

Contractor enjoys quarrying success

Products: aggregate and sand



Manipulating its supply chains by owning its raw materials has proven successful for a quarrying contractor.

Janho Quarry & Crushing, a sand quarry in Muldersdrift near Johannesburg, which has been upgrading since Renico Construction bought the operation in 2008, is one of many contracting outfits lured into manipulating its own supply chains by owning its raw materials. Despite the failure of many of its peers, Renico seems to be making headway. The company is on a new course of action aimed at reducing resource use and adding to its current product offering.

Acquiring the quarry in 2008, at a cost of R20-million, the company's rationale for the acquisition was a marked increase in its involvement in the construction industry and, at that time, construction activity in the surrounding area was increasing.

Purchasing a quarry to complement a construction business seemed to make sound business sense.