

aim to represent a business but also to be legally registrable. (Innovanity, 2021) (LLLU, 2021)

In order to make a brand more attractive to the public, it is necessary that certain matters are covered so that it is easily remembered, simultaneously achieving a strategic positioning or creating the image of the product you want to sell. According to the doctrine, among the indispensable components for this process, we find originality, which shows the novelty of the brand, so analysis is carried out to find if the semantics that is being used is generating singularity, the name must not be confused both by legal issues and by the need for differentiation with the competition. The second component is briefness. There is greater consumer preference for simple names that allow to better come into the market, this facilitates the recalling of the brand and its easier pronunciation, if the name becomes very long, people themselves will shorten it over time. The third component is suggestion, which means that idea or image suggests the name to the brand, the name of the brand must highlight a quality or characteristic of the service or product. In the case of the Ikat fabric produced in Gualaceo, it is about providing the public with an image of quality, and above all of the effort of each artisan when weaving a unique garment with original designs. An aspect that cannot be left aside is the euphony, a brand must sound good for the target market and in the same way be conjugable with concepts that the brand handles, this is linked to the component of reducibility, which must be pleasant to the ear and easy to verbalize. Finally, a brand must invoke recall, developing in the public emotions and mental images which will subsequently help the positioning of the brand (Ferrari, Pesantez-Coronel, & Ugalde, 2020)

Among the types of naming can be found the following:

1. Descriptive: They consist of names that include the description of the product, which establishes a direct name-product connection.
2. Acronyms: It is the abbreviation of a descriptive name, which makes it easy for the consumer to discover the meaning of the brand.
3. Abstract or fantasy: They can arise from images that are associated with the product or even created from scratch.

4. Arbitrary: They have no relation to the product or the activity of the company.
5. Suggestive: They refer to a lifestyle or generate meaning of their own in the mind of the consumer.
6. Iconic: The brand has some icon that refers to the name the same as the Apple brand does.

Characteristics of a good Naming

For an effective naming process to take place, the name to be used for the brand must be distinctive, projecting the difference and why it stands out over other names and brands, complementarily it must sound good, being easy to read and pronounce, therefore, easy to remember as well. In today's market, differentiation from the competition is an aspect that plays an important role, and the brand is an element that must generate credibility and trust so that it is considered by the consumer when purchasing or choosing among the competition. The brand name should express what the brand is about, telling a story and the values of the brand. In the case of Gualaceo fabrics, the brand would cover years of tradition and knowledge about the Ikat technique that has been passed from generation to generation and the symbolism of the garments to represent the Azuayan culture. The naming of this brand to identify this fabric should be visually aesthetic since when printing the elements of the brand such as the logo on packaging or in campaigns, it should easily capture the attention of the public. In the same way, the naming must allow the growth and adaptability of the trademark and its owner that can cover new products or services. It is important to emphasize that once the naming is created, the legal aspect cannot be left aside, so it is necessary to check the registrability of the name of the brand, in Ecuador the best way to do it is through a phonetic search through a request to SENADI, to verify that the name to be used is not already registered (Ferrari, Pesantez-Coronel, & Ugalde, 2020).

Branding

After having defined the first process to form the identity of a brand by adopting a name, branding must be carried out in addition. Branding is the process of making and building the brand from a marketing and visual design perspective. Branding just like naming comes from the English language, branding comes from *Brand equity*, which

means brand value. In summary, it consists of the strategies and goals that are set to design the corporate identity, based on characteristic features of the brand with the support of the visual part such as colors, symbols, shapes, logos among others. Branding also welcomes the positioning of the brand, which are the aspects that consumers perceive about the brand, the positioning seeks a space within the market and what qualities must be highlighted in it to face the competition. The aspects that could be highlighted of the Ikat fabrics made in Gualaceo are the quality, originality, innovation of designs, and the exclusivity of each garment made by artisans, its millenary technique differentiates it from any other fabric (Innovanity, 2021)

Branding consists of two stages:

a.-The corporate identity (the face): It consists of the development of all visual part of the brand, colors, logos, symbols, isotypes, typography, shapes, etc. To create the identity and characteristic features of the brand, graphic design plays a fundamental role, as the recognition of the brand will be achieved by seeing it anywhere linking to its products or services.

Regarding the visual identity of a brand, we can find the following identification signs:

Pictogram: Figuratively or abstractly, these symbols can summarize the name of the brand and represent sensations associated with it. In the case of the macana, an illustration of this fabric, its extravagant colors and designs can transmit to the public the essence of it.

Corporate typography: It is made up of the font or font that is used to write the text related to the image.

Isotype: It is the graphic representation of a symbol that shows a mark without mentioning it completely, that is, the mark is recognized without the text.

Logo: It is the distinctive formed by particular words or letters of a product or company. We talk about a logo when a brand is identified by the text.

Image type: It is the combination of image and text, but these can work separately.

Isologue: It is shaped by the text and the symbol of the brand, but one does not work without the other.

b.-Brand positioning: It is the search for a space within the market where you can define the brand, in a way that it differs from the others. It is what consumers perceive, the idea they have for the brand. To define it, the following will be considered: the target audience; the product category; the main benefit it offers, and the own qualities that make it stand out to be noticed against the competition.

In Gualaceo, the Municipality of the Canton carried out a study to establish the elements of the city brand, in which the values and characteristics that reflect what Gualaceo wants to transmit to national and international tourists to boost the economy. For the confirmation of the brand, they took characteristics of the area such as the colors and features of the flowers and incorporated the textures of the macana giving the following result.

Image 17 Brand Ciudad Gualaceo



Source: (Quezada & Crespo, 2019)

So, the purpose of the city brand in the communication plan of the Municipality of Gualaceo was to reflect in the brand Gualaceo, its people, and its culture, that of the Collective Brand and its elements will be to reflect the tradition, technique and quality of the artisans who weave these garments. Therefore, some proposals will be presented with the adaptive characteristics offered by the macana to people and becoming a representation of artisans and their works.

2.1.1.1 Image design and figurative elements of the sign

Before starting the registration process, the naming process as the design of the figurative elements must be performed. Initially, to carry out the naming or embracing of the sign object of the proposal, we must remember the above about the recommendations for a good naming, as well as the prohibitions of registration of trademarks, developed in Article 360 of the COESCCI that states:

"Signs that: Consist exclusively of a sign or indication which is the generic or technical name of the goods or service concerned; consist exclusively or have become a common or customary designation of the product or service concerned in the ordinary language or in the manner of the country (...)". (COESCCI, 2016)

Regarding the collective mark, Article 401 of the same body of legislation states: "A collective mark shall mean any sign which is capable of distinguishing the origin or any other common characteristic of goods or services belonging to two or more different persons or companies and which use it under the control of an owner" (COESCCI, 2016).

Therefore, the word Gualaceo could be used as a collective mark as a term that covers all the geographical points in which the products are being made and in informative way words such as handmade fabric in Ikat, handmade woven macana in Ikat, among others, because they are generic-descriptive terms. It could also be possible to work on a commercial slogan associated with the collective brand Gualaceo, for example, The authentic handmade fabric in Ikat, the authentic macana woven in Ikat, or the authentic knotted cloth in ikat, depending on whether you want to identify several products or specifically macanas.

About the visual image, an image type could be a choice, in which the graphic and word part is separable, in a way that, once the positioning of the brand has been achieved, each component can be used independently.

Image 18 Proposal No. 1 Gualaceo the Authentic Artisan Macana in Ikat



Source: Own authorship

The proposal is constituted by the naming Gualaceo to refer to the geographical origin of the product, accompanied by the graphic part of a macana being represented in the letter O. In the same way, it is accompanied by the slogan "the authentic artisan macana in Ikat", which distinguishes its main characteristic: being a traditional artisan fabric. The proposal represents the sobriety that each of the macanas has. Despite being made with striking colors, the technique, and all the work that is reflected in each of the garments represents elegance.

Image 19 Proposal No. 2. Macana Logo



Source: Own authorship

In this proposal, the graphic part of the sign is constituted by the name of the product, simultaneously, it has a design in the letter N which represents a Macana. The objective is that once the collective mark is positioned in the market, it is enough to be identified by the consumer with our sign of MACANA. Unlike the first proposal, this logo highlights the product before its geographical origin, in its commercial slogan you can see the text "authentic knotted cloth of Gualaceo".

Image 20 Proposal No. 3. Logo Gualaceo the Authentic Fabric in Ikat



Source: Own authorship

In this proposal, the graphic part of the sign is constituted by the image of a garment made under the knotting technique, reflecting the tradition that has transcended from generation to generation, in which the elegance of the macana stands out. The slogan indicates the technique used for making the garment.

Image 21 Proposal No. 4. La Macana Logo



Source: Own authorship

In this proposal, the graphic part of the sign represents the authenticity of the Macana with its logo, the set with the own production technique "The authentic macana in ikat"

with its representative colors. In this proposal the image represents the garment with its distinctive shapes.

Image 22 Proposal No. 5. Ikat Logo



Source: Vélez, Yungasaca, 2018.

Authors: Arteaga Isabel, Vélez Carlos, Yungasaca Belén.

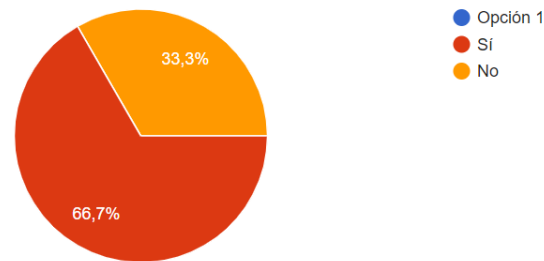
In this final proposal, the graphic part of the sign represents these artisans' tradition, technique and quality when weaving these garments. The design incorporates the name Ikat belonging to the distinctive technique used to weave the macana. The colors are associated with the city brand that Gualaceo currently uses. In the same way, the name recognized by the people of the community of this garment is used, which is the macana.

A survey was conducted with artisans from the community of Bullzhun and Bullcay, to know their opinion about the registration of a collective mark and the knowledge about the intellectual rights over the garment that is woven in Gualaceo. The result was that the proposal N°1 was the one that could best reflect the feeling and criteria of the artisans. So, 66.7% of the artisans surveyed felt identified with the proposal, adding that it is a sober and modern design to enter new markets. In addition to the fact that it is the proposal that would best meet the requirement of the inherent distinctiveness for its registration as a collective mark, because it is not made up of a generic, descriptive, or commonly used word, to identify the products on the market

Image 23 Survey result in the Community of Bullzun and Bullcay

En caso de registrar a la macana como marca colectiva, está usted de acuerdo con el siguiente logo de marca?

3 respuestas



Source: Own authorship

2.1.1.2 Collective Mark Registration Plan

As an initial part of the proposal for the registration of a collective mark for the macana, visits were made to artisans from the weaving communities to get to know the current situation and the acceptance that the plan would have if it was to be executed. In the first instance, Mr. José Jiménez, owner of the Casa Museo de la Macana, comments that for his part and those who make up his family, also weavers, have the will to associate so that the macana gets a better position in the national and international market.

Rosanna Ulloa from the Bullzhuy community, comments that despite having little knowledge about the procedures and concepts of protection of intellectual rights, they would be willing to participate and learn more about the registration of a collective mark, and also to learn the modalities that could be used to protect its fabric, which has gradually been losing value. Piedad Ulloa mentions that what hinders the processes of associativity is the lack of collaboration between weavers in the area. There is a lot of division, another of the problems that artisans expose is the lack of economic resources to carry out promotion plans. Within the communities, associations have already been formed, however, these have not been formalized or have lost their associative character because they are vanishing. As a starting point to comply with the requirements to register a collective mark, artisans must be associated and have a statute containing the guidelines for the use of the trademark. It would be necessary

the collaboration of those who want to be part of the association and before this, a training and informative workshop on the advantages and the procedure specified below.

2.1.1.3 Requirements

The management of a collective mark must be planned and established within a scheme that allows participants to access a guide to use the mark. Therefore, the essential element within the scheme of collective marks is the regulation of use, an indispensable requirement to be able to register the trademark. This regulation is the set of internal rules that set standards for the use of the brand by the associates, about the offered products or services based on the characteristics and elements that are intended to encompass the brand. Some of these elements are stability, quality, and homogeneity, elements that will be visible to the client. The associates who submit and voluntarily comply with their proposed control mechanism if they wish to make use of the collective mark in their respective products or services. That does not impede members to make use of their marks in conjunction with the collective mark unless there is an opposing provision in the Regulations on Use (World Intellectual Property Organization, 2006).

The content of the regulation of use normally includes the common characteristics and qualities of the products and services. In the case of the macana, it will be hand-weaving using the IKAT technique. Since it is one of the distinctive elements that gives it authenticity and originality compared to other fabrics that use conventional embroidery techniques or are even produced with a machine. Another quality is the dyeing of the strands based on natural elements and the reproduction of different designs in each garment.

According to WIPO, another important element within the rules of procedure will be the conditions and modalities of use of the mark. They are arranged by the members of the association. It must include the list of people who are authorized to use the mark, the associating conditions, and the provisions to control and ensure that the use of the mark is given by the standards of the regulation. Also, establishing sanctions for non-compliance (2006).

Complementing the above, Article 260 of the Knowledge Management Regulations (2020), mentions that the specific requirements prior to the registration of a collective mark must be the following:

- Copy of the statutes of the association or documents of constitution of the association, organization, group of people or cooperative that requests the registration of the collective mark.
- The list of members.
- Regulation of use in which the indication of the conditions and the form as the collective mark must be used in the goods or services is recorded, which will be subject to revision and may be modified in case there is any objection by the National Service of Intellectual Rights.

The collective mark is within the classification of trademarks, within the distinctive signs, so the requirements for its registration are contained in the instructions for filling out the Registration of Distinctive Signs form on the SENADI website. In order to register a distinctive sign, a virtual box must be created along with a request for a phonetic search and the proof of payment of the respective fee must be attached. For the association, the person who will be the legal representative and acts on behalf of the associates before this process must be defined previously. The steps to get a virtual locker and pay the fee for a phonetic search are as follows:

- 1.- Enter the website: www.derechosintelectuales.gob.ec
- 2.-Select menu PROGRAM/SERVICES

Image 24 Intellectual Rights Service Web Portal



Source: National Intellectual Property Service, 2021.

3.- Enter the option of online services and virtual lockers.

4.- A window will open where the requested data must be provided in the virtual box (If you are a natural person, enter the citizenship card number and if you are a legal entity, the RUC of the company is placed).

Image 25 Virtual Locker Request

Source: National Intellectual Property Service, 2021.

5.- Once this procedure has been completed, the username and password must be checked in the registered email, a link to "My locker" and the password must be changed. With this step, a virtual locker will be created.

6.- Once the virtual locker has been created, the online application must be made by returning to the main page. The person interested in the registration must enter their username and password and go to the option PAYMENTS, and NON-ONLINE PROCEDURES, and finally GENERATE PROOF. As soon as a template is deployed, the data must be entered, and a code of at least 3 characters of the description of the Payment Rate, the code for a distinctive sign is 1.1.10, you must press GENERATE RECEIPT and print it.

Image 26 Phonetic Search Request

 SERVICIO NACIONAL DE DERECHOS INTELLECTUALES	Atención al Usuario SOLICITUD DE BÚSQUEDA FONÉTICA:	Fecha de Presentación:																				
	Datos del solicitante:																					
Nombres y Apellidos:																						
Número de cédula de ciudadanía:																						
Correo Electrónico:																						
Denominación:																						
<table border="1" style="width: 100%; height: 20px;"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																						
RECEPCIÓN:		 FIRMA DEL SOLICITANTE																				

Source: National Intellectual Property Service, 2021.

The fee for the phonetic search has a value of USD 16 that must be paid at the Banco del Pacifico. The vouchers must be scanned and sent via email to the following address: foneticoquito@senadi.gob.ec, as well as the EXACT NAME OF THE BRAND, which will be verified. The search report will arrive by mail and the list of trademarks must be verified to ensure that the name of the trademark is not registered or in the process of registration. The procedure for the registration of the mark may be continued.

2.1.1.4 Procedure for registration of the collective mark

In Ecuador the process of registration of a collective mark is regulated by the COESCCI, commonly the procedures for any registration procedure are within the Regulations of the law, in this case in the regulations on Knowledge Management (III Book of the Organic Code of the Social Economy of Knowledge, Creativity and Innovation). The steps to register a collective mark are:

First, the application for registration of a trademark must be filed in the National Industrial Property System, this will include a single international class of goods or services. Proof of payment of the corresponding fee must be attached along with the application, in the case of registration of Collective Mark the fee is \$ 400 US dollars. The person interested in the registration must deliver: Copy of the statutes or documents of constitution of the association, organization, group of people or cooperative that requests the registration of the collective mark; the list of members; and the regulations of use in which the indication of the conditions and the form how the collective mark should be used in the goods or services is recorded, which will be subject to revision and may be modified in case there is any objection by the National Service of Intellectual Rights.

The National Directorate of Industrial Property will certify the date and time in which the application was submitted and will assign a serial number that must be successive and continuous. The trademark application can be modified only in its secondary aspects, expand the goods or services within the same international class, eliminate or restrict specified services in any stage of the procedure, before the official publication is given. SENADI has the power request modifications to the application. In no case the request to change the sign can be modified. (Ley de Propiedad Intlectual, 1998)

Once the application is admitted, SENADI will examine within fifteen working days of submission if the application complies with the established requirements. In the event that the requirements are not met, SENADI will notify the petitioner to correct the irregularities within thirty days of their notification. If, within the period indicated, the irregularities have not been remedied, the application shall be rejected. If the application for registration meets the formal requirements, SENADI will order the publication of an extract of the application only once, in the Intellectual Property Gazette. Within thirty working days following publication, any person with a legitimate interest may file a duly substantiated opposition against the requested registration.

In the event of opposition to registration, the National Intellectual Rights Service shall notify the petitioner so that, within thirty working days of notification, it may assert

its allegations, if it deems it appropriate. Once the deadline has elapsed, SENADI will decide on the oppositions and the granting or refusal of the registration of the trademark that will appear in a duly reasoned resolution. At any time before the resolution is issued, the parties may reach a binding agreement on SENADI. However, if the parties' consent to the coexistence of identical signs to protect the same goods or services, SENADI may object to it if it considers that it affects the general interest of consumers. If the deadline has expired, no oppositions were filed, SENADI will proceed to carry out the registrability examination and to grant or deny the registration of the trademark. The corresponding resolution will be duly reasoned. To determine the international class in trademark registrations, the Nice International Classification of June 15, 1957, with its updates and modifications, will be used. (Ley de Propiedad Intelectual, 1998)

Once the collective mark registration is obtained, the association, organization or group of people must inform SENADI about any modification that occurs.

2.1.1.4.1 Online application

For the online application one must enter on the SENADI website in online applications, putting the corresponding data in username and password. In the REGISTRATION option, choosing the option of the list that says REQUEST FOR DISTINCTIVE SIGNS and proceed to fill the template that is going to be displayed in the system with the data of the brand, in the table below the template is shown full of data taken from an existing association that could take as an example:

Figure 2 Data Template Online Application for Distinctive Sign Registration

Office where you want your paperwork to be carried out	Cuenca
Name of the sign:	Gualaceo
Denomination Country of nationality of the sign:	Ecuador

Clear and complete description of the sign:	The sign consists of the name GUALACEO written in capital letters in black in Futura typography in black. The graphic part consists of the figure of a macana that replaces the letter O.
Attach logo or design (In case of figurative or mixed mark)	According to proposals to choose.
Identification of the titular applicant	Association of weavers of Knotted Cloth of Gualaceo
Legal representative (in case the applicant is a legal entity)	Jose Jimenez
Detailed list of goods, services, or activities (Nice Class)	Dress, footwear, and hats. International class No. 25.
Priority (Fill only if the trademark has been previously registered in another country)	NOT APPLICABLE
Sponsoring Attorney	OPTIONAL

Annexes	Copy of the statutes of the group; copy of the Appointment of the legal representative; regulations for the use of the mark and list of members of the applicant group.
Discount	Certificate extended by the financial area to: Qualified artisans.

Source: National Intellectual Property Service, 2021.

It should be noted that the data that has been entered in the previous Figure, is an example as for the official registration, the members of the association to be formed or that has already been formed previously, must designate according to their statute, who will represent them to carry out the procedures indicated for the registration of their name. After entering the data, it will continue to save. In the PREVIEW button, you can make visible the option GENERATE PROOF OF PAYMENT, which has a cost of USD 400, the same that will be canceled in the Banco del Pacifico, finally, go to the ICON START OF PROCESS and from that moment the stages of the trademark registration procedure will be given, in this case of collective mark.

2.2. International marketing plan elaboration process

An international marketing plan seeks to develop a marketing program to be able to put it into practice in foreign markets based on quantifiable objectives, this means that an international marketing plan will serve as a tool that facilitates a company or potential exporter to obtain approvals, establish strategies and actions that must be followed to have great results once the respective analyses of the international conjuncture have been carried out (Llamazares, 2018, p. 30)

It is common for SMEs to be afraid to export and market their products in international markets, which is why it is necessary to state the advantages and opportunities that companies find when internationalizing, as they obtain a competitive advantage over other brands since they manage to develop tools that help them stand out internationally, they have a large market size and diversification, profits are enhanced, there are government incentives to export, among others (VSI Consulting, n.d.).

On the other hand, what characterizes and distinguishes an International Marketing Plan is its focus on coordinating and properly combining efforts in several international markets (Asturias University Corporation), and in return is responsible for customizing or adapting products for sale in different international markets through different marketing messages to attract the target market.

2.2.1 Executive summary

The following project is a marketing plan carried out for the Macana de Gualaceo, Ecuadorian handicraft that is marketed in the Gualaceo canton considering that an Association of artisans' weavers of Knotted Cloth of Gualaceo is formed, with which "Gualaceo as a collective mark. With this registration, artisans will be able to have more participation and visibility both nationally and internationally. The association seeks to implement different sale points internationally, starting with airports of great confluence and numerous connection flights. Additionally, implementing e-commerce through a web page in which the designs made by the artisans can be displayed, along with the prices, and characteristics. The Gualaceo brand is meant for culture lovers,

quality, handmade fabrics, and unique and original designs. The artisanal sector of the Macana has been transmitting its knowledge for decades, and its technique has been recognized as Intangible Heritage of Humanity in 2015. In addition, in April 2021, several artisans managed to become certified with the Artisan Artist program of the Toda Una Vida National Plan of Former President Lenin Moreno.

After carrying out the market research, it was possible to conclude that one of the most appropriate markets to start the international marketing of the product is Europe, not only because of the tax and fees advantages between Ecuador and the European Union, but also because of factors such as preferences, purchasing power of their countries and the increase in imports from Ecuador. However, it is appropriate to pursue a concentration strategy in a specific country. Considering the latest statistics on fabric imports, Germany is one of the countries with a consumer profile that best fits for the macana. The characteristics and properties of this product are positive to enter the German market, which in recent years has developed a great interest in artisanal products.

One of the most important points that was analyzed in this plan is the entry form, in other terms the strategy that would be used to reach the final consumer. The artisans in Gualaceo will export their products through indirect operations, that is, through a third-party company. The great development of the world market, along with the liberalization and homogenization of markets, has made cooperation between companies' indispensable to achieve a greater international impact, emphasizing exports made by SMEs. As for budgets, the export/import costs will be borne by the importer, in case a direct sale in low scale is made nationally or internationally, courier services will be used, but if it is a high scale, it will be sent by container shared with more entrepreneurs.

2.2.2 Analysis of the Current Situation

In Gualaceo canton there is a notable division among the artisans. Just a few associations have been formed, but none including most producers. This is due to the competitiveness that exists between them and little sense of union. Additionally, there

are several other factors that have hindered the development of the businesses of the artisans of the Macana.

According to Bladimir Jaramillo, micro-enterprises at the economic level do not have the facilities to access financial credits for their productive activities. In addition, they lack planning, financial coverage, resources for research and innovation of products and services. There is also the low level of sales and market coverage, and additionally, the limited resources destined to promotion. In the legal aspect, many artisans work irregularly, without protection of intellectual rights, absence of internal regulations and little knowledge of legal functioning of collective marks.

Among the cultural and social factors, there are the low levels of professional and business education, lack of business strategies, also not making use of their experience and market opportunities. In terms of management, there is a deficient commercialization and promotion, and a growing lack of information on the advantages offered by associative and collective marks (2018).

2.2.2.1 Internal Analysis

Nowadays, there are approximately 200 artisans who dedicate to different macana crafting process in the province of Azuay. In an attempt, it aims to include all those who are participants in the Association Tejeduría a Mano, Los Paños finos de Gualaceo, Ruta de la Macana, and numerous existing associations to achieve total synergy and constitute a new association with a higher number of artisans interested in being part of the Gualaceo collective mark. Consequently, obtaining benefits such as the protection of their rights against those who sell counterfeit macanas, increasing sales rates, more spaces for the sale of their handicrafts, among others.

2.2.2.1.2 Product

The macana is a Quechua word that in Spanish means shawl. It is a craft that is part of the typical costume of the Chola Cuencana that for several decades has marked history and culture of the province of Azuay. This garment is a symbol that reflects in each of its fabrics a high symbolic, sentimental, exclusive, and original value. In addition, the

artisanal technique used to make the macana the "IKAT" was declared Intangible Cultural Heritage of Ecuador in 2015.

Mainly the materials used in macanas are vegetable or chemical dyes, yarn either alpaca wool, silk, cotton or cabuya. A great advantage of the macana in the market is that its elaboration process is completely handmade. Each of the macanas are designed by hand during its the knotting; designs vary depending on the number of rows, fringes, colors, and textures. Likewise, the elaboration time and the price vary according to the difficulty, size, design, and finish of the macana.

Image 27 Banco Urdidor Workshop of Piedad Ulloa



Source: Own authorship

Image 28 Loom Workshop of Piedad Ulloa



Source: Own authorship

Image 29 GUALACEO Packaging



Source: Own authorship

2.2.2.1.3 Price:

The price of macanas varies according to the difficulty of their elaboration, their designs, and their sizes. Prices vary between \$ 35 and \$ 150, the piece with the highest value is the portrait macana that can cost up to \$ 300. It is a unique piece in which the craftsman through his fabrics portrays any requested image.

Image 30 Infinite Scarf



Infinite scarf \$35.

Source : Own authorship

Image 31 Macana Backpack



Macana backpack: \$40

Source: Own authorship

Image 32 Macana with lower knotting and fringes



Macana with lower knotting and fringe: \$65

Source: Own authorship

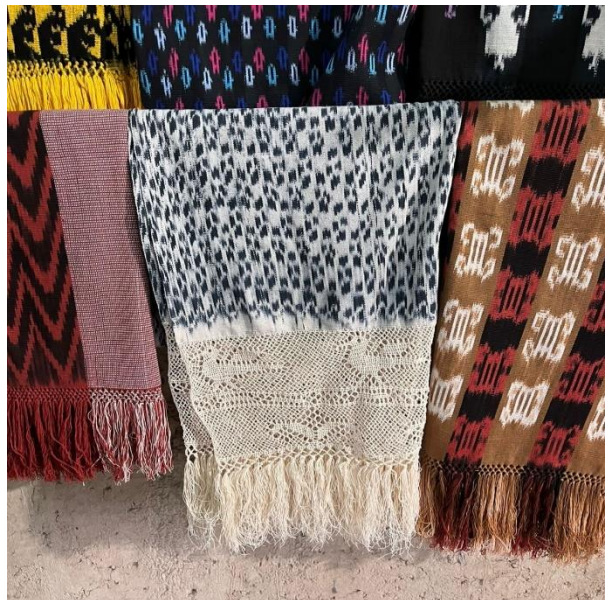
Image 33 Kimono de macana



Macana kimono: \$380

Source: Own authorship

Image 34 Custom Macana



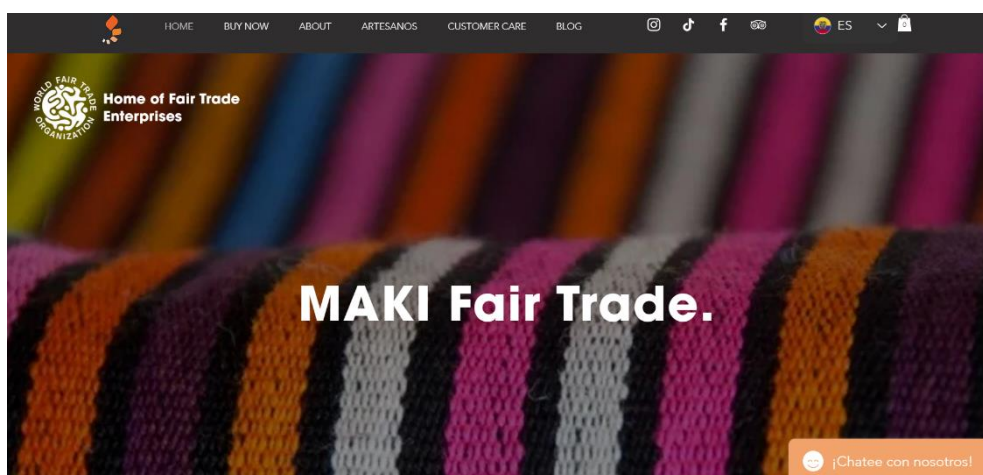
Macana with custom bottom knotting: \$385

Source: Own authorship

2.2.2.1.4 Market (distribution):

Nationwide, the main distribution centers are the artisan warehouses in the Gualaceo canton. In the canton of Cuenca, macanas are currently exhibited and sold in the Regional Handicraft Portal of Cuenca. It is intended that through an online page all artisans can be brought together to show their designs and create a network in which customers can make online purchases and the products get delivered nationwide through deliveries or couriers such as Servientrega, DHL, Laar Courier Express among others. The same page will serve for international customers to place their orders for existing designs or place a personalized order with the artisans. The piece will be sent by international couriers to the destination selected by the client. In addition to the website itself, it will seek to be present in different Ecuadorian handicraft platforms to promote the sale of macanas, an example of these websites is MAKI, a brand that seeks to rescue the material and immaterial artisan wealth through fair trade.

Image 35 MAKI Website



Fuente: MAKI Fairtrade, 2020

In this research, the alternative of entering international markets through stalls in airports or in duty free stores has also been considered due to the great confluence of people who, in certain cases, take connecting flights with long hours of waiting inside

the airports, all these factors would facilitate the knowledge of craftsmanship and the purchase of the same as a souvenir.

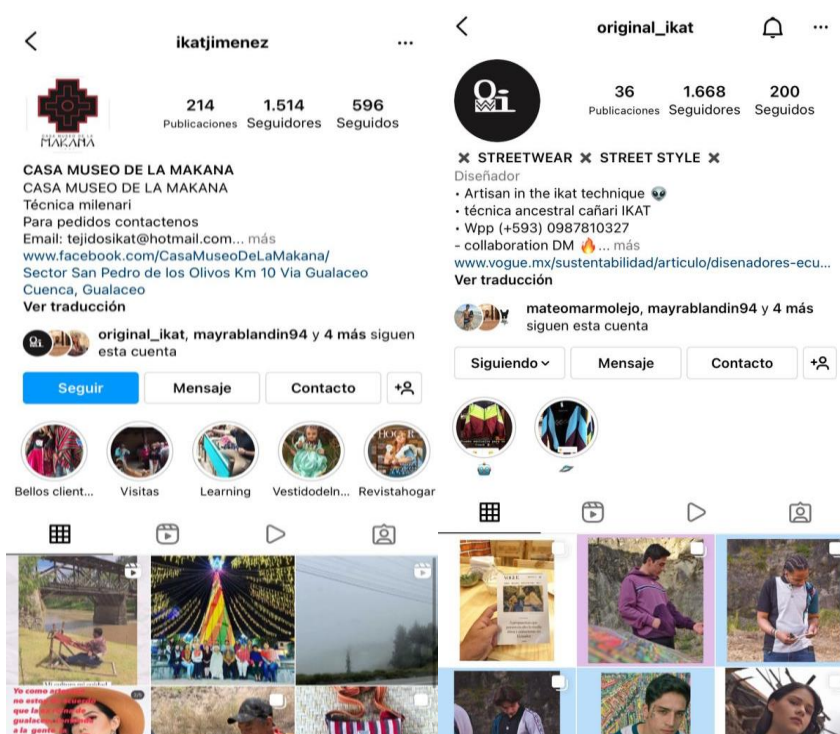
2.2.2.1.5 Promotion (communication):

The communication tools that Gualaceo may have to use would be social networks such as Facebook and Instagram. As well as an active website where customers can check the designs, prices, delivery time of the garment along with a small review of the place, elaboration of the garment, and the artisan. In these networks will be published photos of the materials with which the macana is made, the workshops of the artisans, and news about events in which Gualaceo is present the authentic macana. To promote the page, contests could be held where products are raffled at the national level, and different promotions applicable at the national and international level.

Another strategy that Gualaceo could potentially use to promote its products is participation in fairs at local, national, and international ranges. An important element regarding social media platforms is the publication of the elaboration process, as it will diffuse knowledge and appreciation for the skills and effort of each artisan in capturing the art in the woven cloth. Ads could be paid for a monthly value on platforms such as YouTube, Google, Facebook, and Instagram, so that the pages are more frequently visited. The publication goal of social platforms and the website is to reach the consumer and demonstrate the level of quality and commitment that the Association of weavers of the macana works with to create these garments.

The following are examples of Instagram profiles that several artisans have managed to develop with a better approach to potential customers, as previously mentioned, the idea will be to have active and visually attractive accounts, making it ideal to join with already existing ones to cover more followers and customers for the collective brand.

Image 36 Instagram Profiles Makana House Museum and Original Ikat



Source: (IkatJimenez, OriginalIkat, 2021)

2.2.2.2 Competitiveness analysis

At this stage, the analysis of the direct and indirect competition that our brand could have at local, national, and international levels. This will be helpful to establish equal conditions at the time of entering different international markets and while also maintaining and positioning the brand in the market over time. On the other hand, at the local and national level, this will make possible to obtain a greater knowledge of the market so that a greater positioning is achieved against the competitors.

2.2.2.2.1 Domestic competitiveness:

At the national level, only two provinces could be considered competitors in terms of being practitioners of the ikat technique, which are Tungurahua and Cotopaxi, and in various products such as scarves, blankets for horses, shirts, bags, carpets, foot of beds, curtains, woven shoes, t-shirts, shawl and other elaborate (González, Rincón, 2012). After these, other handmade substitute products such as toquilla straw hats. In 2019,

Eduardo Andrade, head of Local Economic and Tourism Development of the Municipality of Gualaceo indicated that the biggest competition for the Gualaceo macana is the pseudo macana from Otavalo, which sells between \$8 to \$10. In addition to the sale of shoes, wallets, bags and other garments that would handle an illusory ikat technique (El Telégrafo, 2019).

2.2.2.2.2 International competitors:

One of the aspects that must necessarily be addressed when establishing a marketing strategy is to get to know the situation of competitiveness in foreign markets. Thus, international competitors are very different from national competitiveness because so far, advantages are less known than those of national markets, in addition to the fact that in the international arena the number of competitors is considerably larger (Llamazares, 2016).

The analysis of international competitors is justified for three reasons, first, the knowledge of the competitiveness, where trust is valued and developed with client by knowing the competitiveness in depth, second, the international marketing strategy, where the differentiating offer is established in terms of the product / service and price; that is, an offer dedicated exclusively abroad. Third, learning, which works by monitoring the competitors obtained strategies that can be applied to the local or national market (Llamazares, 2018). It is worth mentioning that most multinationals have specialized departments for the analysis of international competitiveness, thus, for SMEs that do not have extensive resources, performing this competitive intelligence is quite a challenge.

The macana is emerging as a product whose competitiveness are mostly substitutes of the original, that is, artisanal products that are completely different from the macana, which can lead to a different persuasion for the customer when deciding on a traditional product. Thus, we find the following products might represent a competition to the macana at an international level:

In Guatemala, they use the techniques of ikat in typical pieces of clothing such as belts, blankets, and the tute, which is a type of headdress that covers the head by wrapping around, in different ways. In Mexico, Santa Maria scarves are made of dyed silk in a rectangular shape. In Bolivia, mainly ponchos that are also crafted using the ikat technique. In Argentina, similarly ponchos (gauchos) that have parts made of ikat. In addition, you could also find patolas from India, rebozos from Mexico or Guatemala and pañones from Peru, however, these products vary quite notably from the ikat. (González, Rincón, 2012).

2.2.2.2.3 Local competitiveness:

In this section it is possible to make a distinction between national and local international competitors, the first refers to the direct competitors of our product, that is, Gualaceo and its surrounding areas that handle the ikat, and the second to the competitors that would exist if there was an international market for the product to be introduced. In the communities of Bullzhun and Bullcay of the Gualaceo canton, there are more than 130 artisans who have certifications endorsed by Senescyt in terms of their skillset for the use of the ikat technique in the elaboration of the macana (MPCEIP, SF) and the city of Gualaceo has only 20. It is here where we will focus since they are the ones that could have the greatest exporting potential (Culture and Heritage, SF). In this way, we can tell that talking about the competitiveness of macanas is somewhat difficult, not just because of the wide range of prices but also because of the quality, color, texture, and knots of the product handled by the different artisans, even to the point where that in a single artisan store you can find from the most accessible to the most exclusive, as for example, a handkerchief in ikat technique can range from 40 to 500 dollars (EFE, 2019).

2.2.2.3 External Analysis

Handicrafts play a fundamental role for the local development of communities. In Ecuador, handicrafts are characterized by the locality that they come from, the tradition it carries with it, and unique designs full of creativity made by the hands of artisans. Although there are several Ecuadorian handicrafts that have managed to enter

the global market, as an example and being one of the most recognizable cases: the toquilla straw hat. Many other crafts have not had the opportunity or resources to export their products as for the case of the macana, which, despite having quality and authenticity as main features that would properly position it in the international market, a proper plan has not been implemented for this craft to enter that market. To participate in foreign markets, associativity is a must, so that there is more visibility in the products representativeness of the artisans that are sent abroad, and most importantly, there must be innovation to adapt to trends that change frequently in the clothing industry.

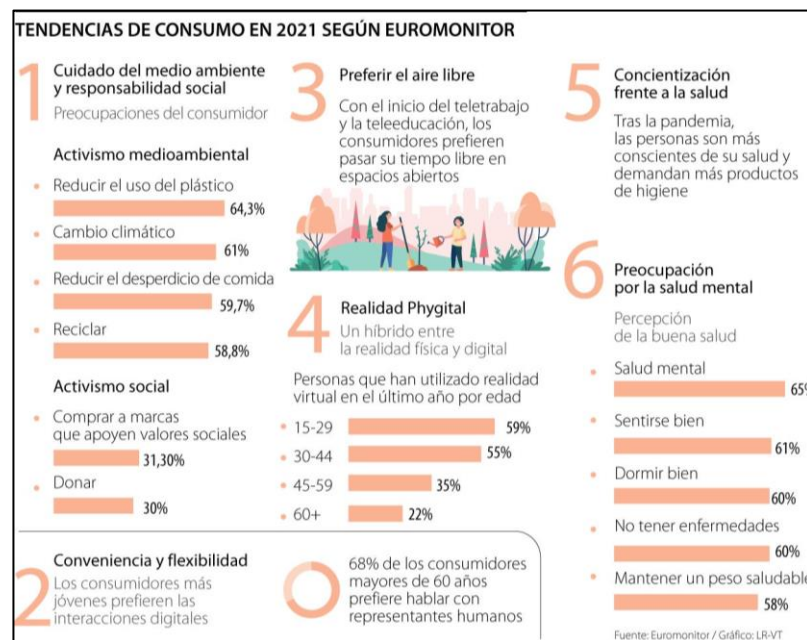
Once artisans get united, there is the possibility of satisfying the market demand, as an artisan working individually has far less chance to being able to send his garments to international clients without recurring to significant costs and taking lots of effort not even being able to cover all specific needs. Currently, it is no longer enough to enter the market with a product, it is essential that along with added value, the purchasing presents a unique experience to the consumer. This is an advantage for the macana, since this garment comes with its designs, colors and history that express an ancient culture heritage. Their combinations have been able to adapt and evolve to combine with current fashion. A specific case, for example is the one of Mr. José Jiménez and his son, who together were able to implement the designs of the macana within garments such as jackets and sweaters for young people but innovating and giving a modern touch to these garments.

Global trends in recent years have been highly volatile in the fashion industry, and the acceptance of craftsmanship within clothing has grown giving opportunities to boost the integration of culture and identity in commerce. Along with this advantage there is also the consumer's awareness of fair trade, care for the environment, quality and the production process of the garment and getting to know who is behind it. That is why it is necessary to promote new marketing methods, to develop commercial networks and participation in trade fairs and exhibitions, which would generate an improvement in the subsistence of artisans.

Within the surveys carried out by Euromonitor, consumer trends in 2021 lie in fundamental factors such as environmental care and social responsibility, and the

convenience and flexibility that these relevant points represent when introducing the macana to the international market, since its production is environmentally friendly and contributes to the social activism as displayed in the following image, because when while purchasing products identified with the Gualaceo brand, people support the conservation of social values, promoting artisans and the culture they reflect in their fabrics. In addition, if a space is established for e-commerce in which artisans can sell their macanas, the consumer will have much more accessibility to consume complying with another consumer trend, which is flexibility for the purchaser.

Image 37 Consuming Trends 2021



Source: (Editorial La República, 2021)

Craftsmanship is a local activity that is getting globalized every day aiming for consolidation processes that allow it to participate in global markets in better conditions and with a significant mass. If artisans unite to respond to a global demand, organizations can be generated to achieve enough impact to participate and remain as productive units. In Latin America there are different organizations that help artisans to internationalize: (Connect Americas, 2011)

- In Mexico, Promexico provides a diagnostic tool for companies to know their export capacity.
- PromPerú defines the technical requirements for the export of handicrafts in accordance with Peruvian legislation and the organizations that producers can address to according to their needs. In addition, it details the documentation needed to begin exporting and assessment on markets and packaging.
- Artesanías de Colombia also provides a ProColombia Export Guide. It explains the steps to make an export and advises on registrations, billing and contact with importers.
- The Brazilian Service of Support to Micro and Small Enterprises (SEMBRAE), is dedicated especially to artisan companies in Brazil, highlighting that before exporting it is important to get to know the final consumer of the product.
- The Guatemalan Export Association (AGExport), which provides information on the development of the artisanal sector, is constituted by approximately 1 million artisan producers, mostly indigenous people. Textile production is Guatemala's largest artisanal branch in waist and pedal looms, embroidered applications and crochet woven products. (Connect Americas, 2011)
- In Ecuador, there is PRO ECUADOR that is responsible for executing policies and standards to promote the country's exports and investments to promote the supply of products and markets from Ecuador for a strategic insertion in international trade. (Pro Ecuador, 2021)

It is essential to have the support of state organizations that promote the internationalization of products as mentioned above. To define the best target market options, an investigation was carried out on which countries import the most taxing indicators regarding the macana, which is 61710.

Figure 3 List of importers of subheading 611710

TOP 10 LISTADO DE IMPORTADORES Producto: 611710 Chales, pañuelos para de cuello, bufandas, mantillas, velos y artículos simil., de punto. Unidad: Dólar americano miles						
Importadores	Valor importado en 2016	Valor importado en 2017	Valor importado en 2018	Valor importado en 2019	Valor importado en 2020	Porcentaje importaciones 5 años
Mundo	1089516	1067402	1072764	1023816	963285	100%
Estados Unidos de América	190521	160836	156054	151282	117376	15%
Alemania	127233	120893	110579	98668	91272	11%
Singapur	5716	7567	11506	11390	64744	2%
Francia	73654	71042	75085	68174	52940	7%
Reino Unido	68124	68959	65328	58147	50553	6%
Rusia, Federación de	16608	19076	19728	22517	33642	2%
Japón	44491	46160	50417	45713	33267	4%
Países Bajos	33310	27849	35408	34960	32744	3%
Emiratos Árabes Unidos	7983	11754	9380	10199	32651	1%
Italia	40139	40690	48102	39568	30933	4%

Source: (Trademap, 2021)

As stated in the previous figure, the markets that imported the most shawls and similar garments woven in the period between 2016 and 2020 are the United States, Germany, Singapore, France, and the United Kingdom. This means that among these countries there is a greater opportunity of acceptance of macana. From the latest data collected in Trademap until April 2021, despite existing a decrease in imports of the subheading from 2020 to 2021, it is observed that Germany is the country that has imported the most in the first quarter of 2021.

Figure 4 Top importers of subheading 611710 in 2021

Lista de los importadores para el producto: 611710 Chales, pañuelos para de cuello, bufandas, mantillas, velos y artículos simil., de punto Unidad : miles Dólar Americano								
Importadores	Valor importado en 2019-T2	Valor importado en 2019-T3	Valor importado en 2019-T4	Valor importado en 2020-T1	Valor importado en 2020-T2	Valor importado en 2020-T3	Valor importado en 2020-T4	Valor importado en 2021-T1
Alemania	8721	41351	36041	11055	11180	32860	35526	11687
Estados Unidos de América	17092	84788	36978	11355	11670	49691	44660	9213
Reino Unido	6151	18605	22977	9982	3230	17250	20722	7379
Francia	7882	25845	25622	6210	7024	19171	21556	6387
Países Bajos	2909	19630	12726	3162	3645	15063	12926	6086

Source: (Trademap, 2021).

2.2.2.4 SWOT analysis

SWOT analysis is an instrument that allows us to identify the strengths, weaknesses, opportunities and threats of the product and the company offering it, this means the internal and external factors of a situation that is preferably prevented, improved or innovated. This tool is also known as SWOT analysis and works for developing a business strategy and decision making. This analysis gives an orientation to recognize the strengths of the organization in terms of resources, product quality, etc., which should be supported in favor of the promotion of the product, simultaneously recognizing what opportunities may be profitable in the market for the company, such as new market spaces, new trends and more. On the other hand, analyzing weaknesses will allow proposing a plan to minimize the negative features that the company has and facing threats that arise in the environment. SWOT analysis is beneficial to evaluate the positive and negative factors on a situation to see the full picture while decision-making regarding the product or the company. This analysis can be applied as a preliminary study for sales strategies, advertising, logistics, positioning, among others (Riquelme, 2016).

To perform a SWOT analysis, a space must be found to work the quadrant, which is divided into 4: strengths, opportunities; weaknesses, and threats. The factor that wants to be improved must be identified internally and externally. Therefore, it is important to consider what the goal of the study is, the background and omit vagueness that does not contribute to this objective. It is advisable to collect the information in bilaterally, first the positive aspects and then the negative ones by brainstorming. According to OCCMundial (2021), it is important to consider and include the proper concepts for each quadrant:

- *Strengths*: These are the aspects that provide competitive advantages to the product or company, these can be abilities, aptitudes, attitudes, skills, experience, knowledge, resources that the company has, among others.
- *Opportunities*: These are the factors that are beneficial in the company's environment, circumstances that can be taken advantage of, such as technological or social changes from which the company can benefit.

- *Weaknesses*: These are the factors that can cause a disadvantageous position when facing competitors. These are aspects that need to be addressed or improved
- *Threats*: These are the aspects that come from the environment that compromise the stability of the company or the product. They can prevent goals accomplishments, they can be actions carried out by competitors, risks that threaten the implementation or promotion of the product (OCCMundial, 2021)

To know the strategies that should be implemented in the artisan sector of the macanas, the internal and external factors will be analyzed based on the SWOT chart and the aspects that have been observed during the research classifying them by strengths, opportunities, weaknesses, and threats:

Figure 5 Macana SWOT Matrix

SWOT analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Garments with original designs. • Garments with unique embroidery applying the Ikat technique. • Great creativity and skill of artisans • Experience of artisans in technique. • Quality of the garments. • Support from the local authorities. • Existence of sectors that can be assembled to produce. • Easy adaptation to current trends. • Competitive prices. • Preservation of ancestral culture and traditions. • National recognition. 	<ul style="list-style-type: none"> • Deficiency of government support. • Few artisans with the interest of continuing in the elaboration of the garments. • Low associative and organizational level. • Informality. • Difficulties in financial accesibility • Resistance to change • Limited advertising presence compared to other competing companies. • No articulated market strategy existing. • Limited human resources • Lack of knowledge of the application of international quality standards. • Weak positioning of handicrafts in the tourism sector and the international market. • Little knowledge about productivity methods and techniques. • Little articulation of the marketing chain.

<ul style="list-style-type: none"> • Raw material available nationwide. • Low labor cost. 	<ul style="list-style-type: none"> • Insufficient marketing channels. • Low scale of handicraft production. • Little development of artisanal products brand at national scale. • Few sale points of handicrafts. • Little public knowledge of sale points of handicrafts.
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Threats	Opportunities
<ul style="list-style-type: none"> • Competition with handicrafts that have great positioning in the market, such as the toquilla straw hat. • New companies with similar products that could start exporting. • Growing competition • Low-quality imitations. • Competition from low-quality, lower-priced substitute products • High logistics cost • Loss of identity uses and customs which hinders the transmission of knowledge about the elaboration of the garment. • COVID-19 and the decrease in tourists in Gualaceo. • Little investment in the craft sector. • Discontinuity of policy making and change of authorities. 	<ul style="list-style-type: none"> • Interest in improving the current situation • Increasing demand for artisanal products. • Increasing demand for handmade products. • Acceptance in the German market for organic, sustainable, recycled products, with natural dyes. • Existence of a marketplace for traditional, cultural, handmade products. • Existence of international fairs that promote handicrafts commerce. • Existence of NGOs that help artisans and small producers with training, and international cooperation organizations that provide resources. <p>Fairtrade trends, good practices, and social-environmental responsibility on the part of organizations.</p>

Source: Own authorship

As stated before, the most important aspects to emphasize of the macana are its quality and technique and being an artisanal product would make it possible to obtain a lot of value in international markets, in addition to its striking designs. Before the pandemic,

artisans mention that macana's sales were mostly done by foreign tourists who were attracted by the striking designs and the way the garment was made, therefore, there is a good opportunity to export the product. While there is the will of artisans to improve the promotion of their product, to also improve the economic situation of communities that were affected by the COVID-19 situation, there is also a remarkable weakness, which is the lack of participation, and competitiveness between artisans, which have not allowed the previously formed associations to succeed. As a factor that needs to be addressed, as associativity and union could allow them to register a collective mark and thus stand out and produce enough to reach international markets. Due to this, municipal and government support is essential because one of the weaknesses is the lack of economic resources needed to create a collective brand and a complementary slogan, and educational training for foreign trade issues. Therefore, as a strategy it is important to first study what is the appropriate market to export the macana as well as what distribution method would be the most appropriate and favorable for artisans.

2.2.3 Selection of target markets

The selection of target markets appeals to where we are heading to, at this stage of the international marketing plan the choice must be made on whether a market diversification strategy or a concentration strategy is most suitable. The concentration strategy is based on choosing a small number of markets and putting all the commercial effort into them and generating a certain level of incursion in the selected markets. On the other hand, diversification is the choice of many markets based on growth and sale in more markets without achieving a high level of incursion in each of them (Llamazares, 2018, p. 37)

Llamazares Olegario recommends in his book *International Marketing* that in the cases of companies that offer raw materials, semi-invoices, and industrial products the best way to select a target market is under the diversification strategy, while for companies that sell branded final products and services it is more convenient to opt for the penetration strategy. In addition, he mentions that it is better to start by analyzing as economic areas rather than individual countries. The initial filter should use criteria such as: proximity, economic stability, and predominant language (2018).

For our product, the macana, the market concentration strategy was chosen, selecting a small number of markets to focus the commercial effort on them hence, achieving a certain level of penetration. This brings up the following advantages:

- Greater knowledge in the chosen markets
- Possibility to provide a differentiating adaptable product.
- Less logistics and administrative costs.
- More resources directed to advertising and promotion in each market.
- Customer risk control.

These are the criteria that should be used according to Olegario Llamazares to select a target market. The same that should determine, in a matrix, the most convenient market or markets.

Figure 6 Criteria for selecting a market

Market potential	Risk and accessibility
Country's economic growth	Customs barriers
Per capita purchasing power	No duty barriers
Volume of imports	Commercial risks
Import growth	Ease of doing business
Exports of the company's country.	Transparency and corruption

Source: (Llamazares, 2018, p. 59)

Once the SWOT analysis was carried out and the current external situation is studied, the conclusion is that the macana could have a chance of positioning itself strongly in the European market, due to its unique features of fabric and designs that competition rarely provides. Another market in which the macana could enter, would be the United States due to the growing trend of importation of wooden products in this market, although consequently to the crisis brought by the Covid-19 pandemic, imports fell, existing a gradual increase in imports since 2020's third quarter, as shown in Figure 6. To carry out the comparative analysis of the criteria to choose a target market, Germany, France and the United States will be considered as alternatives to determine

which countries are among the best options, consequently, which will be our main target market. The European block formed by Germany and France, countries that constitute the European Economic Community and member states of the European Union (EU), are optimal countries for the macana due to the trade agreements already in force between Ecuador and the EU, which promote free trade, with the reduction / elimination of tax barriers, increasing trade cooperation between the European bloc and our country. Despite that, it is necessary to determine which of the 3 countries is the most favorable, in order to answer that, the following figure will be analyzed:

Figure 7 Criteria for selecting target markets

Criteria	Germany	French	United States
Market potential			
Economic growth of the country	4.2%	4.2%	6.80%
Purchasing power per capita	53694,4 USD	46227USD	66543,6 USD
Import volume	91272 USD	52940 USD	117376 USD
Import growth	-9,00%	-9,00%	-3,00%
Export from Ecuador	0	0	756 thousand USD
Accessibility and risk			
Tariff barriers	0	0	1
Non-tariff barriers	1	1	1
Commercial risks	A3	A3	A2
Ease of doing business	22	32	6
Transparency and corruption	9	23	25

Own authorship. Data taken from the World Bank, COFACE y Transparency International.

According to the World Bank's 2021 economic outlook, the global economy should have expanded by approximately 5.6% in 2021. The United States and the Euro Zone lead economic growth with 6.8% and 4.2% respectively. Therefore, those would be

the alternatives introduced for target markets, if such criteria of economic growth is met, otherwise the company would have greater risk when negotiating with countries whose economic growth was negative. Similarly, the analyzed data show that the purchasing power (GDP per capita) of the United States and Germany are the strongest. Similarly, according to the tax factbook for woven garments, the main importing market is the United States, followed by Germany, although the second one does not have any imports of this heading from Ecuador, thus, it would be a good opportunity to enter this market since positioning itself as the second importer would be an excellent customer (World Bank Group, 2021).

For the accessibility and risk criteria, tax barriers were considered, this include taxes that must be paid to export the product, no-tax barriers which are the qualitative requirements that the exporter must take as labeling, and quality rules before doing business with a country. In addition to these criteria there is also commercial risks, such as transactional risks for payment time or exchange rate. To understand the commercial risks, the country risk is taken as a reference, classification carried out by the company COFACE, in this classification risk levels ranging from A1, A2, A3, A4, B, C, and D are established, with A1 being the most solvent and D a high level of economic and political risk, potentially having a negative impact on payments. Similarly, the tax factbook of doing business is an indicator that allows acknowledging aspects such as regulations and legal regulations and if they tend to be favorable for business implementation and development. This is measured by a World Bank Ranking among 189 countries, classifying and ordering them from highest to lowest degree of ease of doing business.

The last criteria within the matrix are transparency and corruption, which considers the ethical aspect of doing business with a country, such as transparency regarding information, regulations, corruption, bribery among other organizations. Transparency International is responsible for classifying a ranking the countries from least to most corruption (Llamazares, 2018, p. 63). When all the information mentioned above has already been gathered, it needs to be evaluated, therefore, scores are awarded to each country so that the total obtained allows a classification of the evaluated countries. This matrix uses weighting coefficients and a score scale for each criterion. 4 weighting coefficients are established:

- Coefficient 0: the criterion does not apply.
- Coefficient 1: less relevant criteria.
- Coefficient 2: important criteria.
- Coefficient 3: very important criteria.

The next step will be to evaluate the gathered information by establishing a scoring system that allows comparing countries. It is proposed to use a scale of 1 to 5, in which 1 indicates very unfavorable conditions in the application of the criteria and 5 very favorable conditions (ibid.).

- 1: very unfavorable conditions.
- 2: unfavorable conditions.
- 3: neutral conditions.
- 4: favorable conditions.
- 5: very favorable conditions.

Figure 8 Country selection matrix.

Coef.	Criterion	Germany		French		United States	
3	Economic growth of the country	4	12	3	9	5	15
2	Purchasing power per capita	4	8	3	6	5	10
2	Import volume	4	8	2	4	5	10
1	Import growth	4	4	3	3	5	5
2	Export from Ecuador	3	6	2	4	5	10

3	Tax barriers	5	15	5	15	2	6
2	No-tax barriers	4	8	4	8	4	8
2	Commercial risks	4	8	4	8	4	8
0	Ease of doing business	0	0	0	0	0	0
1	Transparency and corruption	5	2	5	3	5	3
	TOTAL	71		60		75	

Own elaboration.

Based on the previous chart, we can deduce that the most attractive markets to export the macana are the United States and Germany. Both present favorable conditions, both economies have a growth trend as well as the purchasing power of their citizens. In aspects such as ease of business and transparency, the two countries are among the top 25 in the ranking so commercial risks are minimal. However, German, and American consumer profiles should be considered, as well as establishing logistical convenience and export costs. Germany is a very attractive market, with specific spaces that open opportunities to Ecuador to enter with artisanal products such as Macana. The United States, despite presenting tariff barriers for textiles, the geographical location, and the flow of tourists and migrants who could find in the macana more than a garment, an emotional value would benefit the acceptance of the product in the country.

2.2.4 Entry form

Once the target markets have been selected, it must be considered how the Macana is going to arrive to said markets. At this point, it is important to analyze how to enter each market, and how to reach the client. For small businesses, there is usually one entry form or a maximum of two, while for multinationals and large companies there could be present in several countries with up to six different forms of market entry. Once the decision on the entry form is made, a description of the profile of the client,

the partner, or intermediary that is most suitable for strategic marketing in the selected space is made (Llamazares, 2018, p. 38).

As the association of artisans of the Macana is a limited group, whose business is relatively small, it is convenient to choose a single form of entry. The selected target market were Germany and the United States. This is due, among several factors, to the fact that both are countries with the highest purchase rate of woven products and their great acceptance of handicrafts by their nationals. Now, once the target market has been selected, the next step is to choose which will be the most suitable entry form to introduce our product to the international market. According to Llamazares 2016, there are several alternatives for entering international markets, which will be described below:

- Direct export: The sale is directly performed from the company to the customer coming from its home market to customers in the destination markets. Within the direct exports, there are three alternatives, direct sales through a commercial team to end customers, sale to large retailers, and sale through the Internet.
- Indirect export: For this type of export, it is necessary to collaborate with an intermediary that resells to retailers or the final customer, for example, commercial agents, distributors, or trading companies.
- Cooperation agreements: This form of entry into international markets operates through partnership with whom to share risks and benefits, in this category, enter licensing agreements, piggyback, franchises, and joint ventures.
- Implementation: Its goal is to be present in the foreign market and carry out a commercial activity, as is the case of delegations and commercial subsidiaries.

Because of the great development of the world market, which has been distinguished by great liberalization and homogenization, it has become practically essential to cooperate with other companies to be present in several countries simultaneously, especially when we talk about small and medium-sized companies, which often do not have the necessary resources to introduce themselves directly in a foreign market.

Therefore, it is necessary to cooperate with a local company to facilitate market entry or have an intermediary whose knowledge and experience makes the product reach the customer.

For macanas exportation, we have considered indirect export as the best option because the artisans do not have enough experience to handle the entire process of entering an international market on their own, so it is optimal to have an intermediary who resells the product and maintains the necessary connections abroad to position the product. This decision has been taken based on a series of arguments that we have considered extremely important, such as:

Figure 9 Arguments in favor of indirect export

Arguments in favor of indirect export as a form of entry
1. More experience in export and distribution. Through cooperation with an previously established intermediary in the target market, which specializes in the distribution and sale of similar products, this facilitates the entry into the market and gives a good image for the company to be able to ally with an already established intermediary.
2. Indirect exports generate more sales. By establishing a commercial relationship with an intermediary who already knows the target market and whose network of contacts is already developed, the macana can access it in a faster way. the positioning of the product takes less time thus, the immediate and long-term sales will be greater.
3. Reduces commercial and operational costs for artisans. In this case, the importer also carries out the logistical activities. The work does not fall exclusively on the exporting company.

4. Reduces the level of risk. Because the distributor is the one who buys the product directly from the local company, to later sell it in the target market. The distributor is the one who assumes the risk of operations abroad, which consequently reduces the risk for the local company.

5. The degree of commitment is high. A long-term relationship is generated providing more commitment and trust between the company and the distributor.

Own elaboration.

Source: (Llamazares, 2018)

German Consumer Profile

Germany is part of the European Union, positioned as one of the most prominent economies in the world and mainly within the EU. The country has remained among the top importers and exporters behind China and the United States. As for Peru, Germany has remained for the last 5 years among the most relevant destinations for its exports. This could be considered as an opportunity to achieve Ecuador's presence in the German market.

According to the Ministry of Foreign Trade and Tourism of Peru, the German market is very competitive since it aims that the offered products rely on good quality and affordable prices. Germany's quality requirements are binding from the moment the product is processed until it reaches the hands of the consumer. This means that there is control throughout the production process. The objective of the government entities of health and consumer protection is to ensure that the products that are going to be introduced in the market do not affect the health of their citizens and consequently that the products have the best presentation and the best finishes with reasonable prices. The German market values the protection of the environment, biodiversity, and sustainable development so it supports products that are made under standards that do no harm and protect the ecosystems of each country and favor the development of regions and communities (2021).

In the clothing and apparel sector, value for money is a key aspect, consumers whose purchasing power is low and medium focus more on the price factor than on distinguishing fabrics' different qualities. However, it is also true that if the product is what the consumer is looking for and is a good quality product, the price factor loses importance, and the added value of the piece stands out. The German consumer is interested in the versatility of garments that can be used on various occasions, that is, they can be both formal and casual. Another aspect that stands out when choosing a garment or clothing by German consumers is the novelty and ethical confection, that is, the manufacturing method, the materials used, whether they are organic, sustainable, recycled, with natural dyes, if they support fair trade, and above all the history behind the product, the bond garment/artisan origin and the path it has gone through to reach the consumer, the chances are better to be accepted in the German market (Ministerio de Comercio Exterior y Turismo, 2021).

These aspects are an opportunity for the macana because its elaboration process has no effect on the environment and its purchasing contributes to the development of the communities in Gualaceo canton and would help the artisans to recover from the economic loss caused by COVID-19. Additionally, it generates more interest in the new generations to continue with this traditional knowledge in the Ikat technique.

According to a report by Santander Trade, the German consumer tends to compare prices quite often, so they frequently buy in outlet stores. Also, offers and sales influence greatly the purchase decision and, therefore, Germans do not hesitate to visit several sale points to take advantage of the most attractive prices. This consumer has very strict selection criteria, depending on the type of product he/she is willing to buy. For long term consumption goods, the most important thing is safety and quality, prestige, comfort, convenience, and price. For daily products, the only determining criterion is price. However, Germans continue to prefer premium products with high added value. Additionally, there is an increased interest in goods that are identified as ecologically friendly. Mainly in higher income strata, Germans have a special interest in products that provide health benefits and value product traceability.

According to data from Euromonitor, German consumers bet more frequently on fair trade products (PromPerú, 2014). Therefore, the macana being a durable good, promoting the appreciation of culture worldwide and supporting the artisan sector of

communities; it will fit into the German market so that the German consumer is willing to pay much more attention to the quality of the product, originality, and authenticity of each garment for purchase (PromPerú, 2014).

American Consumer Profile

The United States is among one of the most attractive markets for the commercialization of handicrafts, according to Legiscomex (2013), this market amounts to approximately USD70,000 million. Mainly, handicrafts are acquired by people who appreciate handmade products, with a high degree of education and income, and frequent travelers. There is also an important market among collectors and those interested in art. U.S. consumers who buy handicrafts are characterized by having spaces to display products in their homes, having preferences for handmade products, having a high cultural level and interest in diverse cultures, and considering them valuable, having annual incomes over USD30,000. In addition, they are characterized by appreciating the original, the exotic, and the art. The consumer considers that the crafts reflect knowledge and experience. On the other hand, Latinos or Hispanics living in the U.S. seek handicrafts to highlight their traditions and identity (Legiscomex, 2013).

Among the cities with the greatest acceptance of handicrafts we find New York as the epicenter of sale and specialized consumption of contemporary crafts and decorative objects; California is the entry point for handicrafts from Mexico and Asia; finally, San Francisco, which is one of the cities with the largest number of stores selling handicrafts and decorative objects of with these characteristics. According to a report by Peru's National Directorate of Handicrafts, U.S. consumers are increasingly likely to invest in sustainable, environmentally friendly, fair trade-oriented products made with ethically correctly sourced raw materials and socially responsible companies. The features that U.S. consumers are looking for in their products according to Legiscomex are:

- Recycled, reused, or reusable materials.
- Natural materials and finishes.
- Organic materials.

- Packaging made with environmentally friendly products.
- Sent efficiently
- Locally produced.
- Products with natural or botanical motivation.
- Natural finishes.
- Green.

The macana is a craft that meets many of the features abovementioned, it is a product produced locally in communities of the province of Azuay, its materials are organic, the inks are extracted naturally and have a unique social value and are part of the identity and culture of Ecuador. Entering this market, especially in New York as one of the states with the highest concentration of Latinos, Hispanics, and tourists from all over the world would lead to the internationalization of this garment, allowing it to be progressively known and its sales would raise considerably, helping artisans to grow production, as well as their income and simultaneously, it would avoid this ancestral knowledge of its elaboration to get lost in oblivion.

Trading conditions

Part of the process of internationalization of a product are the terms in which the sale of the product in the international market is done. That is why international negotiation is used and established between parties from different countries, taking place in different markets. In a globalized world, international agreements are increasingly celebrated thus there is a growing need to find international allies or partners that help position products in the international market, supporting their sales strategies. The importance of finding partners from other countries lies in their knowledge regarding their local market and works as a bridge between foreign companies and the national public or, between foreign companies and the authorities and administrations of the market where they want to enter. (EAE Business School, 2021)

The most common forms of international negotiation according to EAE Business School (2021) are the following:

- International sale of products or services: Agreements through an intermediary or neutral agent that facilitates, promotes, and endorses any agreements between the parties.
- Strategic alliances: Merger or synergy established between two or more companies from different countries, and that implies the entry of any of them (or all) in different markets.

Within the agreements reached in the negotiation, a relevant and essential factor in international trade, the Incoterms, must be considered. Incoterms are terms of International Trade, as its name states, these are terms and requirements that take place in international trading activity. They stipulate when the transmission of risks happens and the cost of obligations between the agents both seller and buyer. In the Incoterms, the responsibility of the parties is determined by delivery conditions, distribution of expenses, customs procedures, transport, insurance, and the assumption of risks. As of January 1, 2020, the Incoterms that regulate international operations are the "Incoterms 2020". According to DHL (2020), these are classified into the following groups:

- **GROUP E (DIRECT DELIVERY)**

- EXW – Ex Works: The buyer collects the goods at the seller's warehouse and is responsible for all expenses, transportation, risks, and documents.

- **GROUP F (INDIRECT DELIVERY)**

- FCA – Free Carrier: The seller delivers the goods to a site in the country of origin that is previously agreed with the buyer and takes care of all expenses and procedures until it is delivered at that point.
- FAS – Free Alongside Ship: The seller delivers the goods to a port or dock agreed with the buyer, next to the ship. As soon as the goods are delivered, the responsibility relies on the buyer.
- FOB – Free on Board: Exclusive for maritime transport, delivery is made onboard. The buyer is responsible for deciding as soon as the goods arrive at the port.

- **GROUP C (INDIRECT DELIVERY, PAYMENT FOR TRANSPORT)**

- CFR – Cost and Freight: The seller is responsible for the expenses and transport of the goods until they reach land, but not for the risks.
- CPT – Carriage Paid to This term is multimodal. The seller assumes all expenses until the goods reach the agreed destination. But the buyer assumes the risk once it is delivered to the carrier.
- CIF – Cost, Insurance, and Freight: The seller assumes all expenses, including transport and insurance, until delivery at the agreed point. The risk is assumed by the buyer at the time the goods are on the ship.
- CIP – Carriage and Insurance Paid: The buyer assumes the risk from the moment the goods arrive at the point of delivery, but the seller assumes the costs of the insurance.

GROUP D (DIRECT DELIVERY ON ARRIVAL)

- DPU- Delivered at Place Unloaded: The seller assumes all expenses and risks until the goods are delivered at the agreed point.
- DAP – Delivered at Place: The seller bears all costs and risks until the goods are delivered to the buyer. The buyer bears the costs related to the importation of the goods.
- DDP – Delivered Duty Paid: In this term, the buyer is not responsible for any expenses, all expenses and risks are the responsibility of the seller until the direct delivery of the goods (DHL, 2020).

For the sale of the macana and the benefit of the weavers, due to the lack of experience and knowledge in exports, the best option is the negotiation with the Incoterm Ex Works, in which, the importer will take care of the risk and costs of the export, the artisan should just deliver the good in his workshop or the place agreed with the buyer. This considers that one of the main problems of artisans is the lack of resources to take their crafts to other markets, added to the lack of knowledge in processes and requirements of exports. Therefore, to start with the sale of your macanas abroad, it is convenient to make agreements with an intermediary agent who introduces the product to the market. Additionally, taking care of the risks and logistical expenses of transporting the merchandise to the target market.

2.2.5 International marketing-mix policy - What will we offer to the market?

The actions are taken by the target market area are a key step. In the stage of the Marketing-Mix Policy the price, product, distribution, and communication are analyzed. These are the main steps; it must be chosen between standardization and adaptation alternatives. Standardization is based on selling the same product without variations in foreign markets, while adaptation consists of adapting the most important attributes of the product to each market. In the adaptation, both legal aspects and the needs of the clients must be considered. For the macana, a standardization strategy will be the choice to go since the product will be the same, in the aspect of the language this will be adapted to the target market, due to the labeling requirements in each country (Llamazares, 2018, p. 39).

To define the price at which the product shall be offered, it should be considered that a calculation of the price must be made incorporating production, logistics, and customs costs, intermediation and also taking into account issues of commercial risk and exchange rate. On the other hand, the distribution must be planned to depend on the country of destination and the distribution channel chosen, and the logistical aspects that affect the international marketing plan (ibid.). As the best-recommended alternative for artisans is the Incoterm EXW, logistics expenses will no longer be a value to consider in the price of the product, but production, administrative, and other costs.

To finish this stage, the international communication policy of the product must be defined, this goes hand to hand with other factors such as the brand, the logo, and the promotional message that is used. It is required to select the most convenient tools which can be:

- *Offline communication*: It is more often recognized as traditional marketing, which includes commercial missions, samples, advertising in magazines, points of sale, attendance at fairs, among others.

- *Online communication:* In a globalized and advanced era in technological issues, digital marketing is strategic and much more since the COVID-19 pandemic as the most used methods were digital both to communicate and to sell. In this type of marketing, social networks, e-mail marketing, blogs, video marketing, affiliate marketing, etc. stand out.

Figure 10 Marketing Policy - Mix Macana

Marketing Policy - International Mix	
Product Policy	Add eye-catching packaging that showcases the essence of the macana so that customers are drawn to the product and the artisans. Packaging will be environmentally friendly; made of cardboard, with low paper use. This takes into account that, in March 2019, the EU decided to ban the sale of disposable plastic products from 2021. On the packaging, the qualities will be shown, and a small story and photo of the craftsman who wove the macana will be put in the language of the destination country. The purchase should be an experience.
Pricing Policy	Regarding the price, it depends on the positioning in each market that the company wants to reach. For example, the pricing strategy of the macana is focused on offering standard prices according to the results of the study of the German market. The goal is to introduce the product with an average price to increase market share and therefore fitting the product in the consumers' minds. Another goal is to focus on its quality, which could allow to face competitors and recover the initial investment. This constitutes a great market opportunity for the macana, taking advantage of the fact that it is a handmade hand-woven garment, it can be positioned in European markets as it is a sector where these characteristics are appreciated.

Marketplace Policy	A direct contact is aimed with an intermediary who helps positioning the product in craft stores and in places where they have great influence of economically active people, to be able to get demand for the product.
Promotion Policy	To be able to promote the macana online and offline it is necessary to use the Internet through social platforms, which will attract young people and adults abroad. An internationalization plan will be developed, that is, a business plan for the company's activities in foreign markets. An action plan will also be drawn up to be able to address and develop the presence of the product in foreign markets. This will facilitate cohesion among all the people of the company involved in the international work. It also seeks to present the macanas at international fairs. Another strategy of promotion of the product would be including a QR code in which you redirect to a web page where you can appreciate the artisans who wove the garment and its history.

Source: Own elaboration

2.3 Recognition of traditional knowledge on macana

The next step after the Declaration of Intangible Cultural Heritage granted in 2015, is the recognition of traditional knowledge on the designs of the macana. This recognition would be another boost for the communities that live from the production of this product, not only because it would generate added value to their work, but also because it supports knowledge, innovation, and practice of the communities of the Gualaceo canton. The macana is a hand-embroidered fabric, made on rustic looms, dyed with natural dyes, making it a well-deserved candidate for the recognition of traditional knowledge. The macana is part of the clothing and symbolism of the Ecuadorian people and especially for the people from Azuay. Consequently, the macanas constitute a clear aesthetic and utilitarian intentionality, which translates into exclusivity and authenticity of the pre-Hispanic tradition.

2.3.1 Requirements and procedure for voluntary deposit of traditional knowledge

Before knowing how a voluntary deposit registry of traditional knowledge can be made, it is imperative to know the purpose of it. In this way, it is a procedure aimed at the protection of knowledge that may or may not be associated with genetic resources exclusive to peoples, communities, indigenous nationalities, Afro-Ecuadorian people and Montubios of Ecuador, applicable to natural persons. In both public and private law, the procedure can be set both confidential and public (SENADI, 2020). The main goal of this repository is to avoid illegitimate appropriation of a cognitive collection, as well as serves as a verification method for the recognition of collective rights in the field of intellectual property that could be infringed (SENADI, 2020).

To carry out the procedure the requirements are:

1. Application for Voluntary Deposit of Traditional Knowledge and/or Associated with a Genetic Resource.
2. Sample of the plant and/or animal on which the associated traditional knowledge is based
3. Photo of the sample.
4. Copy on CD in case of a deposit related to a piece of cultural expression music and/or dance.
5. Consent letter of voluntary deposit.

In addition, the procedure can be carried out both online and in-person at the SENADI offices, for this, the following steps must be followed:

1. Fill out online or in person, the application for Voluntary Deposit of Traditional Knowledge and/or music associated with a genetic resource.
2. Submit the application online or at the SENADI service points (Quito, Guayaquil, and Cuenca).
3. Collect a sample of the plant and/or animal on which the associated traditional knowledge is based.
4. Enter the collected sample to SEND.
5. Submit/Send a photo of the sample.
6. Deliver a copy on CD in case of a deposit related to a piece of cultural expression and/or dance.
7. Pick up the certificate of Voluntary Deposit.

However, this procedure may vary according to specific characteristics that a particular procedure may entail (SENADI, 2020).

2.4 Recognition of copyright in individual macana designs

Many of the artisans who have been working for several years in the craftsmanship of the Macana have been able to adapt this garment to new trends creating exclusive and original designs. Although many of the macanas wear similar patterns, some garments carry impregnated designs requested by clients and even brand-new portraits woven in it, giving a special added value to the garment. The exclusivity and individuality required for the copyright on this artistic work materialized in the designs of each macana to be recognized. Unfortunately, a large percentage of artisans are not even aware of the advantages of registering their designs, and even less about the process to do so. This has caused to their designs to be replicated several times without giving credit to their work. It constitutes a great need for artisans to know about the process of registering an artistic work and its requirements, which would facilitate that over time this process becomes something regular among the community and in case their works are replicated without their authorization. The artisans can take measures so that their moral and patrimonial rights over their works are effectively recognized.

The copyright regime will give the author of the work the power to authorize or prohibit the use of the work by third parties. Among the rights that the author has over his works is disclosure, which means an authorization to make the work available to the public and how he/she will do so. Another right is the work's integrity, since the author may oppose variations, modifications that are made to his work without his/her consent. The author has the power to demand the recognition of his authorship in a work when it is communicated to the public, in addition to having the right to withdraw from circulation his/her work's copies. (Gobierno de la República del Ecuador, 2021).

2.4.1 Requirements

To start a process of registration of works it is necessary to recognize what type of work is the one that needs the recognition. The process starts with the entry of the

online registration application on the SENADI website and will end with the issuance of the registration certificate. In the case of macanas, the author's work is the designs in each garment, so it is an artistic work. The requirements according to the National Intellectual Rights Service are:

- Application for registration of artistic works and an additional copy.
- Proof of payment of the corresponding fee made at Banco del Pacífico and the submitting receipt used for payment at the bank, the cost is USD 12.00.
- If the work to be registered is a painting, portrait, drawing, bust, sculpture, a photograph of it must be accompanied.
- In the case of plans, sketches, maps, photographs, a photocopy of them must be attached and the number of photocopies must be recorded at the end of the title.
- If the holder is a legal entity, a document must be attached to prove legitimate legal representation (such as appointment, RUC, contracts, etc.).
- For special cases, a financial certificate may be attached for discounts, assignment of economic rights if this is the case, and a copy of appointments or contracts under a relationship of dependency (Gobierno de la República del Ecuador, 2021).

2.3.2 Procedure for the recognition of an artistic work

To start with the procedure, direct advice can be requested from the Copyright Registration Unit. Next step is the application form that available online and has to be filled at the following link: <https://registro.propiedadintelectual.gob.ec/solicitudes>. On the aforementioned page, you must enter PROGRAM / SERVICES and then enter the virtual locker. The registered email will receive a link to access MY LOCKER and a password must be entered. Once this process has been completed, the application data is filled in the ONLINE APPLICATIONS option on the SENADI home page. The login is registered with the credentials and then one must go to registration, copyright applications, and choose the option registration of ARTISTIC AND MUSICAL WORKS. A template will be displayed in the system for filling in the data of the author and his work, once the template is full it must be saved and go to the option GENERATE PROOF OF PAYMENT, later the value of USD 12 must be canceled at the Banco del Pacifico. The form together with the proof of payment and the work must be delivered to the Sub-Directorates of the National Intellectual Rights Service.

When the process has been concluded, the person concerned must pick up the registration certificate (Gobierno de la República del Ecuador, 2021).

CHAPTER 3: CONCLUSIONS AND RECOMMENDATIONS

3.1 Conclusions

Finally, it can be concluded that despite the macana is a craft that has been elaborated for several years in the canton of Gualaceo and its technique has been transmitted for several generations, it has gone unnoticed for a long time. Even when it has played an important role within the communities of the region. It has not been deeply worked to display its potential to the rest of the country and worldwide. This piece has features that makes it a candidate to be promoted in international markets, which have an interest in the history behind the elaboration of the goods they acquire, in the originality, creativity, and adaptability of this garment to all occasions.

After having analyzed the main concepts about intellectual rights it can be deducted that the elaboration technique of the macana, the Ikat, could be protected by three ways; the first, their traditional designs through the tangible forms of traditional cultural expressions; the second, their artistic works or collective works from the figure of Copyright, and finally from the commercial point of view, through a collective mark that allows the grouping of artisans dedicated to the elaboration of macana who wish to profit from the advantages of associativity such as the export of their products identified through a distinctive sign. This being a previous step for an eventual declaration of Denomination of Origin. This will allow the macana to have legal protection and that its artisans have recognition for their artistic and technical works, as well as having a better exhibition in the market, being more striking for Ecuadorians and foreigners.

On the other hand, Ecuadorian law allows traditional knowledge to also obtain its proper protection. The legal institution used for this purpose is the voluntary deposit of traditional knowledge. The same that counteracts against the improper uses or appropriations of this knowledge that has been transmitted from generation to generation. Some of the tangible forms that can be protected by this figure are clothing, drawings, works of art, fabrics, designs, tapestries, crafts, and more. This way, the well-known macana, a craft that embodies a special technique transmitted by the ancestors of the artisans, which includes original designs of the artisans, being new creations and original designs adapted to garments, copyright can come into action to

protect these creations and innovations. This would allow authors to have recognition over their works not only morally but in a patrimonial aspect as well, allowing an economic compensation in case a third party made use of their designs.

In the case of the collective mark, being a distinctive sign, it would open better opportunities for associations, which until now has remained mostly informal, to achieve a greater presence in various markets. This will redirect efforts towards a common interest through the application of quality standards and promotion of the product, also increasing sales and visibility to the public. The collective mark, being based on a regulation of use and an associative regime, guarantees compliance with the rules that its members themselves set in first place. Additionally, it allows to establish punitive measures in cases of non-compliance or disregarding, setting indicators and quality standards. In addition, the use of the collective mark will be limited to those who are part of the association, so that the use by third parties outside the group will be denied and may lead to legal effects.

There have been several success stories of collective brands, in Ecuador, the famous Salcedo Ice Cream, and in Latin America, in Peru the Ñari Walac Handicrafts, in Colombia the Fique Curiti brand and Mexico the Lacquer Profiled in a Gold brand of Pátzcuaro, among others. These examples have instituted the viability of the associativity of artisans to register a collective mark, demonstrating the improvement in access to markets with greater demand for products, the possibility of accessing financing or other types of support in the public and private sectors, improving competitiveness and ease at facing the demand, quality, and delivery times that the market requires. The collective mark would be an important step in working on the declaration of the appellation of origin. This requires the concurrence of natural and human factors as happened in the case of the Montecristi hat.

The traditional fabric of the macana with the application of the technique of Malay origin called ikat has become distinctive of the communities of Bullzhun and Bullcay of the Canton Gualaceo; however, some artisans are abandoning this work or avoiding dedication to it due to the absent government support and the complex economic situation they struggle with. They consider that dedicating themselves to less complex tasks might represent a greater economic income for their families. The distinctive feature of this art lies in its technique, considered one of the most complexes in the

world, which consists of knotting, weaving, warping, dyeing, and tying threads manually, with the use of instruments such as the urdidor bench, the waist loom, and the jahuan, which, together with purely natural dyes mostly, they make up unique, colorful, and shape-filled pieces. Although at first, the macana only fulfilled a utilitarian function to carry babies or food, later it would become a symbol of the Chola Cuencana, acquiring value and exclusiveness. Associativity is consolidated as a key factor for the permanence of this art, only through the formation of a single association shall it be possible to face current challenges such as counterfeiting, in which greater participation and artisanal promotion would be enhanced both nationally and internationally.

The Declaration of the Macana as Intangible Cultural Heritage in June 2015 by UNESCO, allowed to lay the foundations together with technical, social, and economic studies to establish the macana as a symbol of the Andean region. However, a marketing plan is needed to allow artisans to have a guide of strategies to use for entering different markets. Therefore, in this research, a marketing plan was developed based on the current situation of this craft, along with an analysis of the external situation that allows us to deduce what the conditions would be to the entry of the product to international markets, as well as the profile of the ideal consumer. With this analysis, it was concluded that the best ways to promote macanas, especially due to the current situation of distancing due to the COVID 19 pandemic and the growing demand for online stores, are social networks and web pages. Therefore, a common website of macanas weavers should be constituted in which the different garments that they elaborate together with their prices are exposed, so that both people from the country and foreigners, can acquire the products they want through a web page. To potentiate this tool, the creation of profiles on social platforms such as Facebook and Instagram is required, since these have much more visits.

For distribution in physical stores, work must be done to introduce the garments in artisanal portals in strategic places such as busy squares as done in Cuenca, in the artisan portal of San Blas, which along with the help of the authorities, could be replicated in the different cities of Ecuador. At an international scale, the ideal place to promote the Macana are airports, which would be a long-term plan, as to reach this spot, a series of requirements must be met, therefore having the economic capacity to rent a space in them. Thus, the best way to enter international markets is indirectly,

through a third party that is responsible for the contact with warehouses in the selected countries, and investment for distribution. This negotiation is called the international sale of products or services; therefore, it is convenient to make agreements through an intermediary or neutral agent that facilitates, promotes, and executes any agreements between artisans and potential customers.

To conclude with the analysis, it was determined that the most favorable markets for the sale of the Macana would be the United States and Germany since both the profile of the German and the American consumer fit with qualities such as the acceptance and preference of quality products, handmade, value-diffusing, environmentally friendly, that support communities and fair trade, which benefits the Macana that complies with these qualities. In addition, these two markets show favorable circumstances for doing business, the two countries are the main importers of woven garments and have good indicators such as the purchasing power of their inhabitants and a very favorable business environment compared to other countries. Although the United States would be the main selling target due to geographical proximity, this country has set taxes on textile garments, which increases logistics costs. On the other hand, thanks to the free trade agreement that Ecuador and the European Union maintain, the macana would enter Germany without taxes. In both cases, caution is a must in the labeling and packaging of the garment, so the presentation of the packaging of the macana. Additionally, to being in cardboard must carry the required labeling specifications on the outside, and a QR code that leads to the website of the association, so that the customer can observe how the garment has been made and can acquire more products online.

It is important to emphasize that the macana could not compete or enter international markets by volume since the productive capacity of the artisans is low, but its competitive factor is quality, so the most important step to follow is the registration of the collective mark, which will guarantee recognition and credibility to consumers. However, work must be done so that the artisans and the macana get more recognition and certification that support the quality of the garment and exploit the already existing attributes of the garment such as quality, history, technique, and artisanal values. Once the macana achieves a better position nationally and internationally, artisans will be encouraged to continue weaving and innovating and consequently, new generations will join this art.

3.2 Recommendations

- It is recommended that the municipal authorities of the canton of Gualaceo in their attempts to formalize and preserve the craftsmanship of the macana, make recurrent socialization brigades on intellectual rights and the benefits of associativity, to encourage all or most artisans to be part of the initiative to register a collective trademark.

- It is suggested that both, central government, and municipal authorities, carry out a financing project looking forward to promoting the development of craft activities that display the work of each of them through fairs, exhibitions, and events, in the first instance at the local level, establishing the bases so that later artisans are encouraged to participate nationally and internationally.

- To summarize registration procedures, both for collective marks, and for registration of artistic works, it is suggested to carry out the procedures online in the SENADI web portal, optimizing time and resources.

- Because artisans know little about registration procedures and legal requirements and formalities, it is recommended to turn to collaborations with law firms. Within certain universities, free legal advisory is given, to help the community, which would be beneficial for artisans who do not count on economic resources for the individual hiring of a lawyer.

- In the case of the macana, it is necessary to work on a preliminary study at the public or private level, which allows determining if in the geographical environment there are any natural factors that concur in the creation procedure, to link them to the human factor, constituted by the ability of the artisans for the fabric. Therefore, analyzing the viability of the application for a declaration of appellation of origin by some artisans' association or a decentralized government entity.

- Considering the information collected, it is recommended that artisans use the countries of Germany and the United States as market spaces since the profiles of

their consumers are appropriate, in addition to being the countries that import similar products the most.

- It is suggested to the artisans, to carry out long-term planning of the fabrics they elaborate, thus, maintaining available stock and guaranteeing a sustainable production with a solid offer to future customers, even if it is not of a large volume, to avoid experiencing a shortage of garments.
- For the packaging and presentation of the product and the brand, it is imperative to adapt the language of the labels and indications for washing and care, as well as the presentation's structure to meet the quality requirements of the international markets. As English is a universal language, translation of the specifications into this language is recommended. In addition, the packaging must be environmentally friendly, being the most recommended option cardboard.
- Artisans are encouraged to start their business with customers from abroad, in the EXWORK terms, as it allows the responsibility of export risks and costs to be assumed by the importer. The artisans would only oversee the delivery of the garments in the stipulated place, which would be their factory or store. This way, the artisans, who do not count on enough resources to enable exports in other terms of negotiation, can easily and less expensively enter international markets.
- Artisans are suggested to be instructed in the basic concepts of foreign trade with professionals in said matter, such as customs agents, freight forwarders, recurrent exporters, among others, who can provide information and suggest the best options related to doing business abroad and the costs involved in an export, thus, following all the necessary steps to achieve a successful export to the German or American market.

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