

# In the Right Mold

John Carlo Creations

The 1997 Asian financial crisis brought a successful entrepreneur down to his knees. But just when he had completely given up, a break took him up where he left off and sent his business to great heights that he had never dreamed of.



Carlos T. Yu wanted to become a millionaire at age 40, and did it in less than two years.

At 30, he quit his job in a manufacturing firm in favor of his own—buying and selling polyvinyl chloride (PVC) pipes.

Then, in 1986, from a US-based friend in the handicraft business, Carlos got the idea of using PVC pipes as thermoplastic molds, instead of the traditional wire-framed papier-mâché, for making handbags. Later that year, he established his own brand, named after his daughter Veronica.

The PVC molds cut the cost of Veronica Handicrafts in producing fashion bags from various materials.

"We'd cut [the PVC pipe] and mold it into any type of shape or mold without using an injection machine, which could have cost us Php 50,000 to Php 60,000," Carlos narrates.

Instead, heated coconut oil was used to make the PVC pipes pliable for molding, all for only Php 5,000.

The genuine leather, reptile skins, synthetic fabric, and indigenous raw materials for bags come from Quezon, Bulacan, Marinduque, and several provinces in Mindanao.

### THE CRISIS

Based in the Clark Special Economic Zone in Pampanga, Veronica Handicrafts became an exporter and a corporation in 1995. Business was good, enabling Carlos to employ even the deaf and the mute, until the 1997 Asian financial crisis struck.

To save the company, he used up all his savings and sold his real estate investments, but it was not enough.

Eventually in 2002, his business folded up.



## AWARDS



**DYI SME Rising Star Award 2011**  
Provincial Level Winner, Micro Enterprise Category

**Kultura Filipino Certificate of Recognition 2011**  
for its impressive sales in SM's local arts and crafts shops



THE COLORFUL CREATIONS OF CARLOS YU make use of synthetic and natural indigenous materials that blend beautifully for both function and fashion.





**EXTRAORDINARY BAGS**

The external portion of the products is made entirely of natural and indigenous fibers. Every bag is intricately handcrafted by the workers, following designs made by Carlos.

**HOW DTI HELPED**

John Carlo Creations was able to meet importers from European countries like Denmark and Ireland through DTI-sponsored *Sikat Pinoy* and *Manila FAME*. Carlos said that aside from the exposure, it also helped that their participation came at no cost, with government sponsoring the company's exhibit booth.

**THE RECOVERY**

In 2004, a Japanese businessman who had been looking for him came over for his products.

Carlos was referred to Mr. Koranisi by that same friend who had prompted him to use PVC pipes as handbag molds.

"I've been looking for you for one and a half years. I need your bags," Carlos quotes Mr. Koranisi.

**JOHN CARLO CREATIONS**

Within 2004, the John Carlo Creations was born, and it brought back his former employees from Pampanga and Tarlac.

The company also began gaining market attention in Japan, Denmark, Ireland, the United States, and Brazil, among others, and his 10-strong workforce rose to 30. So did the number of his captive importers from the world over.

**THE BREAK**

It came about when the Department of Trade and Industry (DTI) invited Carlos to the Manila FAME and offered to subsidize his product exhibits to other trade shows.

Through the trade shows, Carlos met one of his major clients, an importer from Brazil whose bulk order has risen from US\$20,000 in 2013 to nearly US\$100,000 at present.

"I'm very thankful to DTI," Carlos gushes.

**THE GIFT**

Thus, Carlos' business has come full circle, having shuttled from extreme high to low and back.

"Simply do not give up and keep believing in the Filipino creativity," Carlos says of the divine blessing that has placed his business in the right mold.



**THE JOURNEY TO SUCCESS**

