



Feature No. 25: Sumaya HMX

Energy consumption in India has nearly doubled since the early 1980s and is on track to continue expanding as the national population grows rapidly in the coming decades. A significant amount of this consumption comes from the offices, workshops and manufacturing plants dotting India's urban landscape. In a humid, equatorial environment such as that of India's, much of the energy used by these buildings is for inefficient air conditioning systems that must be run constantly. In designing their Ambiator temperature control device, the entrepreneurs who founded Sumaya HMX wanted to create a system made for tropical climates that would boast cooling capabilities rivaling air conditioners while providing major cost savings. With this goal in mind, the company began production in 2001 and has continuously expanded production since.



Sumaya HMX has established itself in India's burgeoning heating, ventilation and air conditioning (HVAC) industry by positioning its products as a less costly and more efficient alternative to traditional air conditioning. The company is tapping into a \$1.8 billion thermal comfort market in India by leapfrogging the competition with Ambiator technology. This "open air conditioning" system uses a third less power than traditional models and operates without the use of chlorofluorocarbons, which contribute to global warming. The environmental component of this efficient technology is significant; over the next six years, the HMX founders expect their systems to offset 2 million tons of CO2 emissions. Under current carbon trading systems, this would be equivalent to \$10 million in revenue, an attractive figure as HMX considers selling its HVAC products in the European market.

The Ambiator has quickly become popular in India, where energy costs have risen at a staggering rate of 30 percent over the last three years. Major clients such as Bosch, ABB, Ford and Wipro have installed the HMX system in their buildings, spurring a steady rise in sales since the company's founding. From 2001 to 2006, the company generated an 86 percent compounded annual growth rate. HMX has achieved nationwide reach and is planning to expand internationally in the coming years. As energy prices rise worldwide, the company is expected to continue its impressive growth trajectory as demand for efficient climate control solutions continues to expand.

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For more information about Sumaya HMX, see the company's profile at www.new-ventures.org.

Written by Derek Newberry for the World Resources Institute ©2006 - The Rising Ventures Series features innovative small and medium businesses (SMEs) in emerging markets that deliver social and/or environmental benefits. These businesses have been identified through the New Ventures (www.new-ventures.org) and Development through Enterprise (www.nextbillion.net) projects. To view other Features in the Series, visit <http://www.new-ventures.org/risingventures>.