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Aftermarket service, distribution network key to success for Cummins in Africa and the Middle East

The secret to Cummins' ongoing success in Africa and the Middle East is its extensive aftermarket support and well-established distribution network throughout the continent. This is according to newly-appointed Cummins Distribution Director **Kwame Gyan-Tawiah**. Currently all distributor Country Managers and General Managers report to Gyan-Tawiah, who ultimately oversees aftermarket service in Africa and the Middle East for company-owned distribution.

Apart from recently launching the Power Hub in Waterfall City, Johannesburg, Cummins has a Regional Distribution Centre (RDC) for Southern Africa, also based in Waterfall, a Regional Distribution Centre (RDC) in Ghana, and has appointed its first 100%-owned distributor in Morocco. This gives the OEM a significant end-to-end logistics capability throughout the continent.

"The strength of the company lies in its focus on customer support. That makes for better products at the end of the day, and is why we have distribution organisations at strategic locations," Gyan-Tawiah explains. Currently, Cummins has a presence in 12 countries in Africa, including South Africa, Botswana, Mozambique, Zambia, Nigeria, Ghana, Senegal, Zimbabwe, Angola, Ivory Coast and Morocco. In addition, it appoints independent distributors in other areas where it wants to make inroads, as well as entering into joint ventures, such as in the Middle East and East Africa regions.

Gyan-Tawiah elaborates that customer service, which is the linchpin for Cummins' success on the continent, consists of three major elements. The first is parts availability to support the products sold. "All these entities have parts warehouses, and hold parts readily needed at any point in time by customers in those environments, and the engines they use."

The RDC strategy facilitates this ready parts availability throughout the continent. "It means we have made it possible for a parts supply line, by road and air, in Africa. We are therefore capable of making parts readily available to our customers when, and where, they need them," Gyan-Tawiah highlights.

"The second major element is our technical capability. We continue to learn and improve as our engine technology continues to develop. Otherwise you lose track of what is happening in the industry. Hence, we ensure that our technicians are always up to date with the latest advancements by means of our Training Centres," Gyan-Tawiah adds. These are located in South Africa, Morocco, Nigeria, and Dubai at present.

"The best way to keep our engines running is for our customers to understand the engines that they are using. We therefore also ensure their technicians remain knowledgeable, so as to avoid any bad practice that might have a detrimental impact on both the engines and the brand as a result," Gyan-Tawiah points out. This training is extended to independent distributors as well to ensure that the highest quality standards are maintained across the region.

In terms of opportunities for business growth in Africa, Gyan-Tawiah stresses that most African countries do not generate sufficient power for their own requirements, and thus rely heavily on alternative sources of power. This is why Cummins' produces both diesel- and gas-driven engines for the African market, in order to tap into the potentially lucrative oil and gas industry on the continent.

"Another critical factor is that Africa is a receiving continent because, with the exception of South Africa, no other country really manufactures everything it needs," Gyan-Tawiah notes. This means that the vessels needed for the burgeoning marine industry, for example, are imported from as far afield as Malaysia and Singapore. This represents a significant opportunity for Cummins, as these vessels have marine engines that need to be serviced and maintained.

"The mining industry is cyclical, because commodity prices are determined on the global stage. Mining is still prevalent in key countries like Ghana, where the heavy equipment required often uses Cummins engines. The mining industry is hence a huge source of aftermarket business, especially as mining operations run 24/7, and require a lot of consumables such as oil, lubricants, and filters," Gyan-Tawiah says.

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Apart from the opportunities presented, these remain tough industries in which to be successful. Marine vessels tend to limit their time at dock due to berthing costs, which means a rapid turnaround time for any maintenance requirements is essential. The mining industry, too, cannot afford any sustained downtime due to its tight margins and high overheads.

In terms of future trends such as electrification, a strategy that Cummins is driving aggressively in developed markets such as Europe and the United States, Gyan-Tawiah is of the opinion that diesel will remain the primary fuel source in Africa for the next 50 years. "I feel Africa still has a long way to go. If you look at emissions control, there are little or no regulations. Looking at electric vehicles, for example, many countries cannot even supply power to their industries and neighbourhoods. However, it is evolving. We are taking note of such developments elsewhere, but Africa is not nearly on that level yet."

What does this mean for the future of Africa? "Africa is the next frontier of development. The growth indices for global economies have four or five African countries in the top ten. Africa is the fastest-growing continent. This has to be balanced with the challenges we face, from political to economic and social," Gyan-Tawiah asserts. However, this is where a global giant like Cummins stands to play such a significant role in the future development of the entire continent.

"Cummins believes in conducting business straight down the line, no matter what it costs. We prefer to walk away from business rather than get involved in any unethical practices. If we can get 20 huge multinationals the size of Cummins in Africa, ensuring that the highest business ethics are upheld, it will have a major impact on Africa as a whole."

Gyan-Tawiah points out that Cummins' significant investment in infrastructure in Africa to date means it is here for the long haul. "As a company, we are a huge advocate of Africa. That is why we have put up our magnificent Power Hub in South Africa and invested \$30 million in Nigeria alone."

In terms of his role as Distribution Director, Gyan-Tawiah explains that his main aim is to ensure that the appropriate distribution and supply channels and infrastructure are in place to support Cummins' products on the continent. However, customer service means much more than customers who are simply satisfied. "We always strive to pursue excellence in whatever we do, which means our customers must not only be satisfied at our service, value-add, and aftermarket support, but delighted."

Gyan-Tawiah concludes: "We must be customer-focused, not only in order to understand our customers and their requirements, but to give them what they need. It is not a question of pushing the products we want to sell, but providing complete power solutions."

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Cummins Inc., a global technology leader, is a corporation of complementary business segments that designs, manufactures, distributes and services a broad portfolio of power solutions. The company's products range from diesel and natural gas engines to hybrid and electric platforms, as well as related technologies, including transmissions, battery systems, fuel systems, controls, air handling, filtration, emission solutions, and power generation systems. Headquartered in Columbus, Indiana (U.S.), since its founding in 1919, Cummins employs approximately 62,600 people committed to powering a more prosperous world through three global corporate responsibility priorities critical to healthy communities: education, environment and equality of opportunity. Cummins serves customers in approximately 190 countries and territories through a network of approximately 600 company-owned and independent distributor locations, and over 7,600 dealer locations. In 2018, the company earned about \$2.1 billion on sales of \$23.8 billion. See how Cummins is powering a world that's Always On by accessing news releases and more information at <https://www.cummins.com/always-on>. Follow Cummins on Twitter at [www.twitter.com/cummins](https://twitter.com/cummins) and on YouTube at www.youtube.com/cumminsinc.

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