

VALIDATION CASE

DONADEU CASE

Benzacar Maderas S.R.L. - Applied experience in productive transformation

Final English version | September 2026 | Consolidated for the Prosperity Protocol Manual

CASE THESIS: With loans of approximately USD 300,000, local knowledge and adaptive engineering created an industrial capability whose equivalent reproduction in Europe was later quoted at about USD 3 million. The factory competed with Chinese wooden hangers and obtained a formal anti-dumping measure in support of domestic production.

1. Thesis of the case

Donadeu is not merely an anecdote used to explain the Prosperity Protocol. It is one of its practical origins: a sustained experience of building transformation capacity from scarce financial resources, applied knowledge, organization and entrepreneurial will.

In a setting with limited infrastructure, Benzacar Maderas developed a wooden-hanger factory able to serve national retail chains and compete with imports from China. Local timber, adapted old machinery, modern tools, industrial design, skilled trades and formal trade-defense procedures were combined into one productive system.

The case shows that an available stock is not wealth by itself. White quebracho, machines, recovered motors, scrap, knowledge and local labor acquired value when they were organized as a functioning productive capability.

2. Evidence rule

This document distinguishes public evidence from Ariel Benzacar’s direct testimony. Items that have not yet been documented are expressly identified as pending. The purpose is to preserve the value of lived experience without presenting uncertain details as closed facts.

Evidence level	Meaning	Use
OFFICIAL FACT	Supported by regulations, administrative files or other	May be presented as external

	public sources.	evidence.
TESTIMONY	Direct account by Ariel Benzacar or other participants.	Attributed to the source and open to corroboration.
PENDING	A detail that has not yet been recovered precisely.	Kept open; not stated as a definitive fact.

3. Consolidated chronology

Period	Reconstructed event	Status
1993	Ariel Benzacar took operational leadership when his father became ill with cancer.	Testimony; firm date
c. 1995	Loans totaling about USD 300,000, mainly through Banco Nación, were used to build and equip the factory.	Testimony; approximate year
1998-2003	Investigation and application of anti-dumping measures on anatomical wooden hangers from China.	Official fact
2001	Argentina's economic crisis caused a severe collapse and the business came close to bankruptcy.	Testimony
Late 2004	With reported losses of roughly USD 20,000 per week, Ariel negotiated continuity with a union rather than immediate closure.	Testimony; consolidated date

2004-2008	Ariel advised the new operators, supplied raw materials and marketed production.	Testimony
c. 2008	The new operators decided to close the factory permanently.	Testimony; approximate date

4. The site and its facilities

The Donadeu property was extensive and divided into residential, logistics and industrial areas. The main building contained a large packing hall, three rooms, bathrooms and a kitchen, as well as rooms used by personnel who maintained the property.

A neighboring shed housed the lathe and other machines. Most industrial operations - autoclave, kiln, saws and related equipment - occupied the large rear area, while another shed across the property covered an additional stage of production.

Before the operation was transferred to the union, Ariel conveyed the main property to a supplier from the Ceguiaro family in settlement of a debt. Production could continue because the factory operated primarily in the separate yards and sheds.

5. Financing and creation of capacity

The loans obtained totaled approximately USD 300,000. The principal credit was reportedly arranged through Banco Nación around 1995. The Federal Investment Council (CFI), with an office on San Martín Street, participated in the transaction, although it remains pending whether it supplied funds, guaranteed the loan or performed another administrative function.

Ariel later requested a European quotation for an equivalent plant. The estimate was approximately USD 3 million. This figure is a reproduction-cost benchmark, not an accounting valuation of the property or the company.

Indicator	Approximate value	Interpretation
Loans received	USD 300,000	Financial capital used to build the factory.
Equivalent European plant	USD 3,000,000	Estimated cost of reproducing

		comparable industrial capacity.
Capacity multiplication	About 10 times	Result of combining capital, knowledge, labor, adaptation and organization.

6. Building the factory that did not exist

Instead of buying a turnkey plant, the team understood the technical logic of the process and locally built or adapted the necessary equipment. The initial nucleus joined Ariel Benzacar's industrial direction with the practical knowledge of a lathe operator, a blacksmith and a foreman, together with production and packing workers.

White quebracho is hard and unstable. A proprietary drying process and adapted autoclaves made repeatable industrial production possible. Old machinery - some dating from the early twentieth century - was combined with modern carbide tools, recovered motors and modified cutting speeds.

The hanger-copying machine even incorporated a Citroën 3CV axle in its articulated mechanism. This was not improvisation without method; it was applied engineering that constructed the required function with the resources actually available.

7. Scale, employment and market

Dimension	Approximate result
Peak production	30,000 hangers per month
Direct employment	40 workers
Suppliers and indirect activities	40 to 50, in addition to local contracted services
Main customers	Carrefour, Supermercados Norte, Makro, Jumbo and Easy, among other chains

Production generated more than sales. It trained workers, sustained suppliers, required local services and converted dispersed knowledge into a productive network. The systemic value of the factory therefore exceeded the book value of its machines or its financial statements.

8. Trade defense against dumping

Public records confirm that Benzacar Maderas S.R.L. was recognized as representative of the domestic industry and initiated a formal investigation into anatomical wooden hangers imported from China.

In 2000 the investigation determined a dumping margin of 474.84 percent and established a minimum FOB value of USD 0.50 per unit for two years. In 2003 the measure was renewed with a minimum FOB value of USD 4.55 per kilogram. The CNCE stated that the industry was in partial recovery and that the measure was the main reason the threat had not become material injury.

The measure was not an arbitrary favor. It followed a public analysis of prices, injury and causation, and it protected a productive capacity while that capacity recovered.

9. Crisis, transfer and continuity

After the 2001 collapse the company began to recover, but again faced an unsustainable financial structure. By late 2004, weekly losses were reported at around USD 20,000. Ariel told the union that either a solution had to be found or the factory would close.

The union sent its attorney to inspect the plant. Ariel requested employee consent and then brought the union's attorney together with his own lawyer and accountant in Buenos Aires to organize the transfer. All machines, operations and personnel were transferred; the property itself was not. Continuity avoided an immediate closure with estimated severance costs above USD 2 million.

Ariel remained involved as adviser, raw-material supplier and marketer. Operations continued until approximately 2008, when the new managers decided to close.

10. Why the factory closed

In Ariel Benzacar's assessment, the closure was not caused by the absence of a viable product, market or technical capability. The decisive loss was entrepreneurial conduct: emotional commitment to the project, perseverance and the habit of solving successive problems.

The new operators obtained public credit and benefits that the earlier management had not received, but those resources did not substitute for disciplined entrepreneurial direction. Machines, credit and market access cannot by themselves replace the entrepreneur.

ENTREPRENEURIAL LESSON: Leadership, love for the project, resilience and problem-solving capacity are scarce resources. Productive policy must identify and protect them, not assume that financing alone can reproduce them.

11. Correspondence with the Prosperity Protocol

Protocol concept	Expression in Donadeu	What it demonstrates
Available stocks	White quebracho, machines, motors, tools, knowledge and demand.	Lack of money is not the same as lack of resources.
Transformation capacity	Industrial leadership, local trades, drying, machining and organization.	Knowledge can multiply the value of dispersed stocks.
Entrepreneur	Vision, risk, persistence, market relationships and problem solving.	A scarce resource that credit cannot replace.
Value per kilogram	Timber transformed into higher-value hangers; trade measure also expressed in USD/kg.	Material transformation can be observed through unit value.
Systemic wealth	Factory, employment, suppliers, skills, customers and village services.	Productive capacity exceeds the owner's financial assets.
Anthropophagy	Large buyers shifted the cost of payment delays onto the supplier.	Private gain can destroy another actor's productive capacity.
Intellectual dishonesty	A single rate or balance sheet would hide financing time, risk and destroyed capacity.	Decisions must expose assumptions and systemic effects.

12. Conclusion

The Donadeu case traces a complete cycle of wealth creation and destruction. Difficult timber, old machinery, local skills and limited credit were organized into a factory that produced at scale, sold to national chains and defended itself through lawful trade procedures.

A capability built with approximately USD 300,000 was later benchmarked at around USD 3 million for equivalent reproduction. That difference was not financial magic: it was transformation. The later collapse shows the reverse: productive capacity can disappear even when machines, workers, customers and credit still exist if entrepreneurial leadership is lost and the surrounding system fails to protect the transformation process.

13. Pending item and public sources

Pending: determine the exact role of the Federal Investment Council in the Banco Nación credit operation.

Public sources: Ministry of Economy Resolution 590/2000 (File 061-006581/98); Ministry of Economy and Production Resolution 604/2003 (File 061-014680/2001); National Foreign Trade Commission file “Anatomical wooden hangers”; Federal Investment Council institutional information.

Author materials: fantastic novel based on real experiences; Prosperity Protocol Manual; personal documentation and photographs; reconstruction conversations held in August and September 2026.