

Boost exports? *Know how.*

With funding from the United States and the EBRD Shareholder Special Fund, we helped AVZ, a ventilation unit producer from Kazakhstan, improve quality control, relocate effectively and increase their exports.



Ventilation manufacturer, Kazakhstan

We helped AVZ Ltd., a manufacturing business from Kazakhstan, introduce lean management principles to their production processes and make them more efficient. As a result, AVZ' production process has improved, productivity has doubled and their costs per unit have fallen. They've also cut their overdue orders from 50% to 0%.

Founded as a two-man operation in 2008 working out of an old car repair shop, AVZ has since grown to be the leading producer of ventilation and climate control equipment in Kazakhstan, selling to major business centres and industrial facilities across the country. This kind of ventilation and climate change equipment is rarely produced in Central Asia and the Caucasus, imported instead from China or Turkey – leaving great potential for AVZ to target their exports to neighbouring countries.

We helped AVZ work with Mr Anatoly Feskov, an international adviser from Russia with extensive experience



Improving quality meant AVZ's products are more competitive internationally.

in manufacturing. The adviser helped AVZ apply the Japanese Kaizen methodology to improve their organisational efficiency, including:

- Training staff on the core of Lean Production principles
- Defining roles and responsibilities
- Introducing the Japanese 5S (Sort, Straighten, Shine, Standardise and Sustain) organisational system for structuring a workplace
- Creating a visual control system
- Promoting daily management reporting
- Establishing the production process flow for the new facility.

Now more competitive and with a new focus on export markets, their turnover has increased by 49%. In fact, AVZ's management was awarded the Best Innovation Enterprise of 2013 by the Almaty regional government. Today, AVZ approaches its products with an eye to innovation. They work with Italian, Russian, German, Chinese and Hungarian partners on product design and sourcing components. They've also recently agreed with LG to work on the development of new products together. With a new competitive edge on foreign markets and with an export-ready product, the next step will be refining their export strategy further.

In January 2014, the project with AVZ was awarded the "Consulting Project of the Year 2013" prize in Kiev, Ukraine, by the Gabriel Al-Salem Foundation, which promotes excellence in consulting.

www.ebrd.com/knowhow

Turnover
+49%

Processed orders
+50%

Exports
+40%

Productivity
+39%

Total project value
€40,000

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