



STOVE COMMERCIALIZATION GIZ Stove Colloquium

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Nairobi, Kenya

PARADIGM KENYA, L3C

Innovating sustainable social,
environmental & economic impact.



PK COMMERCIALIZATION CHALLENGES

Commercialization can be complex and difficult in any environment. PK believes that commercialization should develop from a foundation of traditional business practice freshened by insight into local market dynamics via focus group activities.

- Supply Chain Partners – common vision and risk appetite
- Product Format – while every family can benefit from an improved cookstove not every family will respond to the same technology
- Product Mix – Premier product partners and local manufacturing produce user defined products with a breadth of features, benefits and prices
- Early Stage Demand – balancing initial demand to product availability
- Last Mile Logistics – terrain, infrastructure difficulties
- End User Financing – MFI, layaway, rent to own

PK: MARKET APPROACH

Paradigm Kenya approaches the Kenyan market with a tiered business model defined primarily by last mile partner type. While distinct in audience, these tiers insure broad stove penetration and the ability to reach across all income strata.

Tier 1 - Commercial

- Market defined pricing
- Retail vendor network
- Supported by direct sales people

Tier 2 – NGO

- Follows commercial structure
- Subsidized pricing strategy
- Sold via CBO's
- Supported by NGO's

PK RESULTS

Results to date results:

- ~25,500 hh stoves
- ~40 distribution and CBO partners
- 30 – 40 full time manufacturing jobs @ \$5 - \$7 per day
- Additional supply chain job creation – sales, delivery, etc.
- Growth 4x of plan
- Strengthening supply chain relationships

PK CHALLENGES

There are many challenges any startup company faces and PK is no exception. The following are significant challenges PK has overcome over the last ~14 months (or continues to work on) that were key to early stage success:

- Local Staff – key component of market based company's success
- Strong product partners – philosophical and cultural alignment
- Local automated manufacturing capacity and capability
- Managing significant partner mix
- Maintain flexibility in delivery model
- Continuously challenging internal precepts

THANK YOU!

Thank You!

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