**IMMEDIATE IMPACT**

- 7-8% ENHANCED PRODUCTIVE CAPACITY & EFFICIENCY
- PRODUCT DEVELOPMENT: 4 NEW PRODUCTS
- 7-8% REDUCED OPERATIONAL COSTS / WASTAGE

**MID-TERM IMPACT**

- 23% (10 EMPLOYEES) INCREASE IN STAFF
- 10% INCREASE IN EXPORTS (2019)
- ENTRY INTO NEW MARKET, JAMAICA

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**THE ISSUE**

CWP was challenged with high production costs due to the low production capacity of current machinery and low level of recovery from raw materials. The company also wanted to reduce the environmental impact of its production processes; offer quality products at an affordable price to consumers; create jobs and develop the economies of Guyana’s rural communities.

**PROFILE**

Cummings Wood Products (CWP) founded by Andre Cummings (CEO) in 2008, produces and exports flooring and decking to the Caribbean. The company’s vision is to be the leading flooring company by enhancing beauty and value with its products and services.
"The Direct Assistance Grant Scheme is absolutely relevant and indispensable for private sector development. Often times than not, most entrepreneurs/business owners in the private sector are cash strapped and are trapped in a cycle of repaying large sums of debt equity from insubstantial turnovers (profits), all in a dire effort to keep their businesses afloat. Moreover, most private sector businesses, particularly young start-ups, lack the financial resource to invest in critical capital acquisition, to take their businesses to the next tier of performance. Access to reimbursement funding from the Direct Assistance Scheme serves as a major help to suchlike business owners, and also to other entrepreneurs who would want to access such funding, even as they seek to develop strategic alliances with Caribbean Export to benefit from the other service platforms."

Andre Cummings, CEO

ASSISTANCE RECEIVED

In 2018 CWP received a Direct Assistance Grant funded by the European Union under the 11th EDF Regional Private Sector Development Programme. The funds enabled Cummings Wood Products’ to implement a plan to increase the yield from raw material (hardwood) and lower the company’s production costs, through economies of scale. The project included the acquisition and installation of production machinery to make new hardwood product lines, and transform off-cuts, end trimmings, etc. into saleable hardwood products, to increase the percentage rate of gross timber resource inputted into the production system.

The company expanded product lines include ‘custom-built’ modular kitchen cabinets, standard and customised chest of drawers, framed and paneled doors and end matched flooring. The company also saw significant improvement in productivity performance, cost minimization and production yield output at all cost centers throughout the manufacturing plant.

Production and maintenance downtime, change-over (set-up) loss time, dropped, with better up-time and line availability at the machine lines. Factor and total productivity and surplus production yield performance were consistently achieved monthly at all cost centers, machine lines, and at the plant level. In addition, two members of the management staff benefitted from certified technical training overseas and were instrumental in disseminating formalized in-house training to lower-level staff.

MEDIUM-TERM RESULTS AND IMPACT

In the medium-term, the production machinery acquired by CWP through the DAGS increased the yield from raw materials by 20%. This reduced the demand for the quantity of trees needed and thereby reduced the environmental impact from production. In addition, promotion of lesser-known hardwood species is expected to reduce the likelihood of overharvesting popular species. Wastage from forest produce was also minimised by utilising wood pieces as short as 6 inches.

The new machinery also enhanced productive efficiency and reduced operational costs by 7-8%. The approximate increase in export sales induced by the project was 10% and the number of staff increased by 23% or 10 employees. The company also successfully entered the Jamaican market.