

# The Underdog Triumph of Dangote Cement

The sun baked down on the rolling Nigerian savanna as a convoy of trucks lumbered down the dusty road. Laboring under mounds of concrete, steel and gravel, the fleet marked the inception of a monumental construction project. An ambitious entrepreneur named Aliko Dangote was undertaking an endeavor deemed impossible by critics—building a world-class cement factory in Nigeria.

The year was 2007 and Nigeria's cement industry was dominated by foreign giants Lafarge and Holcim. Nigerians paid exorbitantly for cement, with prices spiking up to \$100 per bag. Dangote, who cut his teeth trading commodities like rice, sugar and cement, saw opportunity in the market dysfunction.

With characteristic boldness, he decided to challenge the multinationals' monopoly by building his own cement plant, powered by locally sourced limestone. Experts scoffed, warning that Nigeria lacked the infrastructure and technical expertise to produce cement locally. Undeterred, Dangote invested \$750 million into a ultramodern facility in Obajana.

As construction commenced under the blazing African sun, problems arose. Power outages plagued the remote site, hampering operations. Technical difficulties saw mechanical failures delay production. Dangote's executive team began questioning his folly as debts ballooned.

Stoic in his vision, Dangote proceeded undaunted. Obajana Cement opened for business in 2008. Its production capacity expanded rapidly, doubling year-on-year from 2 million to 20 million metric tons. Agriculture and infrastructure projects across Nigeria began relying on Dangote Cement, now affordable and available locally. Accolades followed, with Dangote Cement ranked Africa's largest cement producer.

Yet Dangote was not one to rest on his laurels. He expanded into 15 other African countries, building integrated factories and terminals. Forbes declared him the richest man in Africa. Through pan-African expansion, vertical integration and economies of scale, Dangote Cement became a juggernaut.

But Dangote's greatest triumph is spurring industrialization in his homeland. By daring to build where others wavered, he demonstrated that world-class products could be made in Nigeria. His success inspired a new cadre of bold Nigerian entrepreneurs to help transform the continent. Not bad for a man once dismissed for daring to attempt the impossible.