

PUBLIC NOTICE #1

ATTENTION CUSTOMERS OF ARAWAK CEMENT COMPANY LTD AND ALL USERS AND DISTRIBUTORS OF BAG AND BULK CEMENT IN BARBADOS, GUYANA & THE OECS

Arawak Cement Company Limited (ACCL) wishes to advise our customers and the public in Barbados, Guyana and the OECS, that two shipments of cement have been imported into Barbados claiming to be of a superior standard, consistency and quality than the cement made in Barbados and sold in Barbados, Guyana and the OECS, by Arawak Cement Company Limited.

ACCL as industry leader, acting in the interest of the public, our loyal customers, the hardware trade and practitioners in the construction sector, has collected samples and sent for independent international testing.

From the results of the analyses conducted by the CTL Group in Illinois, United States of America, it can be concluded that the imported cement cannot be classified as "Other Hydraulic Cement" as claimed, is not of a higher quality, or strength and is not a superior product to Arawak Cement.

Given the inconsistency between the importers product claims and the results of the tests by the independent international lab, our customers and the wider public are advised to also carefully consider the importer's other claims of "consistency" and being "purer".

- shipments of the imported cement are not consistent; they are from different origins with different packaging – first shipment from Portugal, the second from a cement plant in Turkey.

- The first shipment of bags does not have the labeling information required by law to be sold in Barbados, Guyana and the OECS and the labeling information on the second bag is minimal and insufficient.

- The testing has found that the imported product contains a higher percentage limestone than ACCL cement, which refutes the claim by the importer of their cement being "purer".

- The imported cement travels for weeks over land and sea to Barbados and OECS markets, spends months in open storage, exposed to the elements -humidity, rain.

- The public should also be aware that as of the end of July, 40% of the first shipment of bags of cement had not yet been sold after 9 months. Exposure to the elements for even a short period of time is detrimental to the quality and performance of cement.

- Arawak's Cement is delivered on the day it is made, or warehoused in ideal storage conditions awaiting delivery or export.

FORMAL COMPLAINT

ACCL has lodged a formal complaint with the Fair Trading Commission (FTC) of Barbados regarding the supplier's media advertising and product logo, that also make these false claims and misleading comparisons with Arawak Cement.

- A recent Press ad stated that the imported cement "creates an improved yield of concrete at a higher strength. A superior product with consistent results."

- Another press ad also states: "Engineered for the best results and optimized to higher standards. A superior product with consistent results."

Since these claims cannot be substantiated, these advertisements are in breach of the Consumer Protection Act (CPA) of Barbados which prohibits conduct that is likely to be misleading or deceptive, or falsely represent that goods are of a particular standard, quality, grade or composition.

The results of the independent tests include the following:

- "Both cements are blended cements containing Portland cement clinker, gypsum and supplementary materials being limestone in both cases. The percentage of limestone in Arawak Cement is in fact lower, than that of the imported cement".

The other cement is therefore not purer, neither is it of a better quality.

The independent testing also concludes that:

- There is no basis for the imported cement to enter Barbados, Guyana & the OECS markets as "Other Hydraulic Cement" as the formulation has been proven to be consistent with the classification for 'Building Cement'.

ACCL has also lodged a complaint with the Ministry of Industry, International Business, Commerce and Small Business Development in Barbados, with reference to the tariff classification and the labelling of the imported cement, that is not compliant with standards set by Barbados National Standards Institute.

Bags in the second shipment of imported cement do not provide the required information that is important for consumers, such as the product ingredients, directions for use and health and safety instructions.

ARAWAK COMMITTED

Arawak Cement Company Limited has supplied Barbados, Guyana and the OECS markets, with high quality cement products for over three decades. The company remains committed to Barbados and the region as demonstrated by a BDS\$20M investment programme that began in November 2015.

The objective is to improve plant efficiency and competitiveness to deliver better value to our customers in Barbados and to grow our export markets, while raising our environmental ratings to world standards.

Our ongoing restructuring programme and improved plant efficiencies, have enabled us to reduce the price of our cement by 30% between November 2015 and June 2016. Our strategic investment programme will also ensure competitiveness over the long term and a sustainable future for our business and our loyal employees.



ARAWAK CEMENT

ARAWAK CEMENT COMPANY LTD
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