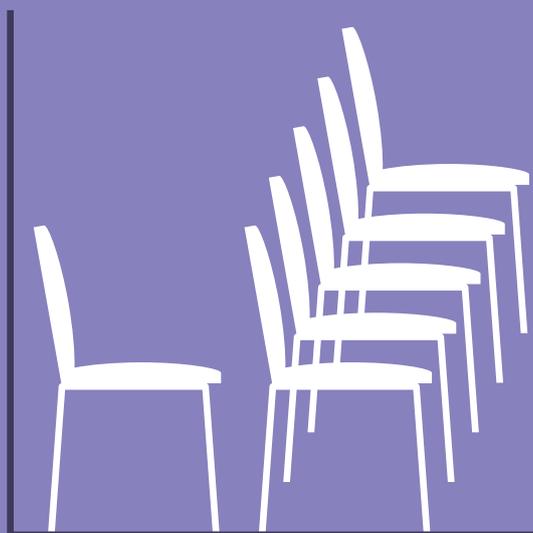


# Expand production? *Know how.*

---

With funding from the EBRD Shareholder Special Fund, we helped Doloon Boldog, a furniture maker from Mongolia, build a new state of the art factory in order meet future demand for its products and standardise its production processes.



# Furniture manufacturer, Mongolia

**With our help, Doloon Boldog updated their production processes, improved quality control mechanisms and set out an effective strategy for expansion, increasing turnover by over 300%.**

This kitchen furniture and wardrobe manufacturer from Mongolia was established in 2004 by two brothers. When we started working with them in 2009, they had around 280 employees and were reaching the production limits of the systems they had in place.

Doloon Boldog had ambitious expansion plans to establish completely new, modern premises on their own land, bringing their production, storage and office facilities to the same site. They received a \$4.4 million loan from the EBRD in 2013 to help finance the investment and sought the advice of one of our industry experts to also improve their production processes.

To enable them secure the loan, we introduced the company to local consultants who helped them produce good quality financial information and statements, as well as improve their human resource and information



The new production approach is less crowded, meaning less damage to the furniture.

management. We then connected Doloon Boldog with Mr Georgios Kalamaras, a Greek manufacturing expert with more than 15 years of experience in one of the largest wood manufacturing firms in Greece. The adviser worked closely with the company's senior management, and helped them develop a six-year business plan outlining the strategy for the investment.

The adviser:

- Initiated quality assurance procedures, including allocating two dedicated staff who collated lists of customer complaints and organised monthly meetings on quality
- Recommended a shift from customised furniture, which is very labour and cost intensive, to more standardised production
- Introduced modern technology to improve quality, including creation of a new design office for developing new furniture
- Accompanied Doloon Boldog's senior management on a trip to Greece, Germany and Italy to visit high-quality furniture manufacturers and international trade fairs exhibiting machinery and raw materials.

After seeing increases in turnover of 312% and gross profits increases of over 200%, Doloon Boldog is very satisfied with the path the company is on. They are now undertaking a second project with the same adviser, overseeing the transition to the new production site.

[www.ebrd.com/knowhow](http://www.ebrd.com/knowhow)

Turnover

+312%

Pre-tax profit

+211%

Production

+21%

Client contribution

€29,485

Total project value

€133,410

