

US-Arab Tradeline



A Publication of the National U.S.-Arab Chamber of Commerce

الغرفة التجارية العربية الأمريكية الوطنية

Volume XVIII, No. 1 • Spring 2010

In this issue:

Articles Page

Entrepreneurship in Saudi Arabia 1

From the President's Desk – Cultivating the Entrepreneurial Ecosystem in Saudi Arabia 2

Prince Sultan bin Abdulaziz Fund 4

A New Era of Entrepreneurship ... 4

Windy City Hosts U.S.–Saudi Business Opportunities Forum 5

Siraj Capital: Building Future Entrepreneurs 6

Interview with Dr. Fahad Al Sultan, Saudi Council of Chambers 7

Interview with Professor Choon Fong Shih, President of KAUST 8

KAUST's Ecosystem for Entrepreneurship 9

Alagat Company: A Step Ahead of the Changing Economy 10

Interview with Amer Kayani, U.S. Embassy, Riyadh 11

Lubna Olayan Honored as Entrepreneur of the Year 11

AllWorld Network 12

Guest Commentary: A Salute to Saudi Entrepreneurs 13

A List of 2010 Saudi Fast Growth Companies 14

Abdul Latif Jameel Offers Gateways To Entrepreneurs 16

99 Ways to Be an Entrepreneur ... 17

27 Saudi Success Stories:
The Next Generation of Saudi Entrepreneurs 18 - 36

General Information on Saudi SMEs 37

Saudi Arabia At-a-Glance 38

KAUST: A Catalyst for Small Business Growth 39

Prince Salman Young Entrepreneur Awards: Building Tomorrow's Leaders 40

Key Contacts 40

National U.S.-Arab Chamber of Commerce

1023 15th Street, NW
Suite 400

Washington, DC 20005

Tel: (202) 289-5920

Fax: (202) 289-5938

www.nusacc.org

E-mail: nusaccnews@nusacc.org

Incubating the Future: Entrepreneurship in Saudi Arabia

The year 2010 launches a new decade of entrepreneurship and innovation in Saudi Arabia. By the end of this year, the Kingdom intends to join the list of the top ten most competitive nations in the world – a coveted position that relies on a vibrant economy driven by a new generation of creative and forward-looking entrepreneurs.

Entrepreneurs are instrumental to growing the economy in the Kingdom. Small and medium-sized enterprises (SMEs) make up 92 percent of the businesses in Saudi Arabia, and they employ over 80 percent of the work force. Under the guidance of H.M. King Abdullah bin Abdul Aziz Al-Saud, there are significant indicators that Saudi Arabia is committed to nurturing the next generation of business leaders.

The **Saudi Fast Growth 100** is a new national program designed to promote entrepreneurship and innovation, ranking the fastest-growing companies in the Kingdom according to their revenues. Over 70 percent of the Saudi Fast Growth CEOs are serial entrepreneurs who have founded other companies, the majority of which are still in business. These “high intensity entrepreneurs” exceed the U.S. Inc. 500 for their rate of new business formation. Highly competitive, their revenues grow at an average of 43 percent annually, more than ten times the rate of the Kingdom’s private sector growth of four percent per year.

Saudi Arabia is committed to become “one of



Image courtesy of the White House

President Barack Obama addresses delegates at the Presidential Summit on Entrepreneurship, on April 26, 2010.

the most competitive nations in the world,” says H.E. Amr Al-Dabbagh, Governor of the Saudi Arabian General Investment Authority (SAGIA). “In order to achieve this ambitious goal, the Kingdom must nurture emerging growth companies since they are the oxygen of the economy.”

“Throughout history, the market has been the most powerful force the world has ever known for creating opportunity and lifting people out of poverty.”

President Barack Obama

The **King Abdullah University of Science and Technology (KAUST)** – the world’s newest, most state-of-the-art graduate-level research university



Saudi Fast Growth 100 Award recipients at the January 2010 ceremony held during the Global Competitiveness Forum in Riyadh. Enas Hashani (center), CEO & Founder of The Rumman Company, with her award. Standing with Hashani are Hatim Mouminab (left), CEO of Al-Watan, and Abdulkareem Abu Al-Nasr (right), CEO of the National Commercial Bank.

– underscores the Kingdom’s transition to a knowledge-based society that will strengthen the country’s emerging economy. The university’s Innovative Industrial Collaboration Program (KICP) fosters partnerships with local, regional and global businesses interested in nurturing entrepreneurship and strengthening the link between academic research and economic growth.

continued on page 3



NUSACC President David Hamod

FROM THE PRESIDENT'S DESK

Cultivating the Entrepreneurial Ecosystem in Saudi Arabia



Earlier this year, the National U.S.-Arab Chamber of Commerce (NUSACC) became a Regional Partner in a new program called the Saudi Fast Growth 100. Designed to recognize the fastest growing young companies in the Kingdom of Saudi Arabia, this program has quickly established a benchmark for identifying up-and-coming business leaders.

As this issue of *Tradeline* suggests, major changes are afoot in the Kingdom. In Saudi Arabia today, and throughout the Middle East and North Africa (MENA) region, there is a new breed of entrepreneurs that is gradually reshaping the economic landscape. These talented men and women are 'pushing the envelope' in their respective communities and challenging longstanding assumptions about value creation and risk aversion in the Arab world.

The Founding President of Saudi Arabia's King Abdullah University of Science and Technology (KAUST) applauds this new generation of risk-takers. Says President Shih, "The people who apply to a start-up university like KAUST are culturally, intellectually and professionally adventurous. These are the ingredients that contribute to entrepreneurship . . . and we can offer them a long runway from which their research projects can take off."

The following pages are filled with poignant stories about remarkable individuals who laid everything on the line to launch gutsy start-ups – in many cases against the odds. These success stories could easily have been lifted from a recent issue of *Inc.* magazine, but for one important detail: they took place not in the USA, but in Saudi Arabia.

Many of today's successful entrepreneurs in the United States credit a big part of their success to an ability to stand on the shoulders of those who have gone before them. Access to expertise like this is essential to an entrepreneurial ecosystem that nurtures innovation, inculcates creativity, and fosters new enterprises.

The list of attributes that help to constitute a successful entrepreneurial ecosystem is a long one. Some of these attributes include: talented individuals with intriguing ideas; mentors who are willing to share freely of their own experience; access to financial resources; a sustained commitment to entrepreneurship and incubation by local institutions – academia, government and/or businesses; access to appropriate technology; an environment that celebrates not only success, but also failure.

This last point is critical, and it represents one of the main reasons why creating entrepreneurial ecosystems in the Middle East and North Africa has historically been a challenge. Many nations around the globe frown on failure, but few are as tough as the Arab world.

In Silicon Valley and other environments in which start-ups thrive, taking risks is strongly encouraged. More often than not, these risks lead to failure. But in a context of "nothing ventured, nothing gained," such failure carries little stigma. To the contrary – a failed venture provides an incubator in which to gain experience and learn valuable lessons. Thomas Alva Edison, probably America's greatest inventor, put it this way: "I have not failed. I've just found 10,000 ways that won't work." Or as every American learns from a very young age, "If at first you don't succeed, try, try again."

Saudi Arabia has been the home of business leaders for a very long time. The Prophet Muhammad and many of his early supporters were traders and merchants. Equally impressive, Khadija, his wife, was a highly successful businesswoman long before she met the Prophet. But the Kingdom's business environment has not always favored start-ups. Fifteen years ago, the entrepreneurial environment there was akin to Saudi Arabia's vast Empty Quarter. Today, that start-up "desert" is in full bloom.

Credit for much of this transformation starts at the top with H.M. King Abdullah bin Abdul Aziz Al-Saud and H.R.H. Crown Prince Sultan bin Abdul Aziz Al-Saud. Through a variety of forward-looking programs, both leaders are empowering universities, chambers of commerce, and private foundations to create jobs for men and women, thereby laying groundwork for the next generation of business leaders.

What do these opportunities mean to the Saudi entrepreneurs themselves? In their own words:

"This encourages more people to become entrepreneurs and to give a lot back All you need is initiative and courage."

"I hope I can always be a role model for young people in our country."

"Despite the hard times, I have no regrets being an entrepreneur. It gives me the right to decide my own destiny."

"I am not interested in just making a profit. It's also about making a difference."

Indeed.

David Hamod
President & CEO

"In Saudi Arabia today, and throughout the Middle East and North Africa (MENA) region, there is a new breed of entrepreneurs that is gradually reshaping the economic landscape. These talented men and women are 'pushing the envelope' in their respective communities and challenging longstanding assumptions about value creation and risk aversion in the Arab world."

Entrepreneurship – from page 1

“The entrepreneurial culture is the key element that contributes to economic development by creating new businesses, jobs and wealth, all of which leads to sustainable competitiveness,” emphasized Professor Choon Fong Shih, Founding President of KAUST.

A recent agreement between **King Saud University** (KSU) in Riyadh and Ohio-based Kent State University established an entrepreneurship curriculum in Riyadh – the first of its kind to be accredited at a Saudi university. King Saud University is also home to the **Riyadh Technology Incubation Center** (RTIC), one of the leading incubator centers in the Middle East, as well as the **Entrepreneurship Center**, which organized the first international conference on entrepreneurship in the Kingdom, held in October 2009.

“SAGIA has committed to making the Kingdom of Saudi Arabia one of the most competitive nations in the world.

In order to achieve this ambitious goal, the Kingdom must nurture emerging growth companies since they are the oxygen of the economy.”

H.E. Amr Al-Dabbagh, Governor of the Saudi Arabian General Investment Authority

The **Centennial Fund** and its offshoot, the **National Entrepreneurship Center** have focused on three main goals since 2004: diversifying the Saudi economy through the creation of small and medium-sized businesses (SMEs), reducing the failure rate of SMEs by providing long-term mentoring, and nurturing successful entrepreneurs. Saudi Arabia is the first Arab country to establish such a program and the fund had more than 1,040 ongoing projects in 2009.

Saudi entrepreneurs are rapidly becoming an important source of job creation in the Kingdom. The 2009 and 2010 Saudi Fast Growth 100 companies, for example, collectively created 35,000 jobs since they were established, and 15,000 of these jobs were created in the last five years. In addition, these companies serve as business incubators for their employees, who have launched 41 new companies in the past two years.

These same Saudi Fast Growth 100 companies collectively generate nine billion Saudi Riyals (\$2.4 billion) in revenues. More than 90 percent of these revenues come from the Saudi market, and the companies anticipate doubling the percentage of their revenues from international markets over the next three years.

“More than anything else, the Saudi Fast Growth 100 is a powerful beacon of inspiration for the next generation of company builders – young people, perhaps just teenagers now – signaling that they too can have a stake in a dynamic, forward-looking economy,” notes Abdulkareem Abu Al-Nasr, CEO of the National Commercial Bank (NCB).

Saudi Arabia is making impressive strides in its quest for global competitiveness. In 2005, it was ranked 67th in the *Doing Business* report published by the World Bank. By 2009, it had climbed the ranks to number 13. The 2009 report ranks the Kingdom 23rd out of 178 countries for ease of doing business, seventh for ease of paying taxes, and third for ease of registering property. In June 2008, the new Unified Office for Commercial Registration in Riyadh became fully operational, and entrepreneurs can now complete all commercial registration requirements under one roof in one day.

“Saudi Arabia is creating a business climate that supports and rewards innovation and



Under the leadership of King Abdullah, the new generation of entrepreneurs is recognized for the important role it plays in Saudi Arabia's economic development and sustainable competitiveness.

entrepreneurial initiative,” notes SAGIA Governor Amr Al-Dabbagh. “The winners of the Saudi Fast Growth 100 will be the guides to our future, and they are the most potent signal that Saudi Arabia is a dynamic economy full of creativity and opportunity.”

Professor Michael Porter of the Harvard Business School fully agrees. “Entrepreneurship is alive and well in Saudi Arabia,” he says. “The Saudi Fast Growth 100 companies, led by dynamic men and women, represent the leading edge of a new approach to Saudi Arabia's competitiveness. These entrepreneurs are shattering our perception of what's really going on in Saudi Arabia.”

“The Holy Grail of economic development is building businesses, getting businesses to grow and develop and employ people, and to become the small and medium-sized companies (SMEs) that are really the backbone of any economy. You can't build an economy just on state enterprises or multi-nationals. You have to have a rich texture of SMEs which can drive entrepreneurship, provide support services, and make the economy work. What we find in emerging economies is that the small

businesses and growing entrepreneurial companies are really under the radar, nobody knows about them. There is a fixation with the large and with the established groups that have ties to the government. A list – such as the Saudi Fast Growth 100 – becomes very fundamental in bringing attention and energy to this part of the economy that is so crucial to success.”

Harvard Business School Professor Michael Porter, a leading authority on competitive strategy



Prince Sultan bin Abdulaziz Fund: Nurturing Women Entrepreneurs

The Prince Sultan bin Abdul Aziz Fund to Support Women's Small Enterprises was established in 2007 in Dammam. Initiated by H.R.H. Prince Mohammed bin Fahd bin Abdul Aziz, Governor of Saudi Arabia's Eastern Province, the fund provides aspiring women entrepreneurs with technical and financial support. According to Executive Manager Hana Al-Zuhair, the fund has supported 32 projects during the past two years.

Saudi women of all ages can apply to the fund, which requires that each applicant submit a business proposal to a review board. The fund is open to aspiring entrepreneurs, as well as to businesswomen seeking to expand their small to medium-sized enterprises.

When the finalists are selected, they go through a ten-day training course called "Intilakati" (My Launch), which is just the first step of the process. After successfully completing the training course, the women are required

to present their feasibility studies and business plans to a group of potential sponsors.

"The fund helped guide us and gave us the tools we needed," notes interior designer Ala'a Hariri, owner of Ala'a Hariri's Interiors. "We were taught about human resources development, accounting, finance, marketing, and cash management... in short, everything related to building a business," she adds.

Recognizing the importance of developing leadership skills in young Saudi girls, the Prince Mohammed bin Fahd Leaders Preparation Center was established in 2009. Operating under the umbrella of the Prince Sultan bin Abdul Aziz Fund, the Center is open to Saudi girls between the ages of six and 25. Two programs at the center target different age groups: the Promising Leaders Program is designed for girls ages six to 15, and the Young Leaders Program caters to girls ages 16 to 25.



Photo courtesy of the Saudi Embassy

The Prince Sultan bin Abdulaziz Fund was named in honor of H.R.H. Prince Sultan bin Abdulaziz Al-Saud, Crown Prince and Deputy Prime Minister of Saudi Arabia.

"We present success stories from the Fund as an example to the girls, and we give them role models to look up to," says Center supervisor Hind Al-Saghir. In a nation in which more than 50 percent of the population is female and 70 percent of the total population is under the age of 30, Ms. Al-Saghir notes, "We need to prepare the younger generation to lead the future."

"A New Era of Entrepreneurship"

On April 26 and 27, President Barack Obama hosted an historic summit with more than 275 entrepreneurs from approximately sixty countries with significant Muslim populations. "A New Beginning – The Presidential Summit on Entrepreneurship" is the fulfillment of a promise made by President Obama during his June 4, 2009 speech in Cairo to strengthen relations between social entrepreneurs in the United States and Muslim communities around the world.

The two-day summit, co-hosted by the U.S. Departments of Commerce and State, highlighted the essential role entrepreneurs play locally, regionally, and globally in social and economic development. Encouraging global entrepreneurship is a central element of the Obama Administration's foreign economic and development policy. It is considered a "win-win" policy that provides new economic opportunities globally for U.S. investors and businesses, as well as creating jobs and strengthening socio-economic infrastructures abroad.

Addressing the 275 participants at the end of the first day, President Obama emphasized that by "listening to each other, we've been able to partner with each other. We've expanded educational exchanges because knowledge is the currency of the 21st century, and we're

partnering to expand economic prosperity."

Why is the Obama Administration placing so much emphasis on entrepreneurship? "The answer is simple," explains President Obama. "You told us that this was an area where we could learn from each other, where America can share our experience as a society that empowers the inventor and the innovator. Throughout history, the market has been the most powerful force the world has ever known for creating opportunity and lifting people out of poverty."

A number of significant initiatives were announced by U. S. Secretary of State Hillary Rodham Clinton at the end of the summit. The Global Entrepreneurship Program will provide concrete support to new entrepreneurs, starting with the first pilot program in Egypt. Partnerships with two Silicon Valley-based organizations – the Global Technology and Innovation Partners and the Innovators Fund – will potentially mobilize more than \$2 billion in investments.

Included among the summit participants were six young Saudi Arabian entrepreneurs – four women and two men. Maria Mahdaly, the 21-year old co-founder of Rumman Company



Photo courtesy of Arab News

Maria Mahdaly of Fainak (second from left) and other Saudi entrepreneurs with Secretary of State Hillary Clinton during President Barack Obama's Summit on Entrepreneurship.

in Jeddah and the General Manager of *Fainak*, a socially responsible youth website and magazine, was invited to the summit by U.S. Ambassador to Saudi Arabia, James B. Smith.

"It was inspiring to be among all those successful and creative entrepreneurs from so many different countries," comments Mahdaly. "This was an incredible opportunity for young entrepreneurs like myself to be able to share our experiences, struggles, and challenges with each other during the two-day summit," she adds.

Recognized as one of the top 30 student entrepreneurs in the world by the U.S.-based Entrepreneurs Organization, Mahdaly is a reflection of the thriving entrepreneurial climate in Saudi Arabia.



Photo © Mike Liu | Dreamstime.com

Windy City Hosts U.S.-Saudi Business Opportunities Forum

In late April 2010, more than 1,000 Saudi Arabian and U.S. Government officials and business leaders attended the U.S.-Saudi Business Opportunities Forum held in Chicago, Illinois. Co-sponsored by the U.S.-Saudi Arabian Business Council and the Committee for International Trade of the Saudi Council of Chambers of Commerce and Industry, the event also received high-level support from the Saudi Arabian Ministry of Commerce and Industry and the U.S. Department of Commerce.

Approximately 200 high-level Saudi Arabian government and business leaders attended the forum, including the ministers of petroleum and mineral resources, commerce and industry, finance, and education. Saudi Arabia's Ambassador to the United States, H.E. Adel Al-Jubeir, participated, as did his U.S. counterpart, the Hon. James Smith, the U.S. Ambassador to Saudi Arabia. Rounding out the official U.S. delegation were U.S. Secretary of Commerce Gary Locke and Deputy Secretary of the U.S. Treasury Department, Neal Wolin.

sector, explained Minister Alireza. Moreover, he noted, Saudi Arabia is aggressively developing a higher education system that will supply the engineering and research talent required to support advanced technology and medical industries.

"As the world continues to emerge from this once-in-a-generation economic crisis, it has never been more important for us to expand trade and economic cooperation across our borders," said U.S. Secretary of Commerce Gary Locke during his keynote address. Referring to President Obama's recent Presidential Summit on Entrepreneurship, Secretary Locke noted that the men and women from more than 60 Muslim-majority nations who attended the summit represent the vibrant private sector that has "an immense and vital role in promoting economic opportunity."

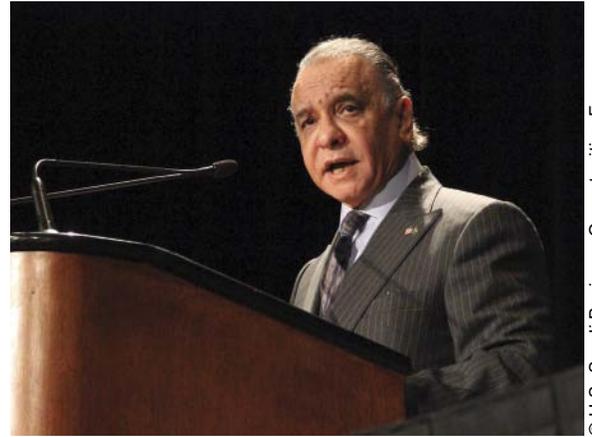
A cornerstone of Saudi Arabia's commitment to diversifying its economy is the Kingdom's pledge to invest \$400 billion over the next decade in infrastructure projects, explained Secretary Locke. "Saudi Arabia is embarking on an historic development project and American companies have the expertise and the resources to help Saudi Arabia reach these ambitious goals," he suggested.

Sheikh Abdul Rahman Al-Jeraisy, President of the Riyadh Chamber of Commerce and Chairman of the Al-Jeraisy Group, agreed. "We need what the United States has to offer – products and technology – and we promise that our economic vitality is not a temporary condition. The opportunities will be long-term."

"As U.S. companies invest more in and export more to Saudi Arabia, it's going to create more jobs here in Illinois and across America," emphasized Secretary Locke. Job

creation and a renewed focus on exports are main priorities for the Obama Administration, as evidenced by President Obama's recently announced National Export Initiative (NEI).

The Forum established a new platform for enhanced cooperation at the national level. Companies from around the Midwest were



H.E. Abdullah Zainal Alireza, Saudi Arabia's Minister of Commerce and Industry

given an opportunity to network with Saudi counterparts and to identify specific commercial and investment opportunities. Omar Bahlaiwa, Secretary-General of the Committee for International Trade of the Council of Saudi Chambers of Commerce, noted, "The number of registrants means that this is the largest-ever forum in the history of our two countries. And for the first time we are targeting small and medium-sized entrepreneurs."

"Saudi Arabia is moving away from being the gas station to the world. Sustainable economic growth and real diversification is the goal of Saudi Arabia."

Abdullah Zainal Alireza
Saudi Minister of Commerce and Industry



U.S. Secretary of Commerce Gary Locke

Addressing the forum on opening day, Saudi Arabia's Minister of Commerce and Industry, H.E. Abdullah Zainal Alireza, stated, "Saudi Arabia is moving away from being the gas station to the world. Sustainable economic growth and real diversification is the goal of Saudi Arabia." The Kingdom is committed to using its wealth to develop a robust business

© U.S.-Saudi Business Opportunities Forum

© U.S.-Saudi Business Opportunities Forum



Siraj Capital: Building Future Entrepreneurs

Siraj Capital is committed to backing Saudi Arabia and MENA-based entrepreneurs who have the vision, ambition and determination to build future market leaders. “We believe that small is the ‘new big’ and that this sector holds the greatest potential for economic growth and job creation in Saudi Arabia,” explains Ibrahim Mardam-Bey, Chief Executive Officer and Executive Vice President of Business Development and Project Management at Siraj Capital.

Founded in 2005 by Mardam-Bey and Dr. Ghassan Ahmed Al Sulaiman, Siraj Capital is a merchant private equity investment firm with 40 employees – 16 of whom are investment professionals. Headquartered in Jeddah, Siraj Capital has additional offices in Riyadh, Dubai’s International Finance Center (DIFC) and Beirut, Lebanon.

In less than five years, the company has established a strong local and regional presence in the private equity and Islamic finance capital markets. It has also become a recognized leader in the emerging business development and incubation market by leveraging its team members’ entrepreneurial experiences and management expertise.

Since its inception, Siraj Capital’s private equity business has focused on offering “enlightened capital solutions” primarily but not exclusively to the Saudi Arabian market. “We looked at the region in general and ascertained that Saudi Arabia has the largest economic market with the greatest potential in terms of untapped opportunities,” says CEO Mardam-Bey. Factors such as the Kingdom’s youthful population demographics, significant urbanization, economic reforms and mega-infrastructure and reinvestment programs make Saudi Arabia one of the world’s most exciting emerging markets, Mardam-Bey suggests.

He notes that the “Siraj DNA” is what distinguishes the company from other private equity investment firms. “We utilize what we call a ‘white box’ approach – as opposed to the more traditional ‘black box,’ which is a typical fund with no investor involvement in projects,” Mardam-Bey points out. “We are very transparent and hands-on with our investments.”

For Siraj Capital, identifying opportunities and investing in them is just the first step. What follows afterward is where Siraj shows its commitment to incubating, and not just investing, in companies and initiatives. As board members of their portfolio companies, Siraj plays an active role in helping CEOs achieve their business goals.

“We get very involved in our projects. If we are incubating a company, we conduct one or two-day strategic sessions, and create a list of assignments for each of us on the Siraj development team. This becomes our manifesto for the year and then we continuously follow-up with the project,” explains Mardam-Bey.

Siraj Capital’s hands-on approach is clearly successful. In January, three of its portfolio companies were recognized among the fastest growing start-up companies on the Saudi Fast Growth 100 List.

“We believe that small is the new big and that this entrepreneurial sector holds the greatest potential for economic growth and job creation in Saudi Arabia.”

Siraj CEO Ibrahim Mardam-Bey

An annual award launched in 2009, the Saudi Fast Growth 100 identifies and ranks the fastest-growing companies in the Kingdom. Jeddah-based Midrar Development Company, a real estate specialized services company, was ranked fourth on the list; Delta United, a Riyadh-based telecom infrastructure service provider, was 11th, and Lomar, the leading Saudi thobe brand, was ranked 21st among the 31 companies designated as start-ups.

Currently, Siraj has 12 portfolio companies and numerous initiatives, such as the Jeddah Central Business and Historic District, the Arab Tourism Bank, hodema Consulting Services, Sukuk.net, and Clark Construction KSA, to name just a few. Siraj has exclusive master development rights in Saudi Arabia



Dr. Ghassan Al Sulaiman, Chairman of Siraj Capital Ltd.

for Holiday Inn Express, a three-star limited hotel, and it is currently developing three sites in and around Jeddah as part of its Kingdom-wide roll out plan.

Siraj Capital CEO Ibrahim Mardam-Bey recently observed that “consumer-driven businesses – such as budget hotels, casual dining, and food and beverage – are a big sector under exploration, as well as the service industries that feed into that infrastructure.” The company is currently in exploratory talks to establish a \$100 million private equity fund to acquire SMEs in Saudi Arabia.

In addition to leading the way in the private equity and business development and incubation markets, Siraj has become one of the key players in the Islamic finance industry as a result of its specialization in Shariah-compliant structures.

“During the past ten years, there has been a significant movement toward Islamic financing, and we are one of the first companies involved in the structuring of a Sukuk offering for Western projects. We see a lot of opportunity around Sukuks in the future,” explains CEO Mardam-Bey.

Siraj Co-founder and Chairman of the Board, Dr. Ghassan Ahmed Al Sulaiman, is one of Saudi Arabia’s most successful entrepreneurs.

He sits on the boards of numerous public and private entities, including the National U.S.-Arab Chamber of Commerce, where he serves as Co-Chairman.



SIRAJ CAPITAL

ENLIGHTENED CAPITAL SOLUTIONS

INTERVIEW

Dr. Fahad Al Sultan

Secretary General of the Council of Saudi Chambers of Commerce and Industry



Dr. Fahad Al Sultan

The twenty-five Chambers of Commerce and Industry in Saudi Arabia have initiated numerous programs to encourage innovation and entrepreneurship in the Kingdom. Each of the chambers has opened support centers for businessmen and women, providing new entrepreneurs with consultation, training, financial advice and help in identifying investment opportunities. The Women's Section in the Riyadh Chamber of Commerce, along with the Khadijah bint Khuwailid Businesswomen's Center in Jeddah, have become two of the most influential women's institutions for entrepreneurship and finance in the Arabian Gulf region.

The three largest chambers – Riyadh (62,000 members), Jeddah (41,000 members) and the Eastern Province (39,000 members) – host yearly entrepreneurship forums and have established Small and Medium Enterprise (SME) Development Centers.

In a recent interview, H.E. Dr. Fahad Al Sultan spoke with U.S.-Arab Tradeline about the growing entrepreneurial environment in the Kingdom and its impact on U.S.-Saudi commercial relations.

What role does the entrepreneur play in the emerging Saudi economy?

We regard the entrepreneur as the major engine driving the economy. SMEs make up 92 percent of the businesses in Saudi Arabia, and they employ over 80 percent of the work force. These days, the global economy faces many challenges, and we have to actively participate in shaping the future, instead of just waiting for the future to happen. It's time for the new entrepreneurs, instead of the older established businesses, to take the lead in defining and re-invigorating the national economy. They represent the future of the Saudi economy.

What needs to be done to support the growth of an entrepreneurial culture in Saudi Arabia?

It is no longer enough in the global community to be good; one has to be excellent. We need to start with the schools and educate young people so that they will be global instead of just local citizens. They need to speak a universal language and understand international trade and competitive markets from both an Eastern and Western perspective.

In this context, the educational system in Saudi Arabia has been evaluated during the last ten

years through the King Abdullah Program for Improving Public Education under The Ministry of Education. In addition, the old rules, laws and regulations from the 1980s -1990s must be changed. We need to continue to ease restrictions for trade and investment.

"It's time for the new entrepreneurs, instead of the older established businesses, to take the lead in defining and re-invigorating the national economy. They represent the future of the Saudi economy."

Secretary General Dr. Fahad Al Sultan

Has the growth of entrepreneurs in Saudi Arabia led to new opportunities for American SMEs?

We have a gold rush of opportunities. I can give you a list of thousands of projects – in education, infrastructure, telecommunications, agriculture, transportation and health, to name just a few. There is also a new trend in Saudi Arabia's industrialization program which involves building industrial clusters that focus on special sectors, such as automotive or electronics. We want U.S. companies to be aware of this trend and to come on board. Even though the global economy faces many challenges, we are fortunate to still have these projects, which represent golden opportunities for our business partners.

Most Saudis would love to see more American businesses involved in our development projects, but the feeling here is that the Americans are missing the boat and, as a result, both sides lose. We badly need American know-how, experience, knowledge and managerial skills. The participation of American companies in our projects is of great value, not just for our economy but for our cultures. There is a great difference between American know-how and that from other countries.

I don't understand why Americans are hesitating to work in Saudi Arabia, especially since there are such long historic ties between our two countries dating back almost a century. Our relations with China are less than three decades old. In 2009, 95 international business delegations came to Saudi and only one, a non-business delegation, arrived from the United States. Both sides are losing. Sharing our experi-

ences and expertise would add value to both of our countries' economies.

What steps can the Council take to entice American companies to invest to Saudi Arabia?

We are not doing enough at the moment. The Saudi business community needs to invite members of the American business community to come to Saudi Arabia and see how much we have in common. Our economies complement rather than compete with each other. At the Council, we are very action-oriented, and we want to do something concrete. We have learned that if we bring together business people from different parts of the world and sit them down together in one room to discuss joint ventures, deals will be made. I encourage the U.S.-Arab Chambers of Commerce to bring delegations of business men and women to Saudi Arabia for several days of B2B matchmaking twice a year.

Development Center for Small & Medium Enterprises

In 2003, the Council of Saudi Chambers of Commerce and Industry established the Development Center for Small and Medium Enterprises (SMEs) in recognition of the important role that SMEs play in Saudi Arabia's emerging economic development by diversifying the economy and creating new jobs.

The primary objectives of the Center include educating Saudis in general about the importance of entrepreneurship in Saudi Arabia and strengthening the role of regional Chambers of Commerce as mentors for SMEs. In addition, the Center offers easier access to financing for start-up businesses, prepares studies on the emerging SME sector, and cooperates with the Saudi Exports Development Center to enhance the exporting capability of SMEs. To date, the Center has conducted approximately 500 consultations with entrepreneurs and has registered more than 100 participants in training seminars held throughout the Kingdom.



INTERVIEW

Professor Choon Fong Shih

Founding President and Professor of Electrical Engineering at the King Abdullah University of Science and Technology (KAUST)

Inaugurated in September 2009 in Thuwal, Saudi Arabia, the King Abdullah University of Science and Technology (KAUST) is the world's newest state-of-the-art graduate level research and entrepreneurial university. KAUST's Industry Collaboration Program (KICP), Technology Transfer Office, and Research Park underscore the university's mission to convert research discoveries into practical applications, to incubate new businesses, and to maximize industrial collaboration within Saudi Arabia as well as regionally, and globally. In an exclusive interview with NUSACC, KAUST President, Professor Choon Fong Shih, spoke about the key role KAUST plays in developing entrepreneurship within Saudi Arabia.

KAUST currently has 375 students from 45 countries. What types of students and faculty has KAUST attracted?

We bring in people with big ideas, big ambition and aiming for big impact. I always say that timid individuals need not apply. The people who apply to a start-up university like KAUST are culturally, intellectually and professionally adventurous. These are the ingredients that contribute to entrepreneurship. Our students are risk-takers and entrepreneurship is all about risk-taking. We have the right people here and we can offer them a long runway from which their research projects can take off. These are the individuals who will play a catalytic role in economic development within and beyond Saudi Arabia.



KAUST Campus Library at Sunset

In addition to our students from around the world, we have 71 professors and staff recruited from the best universities in over 70 countries. They bring with them a wide range of experiences and perspectives and this builds an entrepreneurial culture. KAUST provides our students and faculty with the best facilities. We have a Technology Transfer Office and

Research Park right here on our campus. In fact, the amount of floor space for innovation (24 acres of laboratory space) far exceeds the floor space given to the academic campus (two acres). We also provide our students with the financial resources and support staff to pursue research projects that address the scientific challenges of our time. On top of all this, we offer a very livable, contained environment along the Red Sea. This creates a very compelling value proposition for the best minds from around the world to come to KAUST.

You were the former President and Vice-Chancellor of the National University of Singapore. What compelled you to take on the challenge of leading a start-up graduate-level university?

It was the audacity of King Abdullah's vision. The King wants KAUST to be the new "House of Wisdom" and to continue the great scientific traditions established during the Golden Age of Islam. When I was making my decision three years ago, I stood on the site which is now KAUST and there was nothing other than sand and sea. I decided it was the opportunity of a lifetime to make a contribution to addressing the global challenges of our time – renewable energy, clean water and sustainable food sources. KAUST is all about the audacity of ambition and going where no one has ever gone before. This is what I found very compelling.

In addition, the Red Sea is a treasure that needs to be protected and that is another one of KAUST's objectives that is very important to me. The Red Sea has the second largest coral reef in the world, but it is also a passageway between East and West and an essential ecosystem for fishery and marine life. The Four Tigers (Hong Kong, Singapore, South Korea and Taiwan) are growing and in the next ten-to-twenty years the economy of Asia will be equal to the economies of Europe and America combined. The Red Sea is going to become one of the most important gateways between East and West. As a result, KAUST is where things are going to happen.

What is KAUST's mission?

Our mission is clear. We are a research and entrepreneurial university. Our objective is to



Photo courtesy of KAUST

KAUST President, Professor Choon Fong Shih

create and discover new knowledge and bring that knowledge to benefit humankind. We are here to advance science and technology and we are also here to contribute to economic development in Saudi Arabia. The entrepreneurial culture is the key element that contributes to economic development by creating new businesses, jobs and wealth, all of which leads to sustainable competitiveness.

"Our students are risk-takers and entrepreneurship is all about risk-taking. We have the right people here and we can offer them a long runway from which their research projects can take off. These are the individuals who will play a catalytic role in economic development within and beyond Saudi Arabia."

KAUST President, Professor Choon Fong Shih

How will the university promote entrepreneurship within Saudi Arabia?

We have smart, talented and entrepreneurial students and faculty here, and we have the funding to enable them to develop key technologies in renewable energy, clean water, sustainable food sources and the environment. What is often lacking in the advancement of science and technology are not the funds, but a source of entrepreneurial people. We have the people.

KAUST has created a small ecosystem for entrepreneurship and enterprise. We have the KAUST Industry Collaboration (KIC), which

continued on next page

Professor Shih – from previous page

is a strategic business-focused organization that aligns our Research & Development with industry partners on a local and global scale. In addition, our Technology Transfer and Research Park brings in major corporate businesses to share their experiences and knowledge on how to grow a high tech enterprise.

“Our mission is clear. We are a research and entrepreneurial university. Our objective is to create and discover new knowledge and bring that knowledge to benefit humankind. We are here to advance science and technology and we are also here to contribute to economic development in Saudi Arabia.”

KAUST President, Professor Choon Fong Shih

This gives our students and faculty the opportunity to work with entrepreneurs and create start-up companies right here on campus. We want to make it easy for them to start a business, so we provide venture funds, hardware and software support and seed-funding. The contribution toward enhancing economic development and creating jobs in Saudi Arabia will be one of the key factors in determining seed-funding.

KAUST does not see itself as an Ivory Tower. We plan to tackle the global challenges of our time by working with established companies, creating start-ups, and reorienting established companies to new directions. Take green technology, for example. Green technology is not

King Abdullah University of
Science and Technology



just a cause – it can be big business. In addition to protecting the environment and making life sustainable beyond the next 50 years, green technology creates new opportunities, new business, and new models for economic development. It's up to us to turn sustainable development into new opportunities.

Have any of KAUST's partners in the Industrial Collaboration Program (KICP) established a physical presence in the Research Park?

Dow Chemical will be our first tenant in the Research Park, and this will provide opportunities for new start-ups and spin-off companies among our graduates. Large companies are less apt to change a business model that has proven successful for them. However, they can inspire small companies and start-ups to look for a better model. This is where we will see big advances.

What are your goals for KAUST during the next five to ten years?

In ten years, I would like to see KAUST stand among the world's leading scientific universities. We are aiming high and charting the course to reach that goal, and we are moving this bold endeavor forward at an unprecedented speed, scope and scale. This captures the imagination of young people, especially young entrepreneurs. We have a saying in Singapore – “Do not make little plans for they fail to stir men's blood.” Our direction is clear and we will succeed.

Solar panels, part of the Solar and Alternative Energy Research Center at KAUST.



The KAUST Industrial Collaboration Program Research Park

Ecosystem for Entrepreneurship and Enterprise

KAUST's Industrial Collaboration Program (KICP), Research Park, and Innovation Clusters are designed to maximize academic and industrial collaboration, stimulate innovation, economic growth and job creation within and beyond Saudi Arabia. Currently there are 22 partners in the KICP, including such U.S. firms as GE, Boeing, IBM, Dow Chemical, and Schlumberger.

Dow Chemical will be the first tenant in the Research Park, where the U.S. firm plans to house its corporate R&D serving the Middle East and North Africa (MENA) region. Designed as a center for incubation and entrepreneurship and intended to help diversify the Saudi economy, the 772-acre facility is poised to become the region's premier research park.

The Innovation Clusters were the first buildings to be constructed in the Research Park and will open in late 2010. Their targeted tenants are established companies collaborating with KAUST research centers and faculty, as well as early stage technology start-ups.



Work being done in the Soil Lab Cluster



Alagat Company: A Step Ahead of the Changing Economy

H.E. Usamah Al-Kurdi, President and Chairman of the Board of Alagat Company, an international investment company based in Riyadh, has his finger on the pulse of the Saudi Arabian economy. A former Secretary General of the Council of Saudi Chambers of Commerce and Industry from 1990 to 2000, Al-Kurdi has witnessed many of the groundbreaking reforms that are facilitating bilateral trade and investment and changing the face of doing business in the Kingdom.



Exhibitions organized by Alagat Company (below and center)

“One reason I wanted to open my own business in 2000 was the extensive reform I saw taking place in Saudi Arabia’s economic, political, educational, and social life during my tenure at the Council,” Al-Kurdi says. “This told me that Saudi Arabia was embarking on major changes and that I should be ready to move forward or expect to be left behind,” he explains.

An entrepreneur at heart, Al-Kurdi established Alagat Company in 2000 and relied on the expertise he acquired during his ten years at the Council in events management, exhibition planning, media relations and international investment development to bring in his first clients. Alagat began with two



employees. It has since grown to ten, and Al-Kurdi expects to increase his staff to twenty in the near future.

During Alagat’s start-up years, Al-Kurdi acquired a reputation for incubating new businesses and facilitating joint ventures. Foreign companies looking to invest in the Kingdom and Saudi companies looking for international partnerships turned to Alagat, which helped to establish one of the first Saudi-Chinese joint ventures – Saudi Makamen – in the Kingdom.

Al-Kurdi currently has four “mega-businesses” in the pipeline – which include one in sustainable energy and another – the International Food and Agriculture Investment Company - in food security. “I guess one never stops being an entrepreneur,” says Al-Kurdi, who notes that now is a golden time for SMEs, as well as large companies, to invest in the Kingdom.

There has been a dramatic shift in doing business in Saudi Arabia, and he attributes much of this to Saudi Arabia’s accession to the World Trade Organization (WTO) in 2005. “I believe we went beyond the requirements of the WTO because it became apparent that an open economy would yield more opportunities,” Al-Kurdi says.



“There is also a new legal platform for foreign companies, and many sectors – such as mining, railroads, and the economic cities – have been opened for foreign investment.”



Usamah Al-Kurdi, President and Chairman of the Board of Alagat Company

“As a result of the global financial crisis, many foreign companies are turning to Saudi Arabia as their saving grace because they don’t need to invest any cash, the economy is stable and thriving, and the companies only need to bring their know-how and experience,” comments Al-Kurdi. American companies have shown less interest in exploring these opportunities than countries such as China, Canada, Russia and Australia. “Both the United States and Saudi Arabia need to work harder to bring American investors and businessmen and women back to the Kingdom,” Al-Kurdi suggests.

“It is now a golden time for SMEs, as well as large companies, to invest in the Kingdom. As a result of the global financial crisis, many foreign companies are now turning to Saudi Arabia because they don’t need to invest any cash, the economy is thriving, and the companies only need to bring their know-how and experience.”

Usamah Al-Kurdi, President and Chairman of the Board of Alagat Company

Al-Kurdi, a Board Member of the National U.S.-Arab Chamber of Commerce, would like to see the Saudi government offer more concrete support to the emerging entrepreneurs in the Kingdom. “I don’t think we are doing enough to support our SMEs. We have some programs available, but we need to increase them and to make more cash available for these new entrepreneurs. SMEs lead to more job creation, which should be high on our agenda,” he emphasizes.



INTERVIEW

Amer Kayani

Counselor for Commercial Affairs, U.S. Embassy, Riyadh

Amer Kayani has been the Department of Commerce's senior commercial officer in Saudi Arabia since 2008. He recently shared his views with NUSACC regarding the emerging entrepreneurial environment in Saudi Arabia.

What changes have you observed in the entrepreneurial climate in Saudi Arabia?

The Saudi economy, for the most part, has been immune to the financial stress that other Arabian Gulf economies experienced in 2008 - 2009. The Saudi government has pledged to spend \$400 billion on infrastructure projects over the next decade and is also working to create a knowledge-based economy that focuses on education, technology and financial services. As a result, a number of young Saudis have started to take interest in entrepreneurship. Also, the Government of Saudi Arabia has been working very hard to improve the business climate both for local and foreign companies. In fact, in 2009, Saudi Arabia was ranked number 13 out of 177 countries by the World Bank for ease of doing business.

Has the growth of entrepreneurs led to new business and investment opportunities between the U.S. and Saudi Arabia?

American companies have operated success-

fully in Saudi Arabia for almost 70 years and are market leaders in many sectors. Significant opportunities for American companies exist in the following sectors: medical equipment and healthcare, railways, defense, information technology, telecommunications, construction, water, petrochemicals, power, and franchising.

Are there still key impediments that make relationships between U.S. businesses and emerging Saudi SMEs difficult?

There are no significant barriers to doing business in Saudi Arabia for American SMEs. To succeed in this market, a visit is a must. SMEs will need to invest significant time to cultivate personal relationships with their Saudi counterparts.

How does the U.S. Embassy in Riyadh make American SMEs aware that they may have counterparts with which to work in the Kingdom?

Every year, on average, we take 10 to 12 trade missions from Saudi Arabia to the United States, where we introduce Saudi buyers to American companies. We also recruit and bring trade missions from the United States to Saudi Arabia. The U.S. Commercial Service offices in Riyadh, Jeddah and Dhahran also offer an executive appointment (Gold Key) service to



Amer Kayani

visiting U.S. business executives. In addition, in-depth counseling on opportunities in this market are available through our network of 109 domestic U.S. Export Assistance Centers (USEACs) across the United States.

Have American businesses "missed the boat" by not actively re-entering the Saudi market after 9/11?

U.S. companies are no longer the only players in this market. They face serious competition from Asian and European companies and, in many cases, contracts that would have formerly been awarded to American companies have gone to the competition. Yet, Saudi companies remain eager for deeper contacts with their American counterparts. Saudi Arabia's market potential has also started to capture the interest of American CEOs from a range of industries and services, and Saudi Arabia has started to emerge as the leading market in their corporate strategies for Middle East and North Africa.

Lubna Suliman Olayan Honored as Cornell Entrepreneur of the Year

Lubna Suliman Olayan, CEO of Olayan Financing Company in Saudi Arabia, was recently named Cornell Entrepreneur of the Year.

A 1977 graduate of Cornell University in Ithaca, New York, Olayan was honored at a ceremony held on the Cornell campus in April 2010. Founded in 1985, the Cornell Entrepreneur of the Year Award is given annually to a Cornell graduate who best exemplifies entrepreneurial achievement, community service and high ethical standards.

During the award ceremony on April 15, Olayan noted that "the culture of entrepreneurship has become



Lubna Suliman Olayan

a part of business" at the Olayan Group. She emphasized that for any company to be sustainable, it has to be socially responsible.

"It will ultimately pay off for the environment and for people," she commented.

After completing her education at Cornell University and working at Morgan Guarantee in New York City, Olayan joined the family business in 1986. Founded in 1947 by her father, the late Suliman S. Olayan, the Olayan Group is a private multinational enterprise engaged in distribution, manufacturing, services and investments. The

Olayan Financing Company was established

in 1969, and it operates or actively participates in more than 40 companies.

In 1986, Olayan was a pioneer in the Saudi Arabian work force, which was closed to most women. Today, women in Saudi Arabia account for approximately six percent of the work force, according to Olayan. The Olayan Financing Company is currently partnering with American corporation Kimberly-Clark to train and teach uneducated women in Saudi Arabia and prepare them for the job market.

Fortune magazine included Lubna Olayan in its "Global Power 50 Women" list from 2004 to 2009 and *Forbes* magazine named her one of the "World's Most Powerful Women" from 2005 to 2007. In 2005, *Time* magazine cited her as one of the "Top Most Influential People in the World."



AllWorld Network: Identifying 21st Century Entrepreneurs

In 2008, the Saudi Arabian General Investment Authority (SAGIA) launched the Saudi Fast Growth 100, the first national program that highlights fast-growing entrepreneurial companies.

Start-ups play a critical role in stimulating innovation in their local economies and generating home-grown jobs, and SAGIA's National Competitiveness Center (NCC) wanted to showcase these emerging small and medium-sized enterprises (SMEs) in the Kingdom. Prior to 2008, Saudi Arabia did not appear on any global rankings of entrepreneurship.



The Next Economy

Strategic Partners and Nominating Partners, set out to locate fast-growing, privately held companies.

AllWorld Network, co-founded in 2007 by Anne Habiby and Deirdre M. Coyle, Jr. was an ideal partner for this project. In 1999, Coyle and Habiby had joined forces with Harvard Business School Professor Michael Porter and *Inc.* magazine to create the U.S. Inner City 100 list. The goal was to identify entrepreneurs where no one thought they existed—in America's economically distressed inner cities. One hundred and twenty companies entered the competition the first year, and by 2008, more than 8,000 companies were vying to be on the list.

“Over the last ten years, we began to see that high-growth entrepreneurship is a force multiplier socially and economically,” explains Habiby, a national expert in economic development. “We decided to be very entrepreneurial ourselves and go global by trying to find and advance all the growth entrepreneurs of the emerging world by 2015.”

Between January and March of 2008, Coyle and Habiby made numerous trips to Saudi Arabia. By May of that year, it was clear that they could easily identify more than 100 promising companies. “I was surprised,” says Coyle. “We thought it was going to be much more challenging because at that time there was not as large an entrepreneurial infrastruc-

ture in Saudi Arabia. But wherever we went, everyone was excited about the project. Whether it was a chamber of commerce, a media outlet, a business or an investment bank, everyone wanted to help.”

The entrepreneurs were very proud to be recognized within their regions, adds Habiby. “It was not so much about themselves,” she says, “but more about the important role entrepreneurship plays in the regional economy of Saudi Arabia and how this role is undervalued.” She also notes that the women entrepreneurs in particular were determined to show how they are helping to build Saudi Arabia's future.

When Habiby and Coyle came back with enough companies qualified to meet the selection criteria – international standards of competitiveness developed by *Inc.* magazine to create the Inc. 500 – “it blew everyone away,” Habiby recalls. This marked the beginning of the Saudi Fast Growth 100 List.

AllWorld research indicates that there are approximately 2,500 existing growth companies in the emerging world that could fuel economic development in the next five years. By putting these entrepreneurs on the global radar screen, Habiby and Coyle estimate one million jobs can be created.

“This is the century of entrepreneurship in a way the history of the world has never before seen. All the forces – a global economy, advancements in technology, travel and communications – are aligned for a massive explosion of entrepreneurship.”

Anne Habiby, co-founder of AllWorld Network

“This is the age of the global entrepreneur,” says Coyle. “We speak a global language much more so than in the past. Also, we are seeing the nimbleness and abilities of entrepreneurs. You no longer have to be big to move into a global market – you just need the technology, the capability and an understanding of the market.”

Habiby recalls that she began to see tectonic shifts in the global economy several years ago. Social and political structures are opening up, she believes, and there is a pent-up energy in India, China and the countries in the Middle East and North Africa. “This is the century



Anne Habiby, co-founder of AllWorld Network



Michael Porter, Chairman of AllWorld Network



Deirdre M. Coyle, Jr., co-founder of AllWorld Network

of entrepreneurship in a way the history of the world has never before seen,” Habiby notes. “All the forces – a global economy, advancements in technology, travel and communications – are aligned for a massive explosion of entrepreneurship, and we plan to have a ringside seat to this next economy.”

GUEST COMMENTARY

A Salute to Saudi Entrepreneurs: Backbone of a 21st Century Economy

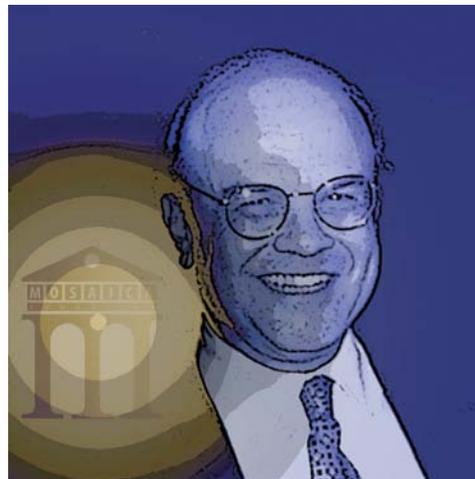
Before I joined Mosaica Education, a start-up school-management company, in 1998, I spent 17 years in the venture capital/private equity business. It was a great job because I got to work with entrepreneurs intent on growing their businesses. They were invariably interesting, creative and dynamic people. Entrepreneurs are ridiculously ambitious in their goals, and they understand the need to collaborate with others to achieve them.

Hierarchy, structure and rule-making may be what is required for some organizations, but not so for growth entrepreneurs. In that world, it takes teamwork, flexibility, responsiveness and a sense of urgency. I've been to hundreds of planning sessions for entrepreneurial organizations over the years. One person suggests an idea, another person takes that idea a step farther, someone writes it down, and before the ink is dry, a business plan is being executed.

Mosaica Education is itself an entrepreneurial enterprise. Since our founding in 1997, we have grown to where we currently manage 77 schools, educating 18,000 5-18 year-olds every day. We were named four times to the *Inc.* Inner City 100, and we were number one on that list in 2005. We expanded into the GCC more than six years ago and have established operations in Qatar and the United Arab Emirates. It was therefore logical for us to represent the "American List" in welcoming the Saudi Fast Growth 100 (SFG 100) winners to the AllWorld Network during their 2009 and 2010 summits in Riyadh, Saudi Arabia. I have gotten to know the CEOs of many of these Saudi companies. True entrepreneurs, their attitude toward change, growth and customer service are the lifeblood of a 21st-century growth economy.

The SFG 100 and the other AllWorld Network lists provide essential support to these emerging entrepreneurs. AllWorld founders Anne Habiby and Deirdre Coyle frequently refer to the notion of "visibility economics," the economic equivalent of the Heisen-

berg principle in physics or the Hawthorne effect in industrial psychology. The mere act of exposing a company or a market to public view generates an awareness that causes others to change their attitudes. When banks and investors discover the extent and success of small and medium-sized businesses, they develop programs to cater to that market segment. When governments learn of the quality and extent of entrepreneurial activity, they too develop policies and programs to nurture those businesses.



Michael Connelly, Chief Executive Officer of Mosaica Education, Inc.

I salute the AllWorld Network and its sponsors for shining a light on the importance of entrepreneurs to the Saudi economy. I also salute the National U.S.-Arab Chamber of Commerce for detailing some of their stories and perspectives in this issue of *U.S.-Arab Tradeline*. But I especially salute the SFG 100 entrepreneurs themselves. They will be the first to tell you that they are but representatives of their teams, teams that work together daily to build on yesterday's ideas and push innovations forward. I want to especially acknowledge those on the list in my business: education. The goal of a 21st-century education is to create life-long learners – candidates who may themselves become the entrepreneurs of the future.

In the United States, it is now an economic tenet that entrepreneurship is a driver of the American economy. Many of the "big" ideas of the last 40 years were generated by entrepreneurs and, just as importantly, so were thousands of smaller, incremental ideas that

made existing businesses more efficient or improved the lives of consumers. The world of entrepreneurship is inclusive: open to immigrants and minorities; to PhDs and college dropouts; to geeky inventors and gregarious salespeople. If their ideas and execution are good enough, their perseverance is strong enough, and their ability to understand when other contributors' ideas will push things forward is sagacious enough, they will be welcomed by the capital markets and their targeted customer base.

It wasn't always so. Not long ago, in many sectors of the U.S. economy, barriers to entry for start-up businesses and entrepreneurial endeavors were almost insurmountable. Regulatory constraints, tax policies, market inequities, biases among lenders and investors and even so-called "good old boy networks" conspired against entrepreneurial success. When I began in the venture capital business in 1982, for example, it was almost impossible to convince a successful executive to leave a good job at a large corporation to join a fledgling entrepreneurial organization, much less to convince a bank to lend money to one of our portfolio companies or to qualify for a government contract or strategic relationship with a large corporation.

Improvements in governmental regulatory and tax policies, the development of more efficient credit and equity markets, and cultural and educational changes combined to level the playing field, and entrepreneurship became ascendant. Role models emerged, and they mentored apprentices. Service industries catering to small and medium-sized businesses were developed. Success bred success.

Entrepreneurs compete fiercely, to be sure, but they also work collaboratively. They share their successes with whomever helps them push things forward, and they celebrate and learn from the successes of others.

In my comments to the inaugural SFG 100 winners, I said that I hoped Mosaica would one day begin operations in the Kingdom, and I set a goal: to make it to the dais in Riyadh as an honored member of the SFG 100.

Michael Connelly is Chief Executive Officer of Mosaica Education, Inc., which manages K-12 schools in the United States and provides educational services in the MENA region.





2010 Saudi Fast Growth Companies

Rank	Company Name	City	Industry	5 Year Standard Growth (2004-2008)	2008 Revenue Ranges
1	WorleyParsons Arabia Ltd	Al-Khobar	Construction & Engineering	4358%	200-500 million SAR
2	Full Stop	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	1766%	10-50 million SAR
3	Secutronic	Jeddah	High-Tech & Telecommunications	1611%	10-50 million SAR
4	IT Security Training and Solutuions-I(TS)2	Riyadh	High-Tech & Telecommunications	819%	50-200 million SAR
5	Construction Building Co. Ltd (BCC)	Al-Khobar	Construction & Engineering	725%	50-200 million SAR
6	Intercontinental Travel Co	Jeddah	Travel & TourismTransportation & Aviation	714%	10-50 million SAR
7	Tamkeen Industrial & Trading Co. Ltd	Jeddah	Professional, Scientific & Tech Services	608%	10-50 million SAR
8	Brains	Al-Khobar	Construction & Engineering	574%	10-50 million SAR
9	Advanced Communications Electronics Systems Co, Ltd (ACES)	RIYADH	High-Tech & Telecommunications	567%	200-500 million SAR
10	alcantara group	Jeddah	High-Tech & Telecommunications	474%	10-50 million SAR
11	Al-Yusr Installment	Riyadh	Finance & Insurance	446%	200-500 million SAR
12	UEC-United Electronics (eXtra)	Al-Khobar	Consumer Goods	428%	1 billion+ SAR
13	Integrated Networks LLC (iNET)	Riyadh	High-Tech & Telecommunications	369%	10-50 million SAR
14	Ghassan A H Al Sulaiman Trading Establishment (AlGhassan Motors)	Jeddah	Automotive	356%	50-200 million SAR
15	Femi9	Jeddah	Textiles & Fashion	299%	50-200 million SAR
16	Royah	Jeddah	High-Tech & Telecommunications	296%	10-50 million SAR
17	Al Fouzan for Trading and General Construction	Riyadh	Construction & Engineering	293%	500-1,000 billion SAR
18	STESA	Riyadh	High-Tech & Telecommunications	291%	200-500 million SAR
19	Applied Technologies	Riyadh	High-Tech & Telecommunications	276%	10-50 million SAR
20	Saudi Readymix Concrete Company	Al-Khobar	Construction & Engineering	256%	1 billion+ SAR
21	AlMuhaidib Technical Supplies	Riyadh	Construction & Engineering	255%	50-200 million SAR
22	Saudi Networkers Services	Riyadh	High-Tech & Telecommunications	246%	50-200 million SAR
23	Dar Jana Internation Schools	Jeddah	Health, HealthCare, Education, & Training	230%	10-50 million SAR
24	Kindasa Water Services Co	Jeddah	Energy & Power, Water	215%	50-200 million SAR
25	Petrocon Ltd	Al-Khobar	Construction & Engineering	202%	50-200 million SAR
26	KPMG Al Fozan & Al Sadhan	Riyadh	Management Consulting	194%	50-200 million SAR
27	U-MARK(United Marketing and Trading Company)	Riyadh	Consumer Goods	192%	50-200 million SAR
28	Jeddah Cables Company - Energya	Jeddah	Energy & Power, Water	181%	1 billion+ SAR
29	MMP-Almunif Pipe	Riyadh	Construction & Engineering	172%	50-200 million SAR
30	Sports Club Company - Body Masters	Riyadh	Entertainment and Recreation	146%	50-200 million SAR
31	impaQta	Riyadh	Management Consulting	139%	1-5 million SAR
32	DMS	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	123%	10-50 million SAR
33	Mohammed Omer Kabli Trading Est. - Universal Cars	Jeddah	Automotive	123%	10-50 million SAR
34	Eye 2 Eye Optical	Jeddah	Consumer Goods	119%	10-50 million SAR
35	Al Farrad Car Rental Company	Riyadh	Travel & TourismTransportation & Aviation	110%	5-10 million SAR
36	Yibreen International Ltd	Riyadh	Health, HealthCare, Education, & Training	106%	5-10 million SAR
37	Naba Water Factory	Tabuk	Energy & Power, Water	104%	10-50 million SAR
38	Saudi Geophysical Consulting Office	Al-Khobar	Energy & Power, Water	80%	10-50 million SAR
39	Elaj Medical Services Company	Jeddah	Health, HealthCare, Education, & Training	66%	50-200 million SAR
40	Bafakih & Nassief Law Firm	jeddah	Professional, Scientific & Tech Services	51%	5-10 million SAR
41	Zin1 Food Co. / Shawarmer Food Co	Riyadh	Accommodation & Food Service	35%	10-50 million SAR
42	ABANA Enterprises Group Co	Riyadh	Finance & Insurance	32%	10-50 million SAR
43	HANCO Rent-A-Car	Jeddah	Travel & TourismTransportation & Aviation	30%	200-500 million SAR
44	Trans Arabian Creative Communications - TRACCS	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	26%	5-10 million SAR

US-Arab Tradeline

SaudiFastGrowth **100**
Real Companies, Real Growth, Real Success

2010 Saudi Fast Growth Start Up Companies

Rank	Company Name	City	Industry	Standard Growth (2007-2008)	2008 Revenue Ranges
1	Rumman Company	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	596%	1-5 million SAR
2	National Talents Co. for Training and Education	Al-Khobar	Health, HealthCare, Education, & Training	421%	5-10 million SAR
3	Bonnon Co	Jeddah	Accommodation & Food Service	302%	5-10 million SAR
4	Midrar	Jeddah	Real Estate, Rental & Leasing	280%	10-50 million SAR
5	EDUCON for Educational Services	Jeddah	Health, HealthCare, Education, & Training	256%	1-5 million SAR
6	Green Tangereen	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	162%	10-50 million SAR
7	Construction Products Holding Company (CPC)	Jeddah	Construction & Engineering	142%	1 billion+ SAR
8	Yareem Restaurant Co. Ltd	Al-Khobar	Accommodation & Food Service	132%	1-5 million SAR
9	Eker Company Ltd.	Jazan	High-Tech & Telecommunications	127%	5-10 million SAR
10	Innovative Business Solutions-IBS	Jeddah	Management Consulting	123%	5-10 million SAR
11	Delta United Contracting Company	Riyadh	High-Tech & Telecommunications	118%	5-10 million SAR
12	Waseel ASP Ltd.	Riyadh	Health, HealthCare, Education, & Training	100%	5-10 million SAR
13	Mobile Innovative Solutions Company	Riyadh	High-Tech & Telecommunications	99%	10-50 million SAR
14	International Medical Center	Jeddah	Health, HealthCare, Education, & Training	97%	50-200 million SAR
15	Visualizit	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	83%	5-10 million SAR
16	Elixir	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	76%	5-10 million SAR
17	2P for IT and Telco Services	Riyadh	High-Tech & Telecommunications	70%	50-200 million SAR
18	DNA – (Design & Anaylsis Est.)	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	70%	5-10 million SAR
19	Gene-Tech	Jeddah	Health, HealthCare, Education, & Training	66%	1-5 million SAR
20	Blueprint Communications	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing	57%	10-50 million SAR
21	LOMAR	Jeddah	Textiles & Fashion	53%	10-50 million SAR
22	Public Telecommunication Company	Riyadh	High-Tech & Telecommunications	46%	50-200 million SAR
23	Qanawat Telecom Co	RIYADH	High-Tech & Telecommunications	25%	1 billion+ SAR
24	Dentalia Clinics	Jeddah	Health, HealthCare, Education, & Training	25%	5-10 million SAR
25	Saudi Shada for Urban Development	Jeddah	Real Estate, Rental & Leasing	22%	1-5 million SAR
26	New World High Training Institute	Al-Khobar	Health, HealthCare, Education, & Training	20%	1-5 million SAR
27	NASA for Pocket PC	Jeddah	High-Tech & Telecommunications	19%	10-50 million SAR
28	KAI Fitness Gym	Jeddah	Health, HealthCare, Education, & Training	17%	1-5 million SAR
29	Tafeel for Information Technology	Jeddah	High-Tech & Telecommunications	17%	10-50 million SAR
30	Amwal Financial Consultants	Riyadh	Finance & Insurance	15%	10-50 million SAR

2010 Saudi Fast Growth Companies to Watch

Rank	Company Name	City	Industry
1	Adaptive TechSoft (ATS)	Riyadh	High-Tech & Telecommunications
2	Ala'a Hariri's Interiors	Al-Khobar	Interior Design
3	ALMARWA.net for IT services and E-commerce solutions	Al-Khobar	High-Tech & Telecommunications
4	Bussma Real Estates Managment Co	Riyadh	Real Estate, Rental & Leasing
5	Chenille Interiors Company	Al-Khobar	Construction & Engineering
6	Clear International Advertising	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing
7	Deep Advertising	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing
8	Eejaz Al Binaa	Jeddah	Construction & Engineering
9	Etihad Al Salehia	Riyadh	Consumer Goods
10	EXPO Logistic Services	Jeddah	Travel & TourismTransportation & Aviation
11	HR & Beyond	Jeddah	Professional, Scientific & Tech Services
12	Huseen Yahya Al Sharief Law office	Jeddah	Professional, Scientific & Tech Services
13	Interactive Saudi Arabia	Riyadh	High-Tech & Telecommunications
14	International Company for Water & Power Projects (ACWA Power)	Riyadh	Energy & Power, Water
15	Ittihad Insurance Brokers	Jeddah	Finance & Insurance
16	Marina Inc. Printers	Riyadh	Public Relations, Media & Publishing, Advertising & Marketing
17	Marketing & Beyond	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing
18	Phenomenal PR	Jeddah	Public Relations, Media & Publishing, Advertising & Marketing
19	Rainbow Center	Al-Khobar	Education & Training
20	Smart Business Solutions	Jeddah	High-Tech & Telecommunications
21	Smart Paper	Al-Khobar	Education & Training
22	Subul Holding Company	Jeddah	Finance & Insurance



Abdul Latif Jameel Community Services Programs Offer "Gateways" To Entrepreneurs

"Education and the promotion of entrepreneurship culture are keys to the future success of the Arab region beyond the next five to ten years."

Mohammed Abdul Latif Jameel, President, Abdul Latif Jameel Community Services Programs

Ab Rizq Jameel (BRJ) is one of the most important private sector programs that assist young Saudi entrepreneurs looking to start their own enterprises. Established in Jeddah in 2007 as an initiative of the Abdul Latif Jameel Community Services Programs (ALJCSP), BRJ financed 5,110 small businesses and projects and created a total of 41,284 jobs for young men and women in 2009. During the last two years, the number of BRJ branches has expanded to 18 throughout the Kingdom.

The diversified programs offered by BRJ include employment training, direct employment, taxi and truck ownership, micro-project financing, SME financing, work-from-home and franchise programs. Included among the 5,110 projects financed in 2009 were beauty salons, laundries, bakeries, wedding-planning businesses and cell phone and computer distributorships.



ABDUL LATIF JAMEEL CO. LTD.

BRJ offers interest-free loans between SR 50,000 – SR 200,000 (\$13,300 – \$53,300) for small businesses that can be repaid within five years. Approximately 400 people are employed by BRJ to follow-up with clients' entrepreneurial activities and to collect the loans when they are due.

The private sector arm of the Jeddah-based Islamic Development Bank Group (IDB) recently signed a memorandum of understanding (MOU) with BRJ to promote private enterprise growth, stimulate job creation, and share funding expertise in order to support entrepreneurship in the Kingdom.

Abdul Latif Jameel research indicates that many small businesses fail within a three-to-seven year period; therefore BRJ is working to identify more durable small business models in the Kingdom. Numerous international franchising organizations are cooperating with BRJ to locate durable business opportunities in the food and restaurant, cosmetics, car services, printing and real estate sectors.

In addition to practical hands-on training, mentoring and funding of new enterprises through BRJ, the ALJCSP has other entrepreneurship-related initiatives. The Injaz-Saudi Program is run in partnership with other private companies and focuses on educating children at an early age about the importance of being innovative and starting small business projects.

The Massachusetts Institute of Technology (MIT) Arab Business Plan Competition is one of the most recent initiatives launched in partnership with ALJCSP. It is the first award of its kind in the Arab world. The 2009 competition brought together entrepreneurs from 17 North African, Gulf and Levant countries, including Saudi Arabia, which was represented by six business teams.

More than 1,200 applicants registered for the competition and three of the Saudi teams – Engleasy, a membership-based educational virtual world that teaches English; Syphir, a service that highlights email messages using an MIT-developed algorithm; and 3eesho, a web-based portal application that improves people's lifestyles by monitoring habits - were among the nine finalists and semi-finalists.

"We hope to establish entrepreneurship as a cornerstone of the Arab mindset," explains



Entrepreneurship workshop in Beirut on March 21 and 22, 2010 led by Ken Morse, MIT Entrepreneurship Center.

Hala Fadel, Chair of the MIT Enterprise Forum of the Pan Arab Region. "It will involve shaking stale and existing mentalities, educating the region's youth, coaching nascent entre-



preneurship around the Arab world and most importantly, garnering the unfailing support of every Arab entrepreneur in the world."

"We hope to establish entrepreneurship as a cornerstone of the Arab mindset. It will involve shaking stale and existing mentalities, educating the region's youth, coaching nascent entrepreneurship around the Arab world and, most importantly, garnering the unfailing support of every Arab entrepreneur in the world."

Hala Fadel, Chair of the MIT Enterprise Forum of the Pan Arab Region

On an even smaller scale, the "productive household" program provided support to 24,756 women who set up their own cottage industries making perfumes, baked goods or other handmade items with the help of interest-

99 Ways To Be An Entrepreneur

Kuwaiti entrepreneur named Social Entrepreneur of the Year for the Middle East and North Africa



Dr. Naif Al-Mutawa, creator of "The 99"

You often speak of the "intoxicating mix of endless possibilities of how business can change the world, and the world can change business." How are you changing the world as an entrepreneur?

I believe that "The 99" has changed Islam forever. I have to believe it. It is what drives me, and I am doing this through business. Over one million copies of "The 99" are sold annually. We launched the first The 99 Village Theme Park in Kuwait in 2009. The second one will launch by year-end, also in the GCC. I was recently in India where I saw the first animated episode of the 26-episode season that we have co-produced with Endemol, and we have already sold the series to a major U.S. broadcaster. By the end of 2010, we will be broadcast in just under 100 million homes in the United States. All these initiatives are changing the world, and business has helped to shape them.

You were recently named "Social Entrepreneur of the Year for the Middle East and North Africa" by the Schwab Foundation. How important is social responsibility to the way you run your business?

To me, the definition of social entrepreneurship is doing well by doing good. "The 99" is a consumer-based organization that is for profit. The social goal is to redefine Islam for both non-Muslims and Muslims alike in repositioning Muslim values as those values that all people share and which are the core of humanity. "The 99" is all about mainstreaming and normalizing Islam. We focus on creating top notch content that can compete for and win a place in the hearts of those economies that can actually afford to pay for the content. We then use that to maintain a viable [and profitable] business that allows us to focus some of our energy on distributing our products to those who cannot afford to pay for it.

What motivates you as an entrepreneur?

I love the storytelling. I love that I am serving

as a role model for my own five children about the power of ideas and how "The 99" grew from an idea thought up in the back of a cab in London to a business that supports just shy of 1,000 jobs. I love that my children have seen first-hand that anything is possible with determination and drive. I love the rush and excitement of knowing that these comic book characters have changed the perception of Islam.

Dr. Naif Al-Mutawa is the creator of "The 99," a comic book featuring the first group of superheroes based on Islamic archetypes. Chairman and CEO of Teshkeel Media Group, Dr. Al-Mutawa was presented with The Schwab Foundation Social Entrepreneur of the Year Award, Middle East and North Africa, at the 2010 World Economic Forum in Davos, Switzerland. He was also recognized by U.S. President Barack Obama during the Presidential Summit on Entrepreneurship, held in Washington DC in late April 2010.

Forbes magazine recently named "The 99" as one of the top 20 trends sweeping the globe. Teshkeel has grown from a comic book series into a franchise that includes theme parks based on "The 99," as well as a global animation series co-produced by media giant Endemol. Launched in 2004, "The 99" is the first licensed entertainment property from the Islamic world.

What factors, in your opinion, have led to the growth of entrepreneurship in the region during the past decade?

Those of us who were fortunate enough to be educated in top business schools were able to look at the region and recognize the huge opportunities available. We were ready to ignore everything we were told, or knew, about how hard it would be to start a non-status-quo business and just go for it. That is where the opportunity lies. Not many will come out to challenge you for your space, so you have enough breathing room to grow until you finally hit it out of the park. By then, you have the full advantage of being the first one to make a move.



Dr. Ramzi



Fattah, the Opener



Jabbar, the Powerful



Widad, the Loving



Hadya, the Guide



27 Success Stories

As Saudi Arabia positions itself to join the top ten most competitive nations by the end of 2010, all eyes are focused on the new generation of small and medium-sized enterprises (SMEs) that are creating jobs and stimulating growth and innovation. These entrepreneurial companies are the driving force behind a more competitive and dynamic knowledge-based economy. In the following pages, NUSACC presents 27 of these companies – each of them unique and an inspiration for the next generation of Saudi Arabian entrepreneurs.

INDUSTRY	COMPANY	PAGE	WEBSITE
CONSTRUCTION/ENGINEERING	Brains – MCE Gulf Contracting	19	www.mcegulf.com
DEVELOPMENT MANAGEMENT	Midrar	19	www.midrarksa.com
EDUCATION	Bayan School	20	www.bayaan.com
	EDUCON	21	www.educon.com.sa
FASHION AND TEXTILES	Lomar	21	www.lomarthobe.com
FINANCIAL SERVICES	Amwal Financial	22	www.amwal.com.sa
HEALTHCARE/DENTAL SERVICES	Dentalia Clinic	23	www.dentaliaclinics.com
	H.E.A.L. Inc	23	www.heal-me.us
HOSPITALITY CONSULTING SERVICES	hodema	24	www.hodema.net
IT/E-COMMERCE/TECHNOLOGY PROVIDER	ALMARWA.net	25	www.almarwa.net.sa
	alcantara group	25	www.alcantara-group.com
LEGAL SERVICES	Al Yaqoub Attorneys	26	www.alyaqoub.com
LIFESTYLE SERVICES	3eesho	27	www.3eesho.com
MARKETING	Beyond Holding Group	27	www.beyond-hg.com
MANAGEMENT/CONSULTING	impaQta	28	www.impaQta.com
	Innovative Business Solutions	28	www.ibsolutions.com.sa
PR/ADVERTISING	TRACCS	29	www.traccs.net
	Phenomenal PR	30	www.prphenomenal.com
	Rumman	31	www.rummancompany.com
	3points Advertising	31	www.3points-ad.com
SECURITY SOLUTIONS PROVIDER	Secutronic	32	www.secutronic.com.sa
SPORTS	Jeddah United Sports	33	www.jeddahunited.com
TELECOMMUNICATIONS/TELECOM INFRASTRUCTURE PROVIDER	Bravo	33	www.bravo.net.sa
	Delta United Contracting	34	www.delta-united.com
TRAVEL	Intercontinental Travel	35	www.itc-lcc.com
WATER, ENERGY AND POWER	ACWA Power International	35	www.acwapi.com
WEIGHING SYSTEMS & SCRAP PROCESSING	Al Sale Eastern Company	36	www.alsale.com

SECTOR: CONSTRUCTION/ENGINEERING

Brains Contracting Ltd. Co.

Engineer Saleh bin Jahlan's Brains Contracting Ltd. has more than proven the appropriateness of its name since it was founded in 2002. Launched with 40,000 SR (less than \$11,000), Dammam-based Brains grossed more than 20 million SR (\$5.32 million) in 2009 and is now recognized as one of the premier maintenance companies in the Eastern Province. The company provides facility management and technical services to universities, hospitals, government, private entities and the oil and gas sector in the Eastern Province.

"When I started the company it was very difficult. The banks would not provide business loans and there wasn't much support for new entrepreneurs at that time," explains bin Jahlan, who worked for Saudi Aramco for 11 years as a maintenance engineer before starting his own company. Between 2002 and 2006, Brains Contracting rode the start-up rollercoaster: the maintenance staff grew to ten and shrunk back down to two when the market declined in 2003, and he was unable to pay salaries. Regional political problems in the Eastern Province in 2005 brought a halt to projects and Brains Contracting ended up with a two million SR debt (\$532,000).

In 2007, a 25 million SR (\$6.65 million) government contract resuscitated the company and, within two years, bin Jahlan was able to pay off his debt. Servicing clients such as Saudi Aramco, Saudi Electricity Co., Saudi Arabian Basic Industrial Company (SABIC) and Saudi

Telecom Co., the Brains Contracting work force grew to more than 400, including civil engineers, project managers, supervisors and tradesmen. Thirty percent of the company's staff is Saudi, and 50 of these are women working in general maintenance. In order to meet new project demand, bin Jahlan plans to increase his staff to more than 1,000 in the near future.



H.R.H. Prince Mohammed bin Fahd bin Abdulaziz Al Saud presents MCE Gulf Chairman Saleh bin Jahlan with the 2008 award for the most promising industrial service company in the Eastern Province in the oil, gas & petrochemical sector.

Brains expanded its maintenance services in the oil & gas sector in the Eastern Province when it formed MCE Gulf, a joint venture with Germany-based MCE in 2007. (Recently, MCE Gulf was nominated by the Eastern Province Chamber of Commerce as the leading petrochemical service provider.) Brains ranked number eight among the top ten companies



شركة أذهان للمقاولات المحدودة
Brains For Contracting Ltd Co.

on the Saudi Fast Growth 100 List that was announced in January 2010 at the Global Competitiveness Forum in Riyadh.

Brains Chairman bin Jahlan now has two companies under his belt and another two in the pipeline. "My advice to new entrepreneurs is to work five to ten years with an established company. I already had the idea for my new business before I quit my job at Saudi Aramco," he notes. "Learn the ropes, keep your job until you have enough experience and keep your eyes open for a good opportunity," advises bin Jahlan. Well aware of the difficult road that new entrepreneurs may have to travel, he mentors young business people through the Chamber of Commerce. "We have a responsibility to encourage and train the leaders of the next generation of Saudi entrepreneurs," he concludes.

Brains Contracting Ltd. Co.
MCE Gulf Contracting Ltd.
31471 Dammam
P.O.Box 3083
www.mcegulf.com

SECTOR: DEVELOPMENT MANAGEMENT

Midrar Development Company

Midrar Development Company may be new to the market, but it already has more than 100 years of experience under its belt. Established in 2007, the Jeddah-based development management company prides itself on being a house of experts with a senior staff of executives assembled from leading real estate, architecture, engineering and facility management firms. Midrar provides a wide range of real estate management and consulting services to the project owners and to the real estate development market in Saudi Arabia.



Mohammad Al-Jared, co-founder and Vice-President of Midrar

"I think this was probably the fastest company ever built," says Dr. Rehab Reda, Managing Director and CEO of Midrar. "It took us two weeks to make the decision and agree on the business plan with our three other partners." The business plan, however, had been years in the making.

CEO Reda, along with his co-founder and Midrar Vice-President, Dr. Mohammad Jared, had been colleagues at the King Abdul Aziz University in Jeddah, as well as at The Savola Group, a leading food & holding company. They had discussed launching their own business five



years before it finally happened. Years of experience working in the real estate sector convinced Drs. Reda and Jared that there was a market gap. "We became the first in the Kingdom to offer development management services as an independent company," explains Dr. Jared.

Midrar was incubated by Jeddah-based Siraj Capital and had investment partners from day one. "Money was not the issue. We wanted to have partners who could help us," notes Dr. Reda.

continued on next page



Midrar – from previous page

The fledgling company had two contracts from day one and grew its core staff from two to 25 within the first year. At the end of the first fiscal year, they were able to return all capital invested and by the second year, the dividends had quadrupled from the prior year. Their growth rate was 280 percent by the end of the second year.

“Finding clients was and continues to be the challenging part of our business,” comments Dr. Jared. He noted that their 20-plus years in the business was initially very helpful in establishing footing with private customers and developers.

Midrar was recently ranked number four on the Saudi Fast Growth 100 list of the Kingdom’s fastest growing start-up companies, which gives them more exposure in the business community. “The niche we work in is challenging and difficult,” explains Dr. Rehab. “We are trying to grow our company slowly and steadily, and we will be adding another department soon in transportation studies and traffic impact.”

Midrar currently has three projects under construction and four under design, the smallest of which is approximately SR100 million (\$ 26,600,000). The company provides

end-to-end services in both development management and facilities management services.

“We really believe in this company, and it has turned out much better than what we expected,” emphasize both co-founders. “It makes us wish we had done this much earlier.”

Midrar Development
P.O. Box 126666
Future Building Center, Level 5
21352 Jeddah
www.midrarksa.com

SECTOR: EDUCATION

Bayan Gardens School

“We strongly believe that Bayan Gardens School can create a new vision for education in Saudi Arabia,” explains Ms. Yasmeen Husain, director of the innovative private school in Al Khobar that offers a comprehensive Arabic and English education to its students.

Established in 1999, Bayan Gardens School (BGS) is the brain child of director Husain and her entrepreneurial family. Educated in both Saudi Arabia and the United States, Husain recognized the need for a quality bilingual school when she returned with her

were overseen by the Husain family. Since the school’s founding in 1999, one new grade level has been added each year. When the school first opened, it only had five classrooms with five students enrolled in pre-school and kindergarten, as well as six teachers.

Eleven years later, Building Five is now under construction to accommodate the growing number of students for the coming academic year. BGS is committed to remaining a small school and currently has 600 students and 90 teachers and staff members for pre-school through grade 11.



Photo courtesy of Arab News

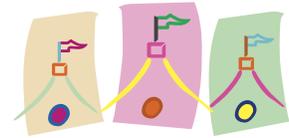
Looking inside: Second grade Bayan Gardens School students get a briefing on the endoscopy procedure.

own family to work and live in Al Khobar in the early 1990s. “People were starving for quality education for their children and the need for good English curriculum schools in Saudi Arabia was and still is tremendous,” she says.

The concept, architectural design and construction of the school, as well as the careful selection of curriculum and international staff,

According to Ms. Abeer Al-Mohawis, principal for K-elementary, “BGS is a unique school in Saudi Arabia. Usually schools in the Kingdom don’t teach both the English and Arabic curriculum,” she explains. BGS uses American textbooks to teach math, science and language arts in English, and the school adheres to an Arabic curriculum based on the Saudi Arabian Ministry of Education

program. “We face challenges every day,” says director Husain, explaining that is difficult to recruit qualified female teachers from overseas and help them adjust to the culture in Saudi Arabia. Paperwork for the Saudi Arabian Ministry of Education can also be cumbersome and slow, impeding the implementation of new subjects and programs for the school.



مدارس حدائق البيان الأهلية Bayan Gardens School

“We are trying to change some of the ideas of this generation,” comments Ms. Amal Dohkan, principal of the middle school and high school. “From kindergarten up, we focus on character development on a daily basis, and the school considers this as important as any of the academic courses we teach. You can tell from the programs we run that we are a school with a mission.”

One of the new programs that BGS plans to implement is “TREP\$,” an innovative program that introduces entrepreneurship to children in grades four through eight by teaching them everything they need to know to start their own businesses.

Director Husain noted that it is the quality of education that drives people to do their best and allows them to create and be innovative. “The government is doing a lot to improve schools in the Kingdom, but education has to remain a primary focus,” she emphasizes. “Whatever we put into these students is what they will give back to the country in the years to come.”

Bayan Gardens School
P.O. Box 180
Al Khobar 31952
www.bayaan.com

SECTOR: EDUCATION

EDUCON Educational Services

“EDUCON was one of the first small to medium-sized educational services companies founded in Saudi Arabia, and when we went to the Ministry of Commerce to register the company, there wasn’t even a category for that sector,” explains EDUCON General Manager and co-founder Al-Harith Al-Qurashi. “We had to be very creative in order to obtain an official license.”

Established in 2005, EDUCON is an educational consulting service that arranges English language programs, identifies potential schools, plans academic degree programs in foreign universities, and arranges summer camp placements for younger students ages eight to sixteen. Headquartered in Jeddah, EDUCON has one branch in London and plans to expand its offices and staff in Saudi Arabia by the end of 2010.

By the time Al-Qurashi launched EDUCON, he was already a seasoned entrepreneur who established and ran three restaurants simultaneously as a high school student. During a five-year career in the IT division at Saudi Arabian Airlines and a subsequent two-year position at Unilever, he and his partner ran EDUCON as a part-time business, servicing more than 100 students during the first year. “We wanted to provide students in Saudi Arabia and the MENA region with the support services that we needed – but could not find – when we were studying abroad,” comments

Al-Qurashi, who has been running EDUCON full-time since 2008.

Since 2005, EDUCON has assisted more than 1,800 students from Saudi Arabia, Iraq, Libya, the UAE, and Yemen, with its primary client base in the Kingdom. Al-Qurashi points out that they meet less than 25 percent of their clients face-to-face because all applications are filed and processed online. EDUCON launched its website in 2006 and it receives more than 25,000 hits a month.

“It was hard in the beginning because we didn’t have an established reputation and only the small colleges and universities would sign up with us,” notes Al-Qurashi. Another challenge was working with students who were undecided in their field of study. “It became our mission to find a solution,” he emphasizes.

EDUCON enlisted the help of Profile, a company that matches students to a university based on their characteristics. EDUCON then hired an in-house career counselor and joined a number of international education networking associations in order to expand their services and cement their footing in the industry. Currently, EDUCON works with colleges and universities in the U.S., Canada, the U.K., Australia, Spain and Italy.

EDUCON has created a niche in the educational consulting market. “Our vision is to help students reach their educational goals by providing the right services. This, in turn,



EDUCON General Manager Al-Harith Al-Qurashi



For Educational Services

will enable them to become active and productive members of our society,” states Al-Qurashi.

The EDUCON staff in Jeddah is one hundred percent Saudi and young enough to relate easily to their student clientele. They offer their clients comprehensive services, including a free international 24-hour “Emergency Phone Line” service which can be used by the students or colleges should problems arise. “We believe that if a company provides the right service, the profit will come, but the quality and type of service is always the first priority,” Al-Qurashi emphasizes.

EDUCON ranked fifth in the 2010 Saudi Fast Growth 100 list of fastest-growing start-up companies. Al-Qurashi notes that his company was very proud when it made the list, and he has already benefited from the networking. “It gave me a chance to meet other entrepreneurs like myself and to discover that we share many similar problems. It’s an amazing support system that will help me grow my company,” he comments.

EDUCON Educational Services
 P.O. Box 12891
 Jeddah 21483
www.educon.com.sa

SECTOR: FASHION AND TEXTILES

Lomar: thobe [re]defined

Loai Naseem, founder and CEO of Lomar, the leading Saudi [re]defined thobe and fashion brand, never thought he would become a fashion designer. Similar to a robe, a thobe



Loai Naseem, Lomar founder and CEO

is an ankle-length garment with long sleeves worn by men in the Arabian Gulf region. “Lomar was not planned, it just happened by chance,” explained Naseem, whose 2009 revenues as an “accidental” designer topped SR18 million (\$4.78 million).

Today, Naseem has four stores – two in Jeddah, one in Riyadh and one in Al Khobar – with 140 employees and a brand that is recognized throughout Saudi Arabia. He has plans this year to sell a franchise locally or regionally, and by 2012, he wants to sell another franchise overseas.

The road to success for Naseem was full of pitfalls. When his plans to study engineering in college were thwarted, he worked in construction and established more than 15

start-ups – in car repair, real estate and jewelry, to name a few. Sooner or later, all of these start-ups failed.

In 1994, Naseem sold his remaining businesses and headed to Houston, Texas with his wife and one-year-old son to study graphic design at an art school. “If I had not gone to the U.S., I would still be a failure today. This is what made me who I am,” notes Naseem.

When Naseem and his family returned to Jeddah three years later, he accepted a position as art director at the Leo Burnett Advertising Agency before becoming one of three

continued on next page





Lomar – from previous page

co-founding partners of 3points Advertising Agency in 1998. Tired of wearing the same plain Saudi thobe to work each day, he began to design his own thobes with the help of his wife and a tailor.

By 2004, while still a partner at 3points, Naseem was designing and selling thobes out of his home for more than 100 customers. Annual sales that year reached SR75,000 (\$19,900). By the time he and his wife Mona Haddad co-founded Lomar the following year, sales had climbed to SR1.5 million (\$399,000).

Lomar is now a coveted brand throughout the Kingdom. For the past three years, all

5,000 graduates of King Abdul Aziz University in Jeddah have worn Lomar graduation robes. Last year, he was commissioned by KAUST, the new graduate-level research university in Thuwal, to design 100 thobes for the inaugural ceremonies. "Innovation is very important to me. The market is still fresh in Saudi Arabia, and I want to change the way of thinking in fashion," explains Naseem, who produces a minimum of 24 new designs a year and recently introduced a line of children's thobes.

For the past two years, Lomar, a Siraj Capital portfolio company, was recognized by the Saudi Fast Growth 100 as one of the

fastest-growing start-up companies with a ranking of 13th in 2008 and 21st in 2009.

"I participated in the Saudi Fast Growth 100 because it is aligned with my desire to become an international brand," states Naseem. "I want to see my boutiques in New York, Milan, and in all the fashion cities in the world. This is my vision."

Lomar
P.O. Box 122110
Jeddah
02 2754 555
www.lomarthobe.com

SECTOR: FINANCIAL SERVICES

Amwal Financial Consultants

Amwal Financial CEO Fahad Al-Kassim worked his way up the corporate ladder for more than 20 years before he decided it was time to take that valuable experience and create his own company. "I believe in personal empowerment and I felt too constrained as an employee in a corporate environment," Al-Kassim explains.

In 2001 he founded his first venture – Al-Kassim Consultants – a financial consulting firm based in Riyadh that soon failed when his expected client base failed to materialize. "It took me a while to recover financially but, in the long run, it was a good experience because I learned from my mistakes and it kept my ego in place," Al-Kassim comments.

Amwal Financial Consultants was founded in 2005 and officially launched in 2006 when Al-Kassim



Amwal Financial CEO Fahad Al-Kassim

obtained a license from the Capital Market Authority (CMA) to provide integrated Shariah-compliant financial advisory services. Headquartered in Riyadh, Amwal has an office in Dammam and works in affiliation with FinCorp Company in the United Arab Emirates, Qatar and Egypt. Services range from investment appraisal and feasibility studies, to mergers and acquisitions, corporate finance, converting family-owned enterprises to joint stock companies, debt and finance restructuring and initial public offerings, among others.

"We excel at building long-term relationships with our clients by providing creative, high-quality services," Al-Kassim explains, noting that he intentionally keeps his client base small to best serve their interests. "It's important to stay close to your customers in order to understand their needs. Trust, a good

reputation, and good connections are the most essential factors in building a business, especially in Saudi Arabia," he emphasizes.

Al-Kassim recalls that when he started his business, there was little if any help available for new entrepreneurs. "The difference between 2005 and 2010 is like a tsunami," Al-Kassim suggests. "Change is now coming from the top because King Abdullah is very supportive and he has made the government much more

transparent," he explains.

According to Al-Kassim, the Kingdom wants entrepreneurs rather than employees, and there are now many places to which one may turn for help: lending banks, Young Businessmen Committees in all of the Chambers of Commerce, the Abdul Lateef Jameel initiative, and the Riyadh-based Development Center for Small and Medium Businesses. Aware of how difficult it is to start a business from ground zero, Al-Kassim mentors young entrepreneurs and encourages his own employees to become partners in the business or branch

out on their own.

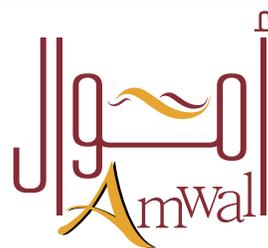
"It's best to do what you really love," Al-Kassim, who started his

first business when he was in high school and hasn't stopped since. In addition to being the chairman and managing director of Amwal, he is the co-founder and a board member of two other companies – one in real estate and the other in Food & Beverage (F&B), both of which are booming sectors in the Kingdom.

Amwal ranked among the Saudi Fast Growth 100 winners as one of the fastest growing start-up companies in 2009 and 2010. "I believe in what they are trying to accomplish with this list," explains Al-Kassim, who encouraged 20 other companies to apply for the award. "This recognition is very beneficial to us because our clients are impressed by the fact that we are on the list," he adds.

Now in its fifth year, Amwal still has to work hard to get their share of the market, especially in the aftermath of the past year's economic turbulence. "It's a knowledge-based environment, and it takes a long time to build up a business. But we are moving in the right direction," Al-Kassim concludes.

Amwal Financial Consultants
P.O. Box 27026
Riyadh 11417
www.amwal.com.sa



للإستشارات المالية
FINANCIAL CONSULTANTS

Dentalia Clinics

One visit to Dentalia Clinics in Jeddah dispels any misperception that this is a traditional dental clinic. “Our vision when we built the clinic was to introduce the latest concepts in dentistry and to create excellence in everything we do – from the water we use, to the dental equipment we purchase, or to the staff we hire. We make sure everything is of the highest quality,” explains Dr. Dina Al-Tayeb, one of the founding partners of Dentalia.



Dr. Dina Al-Tayeb with a young patient at Dentalia Clinics

Al-Tayeb and four of her colleagues from King Abdul Aziz University founded Dentalia in 2005. All five partners were involved in the design and construction of the clinic, which was built from scratch with their own funding. “It was a big risk but you don’t want to start

a dental clinic with a lot of financial obligations,” she notes.

Dentalia is the first fully digital clinic in Jeddah, and it was built with state-of-the-art European dental equipment. The clinic has its own water plant and disinfects all water using ultra-violet lighting. Intent on being as “green” as possible, the clinic recycles 100 percent of its trash.

In designing the clinic it was important for Al-Tayeb and her partners to maintain a balance between technical sophistication and the comfortable environment they want to offer their patients. “We have a homey atmosphere. Everyone – from our patients to our staff – is treated like family,” she comments.

When Dentalia started, there were three other clinics in Jeddah with comparable standards. Today there are five. “It’s very competitive because we are all catering to the same selective clientele,” explains Al-Tayeb, who believes it is their team approach that makes them stand out. “Our personalized touch, excellent service, and the care we take in choosing our doctors and staff is what defines the Dentalia team. We are all heavily involved in the business,” she says, noting that their goal is to raise the standards of dental care and oral health in the Kingdom. Dentalia has 15 dentists and a staff of 30, of whom 12 are female dental assistants. Services include aesthetics, periodontics, pedodontics, orthodontics, periodontics, dental implants and oral surgery.



The personalized approach clearly works. The clinic began with 100 patients in 2005 and now has more than 10,000 patients registered. Al-Tayeb and her partners are proud of their ranking on the 2010 Saudi Fast Growth 100 list of start-up companies. “We were competing against large companies, not just against other dental clinics, and we were very happy to have been selected. It impressed our patients,” she notes.

Periodontist and implantologist Al-Tayeb is a reflection of the excellence she and her partners have achieved in Dentalia Clinics. A professor at the King Abdul Aziz University College of Dentistry, she is also on the visiting faculty at Tufts Dental School in Boston, Massachusetts, where she completed a Master’s degree. In her “spare” time, she trains for tri-athlon and Ironman competitions in both the United States and Canada. “I love what I do and I hope I can always be a role model for young people in our country,” emphasizes Al-Tayeb.

Dentalia Clinics
P.O. Box 3732
Jeddah 21481
www.dentaliaclinics.com

H.E.A.L. – Healthcare Environment Advisory and Logistics Inc.

“It is a great adventure to be an entrepreneur,” comments Tuba Terekli, who co-founded H.E.A.L. – Healthcare Environment Advisory and Logistics Inc. – in 2010 with Samer Abu Ghazaleh. After a successful career as a healthcare consultant specialized in strategic planning and marketing, she decided the time was right to strike out on her own.

“I have been interested in developing a sustainable, environmentally conscious healthcare community from



Tuba Terekli, co-founder of H.E.A.L.

the ground up for a long time,” explains Terekli, whose new company focuses on three primary sectors – healthcare, environment and hospitality. With more than 30 years of collective experience in the Middle East, the H.E.A.L. team specializes in helping clients establish local healthcare and hospitality-related businesses that adhere to international standards.

“If we have a client who wants to either build or expand a current healthcare

facility in Saudi Arabia, we can guide them from the initial brainstorming to construction, implementation and final full-scale operation,” says Terekli. The company’s familiarity with the local laws and Ministry of Health guidelines is of great benefit to clients, especially those unfamiliar with working in the region, she notes.

H.E.A.L. has a wide network of international experts familiar with the Green Guide Council Guidelines who can turn a client company Green or build it Green from the start. “We focus on providing sustainability solutions to the healthcare and hospitality industries,” comments Terekli.

According to the Green Guide Council

continued on next page



H.E.A.L. – from previous page

for Healthcare, a patient in a Green hospital has a 20 percent greater chance of improving than a patient in a non-Green hospital due to better air quality monitoring systems and pollution reduction. By integrating Green principles in the planning and design stages, H.E.A.L. can generate approximately 40 percent savings and a higher performance rate for its clients. The company works with U.S., Canadian and Turkish architectural firms that are familiar with Green value engineering principles and LEED certification guidelines.

Terekli has assembled an international team of experts for her new company, but her own resume is equally impressive. Her career path during the last 14 years has taken her from teaching, to working at Saudi Aramco

in the strategic planning department, to Procter & Gamble brand-management, to the International Medical Center and, last, to Sukoon International, the first healthcare-specialized developer in the Kingdom, where she continues to work as Chief Strategy and Communications Officer.

During her tenure at International Medical Center (IMC), Terekli was recognized as the first Saudi woman to establish a healthcare-integrated marketing and communications (Marcom) department in Saudi Arabia, as well as the first woman to create a full-scale hospitality department.

Being first is not an uncommon position for Terekli who represents a new generation of Saudi businesswomen. An active supporter of the Saudi Fast Growth 100 list of compa-

nies, she notes that when the first list was published in 2009, nine percent of the companies on the list were owned by Saudi women. This figure is comparable to the “Inc. 500” list, published by Inc. magazine in the United States.

“Women comprise almost half of our nation. Diversity brings the benefit of different talents, different ways of seeing the world and different approaches to tackling problems,” Terekli notes. “I want to be a part of the positive change in this country,” she concludes.

H.E.A.L. Healthcare Environment
Advisory and Logistics
Jeddah
www.heal-me.us

SECTOR: HOSPITALITY CONSULTING SERVICES

hodema consulting services

Lebanese entrepreneurs Nagi Morkos and Karim el Asmar decided they had just the right expertise and experience to tackle a void in their industry – a lack of “business mentoring” for fellow entrepreneurs in the hospitality sector, especially in the Food & Beverage (F&B) sub-sector. “Big consulting firms offered financial expertise, we focused on practical support. That’s what we specialize in,” says el Asmar.

Beirut-based hodema consulting services was co-founded in 2004 by restaurant-developer Morkos and hospitality expert el Asmar. It provides professional consulting and development services specifically for food service and hotel project developers, retail, and real estate owners and operators.

The first years were challenging. hodema was self-funded and struggled to survive the 2005 political and economic crisis in Lebanon just as it was getting on its feet. Targeting the growing hospitality sector in the Levant, hodema exported its services to Jordan and Syria and consulted on large mixed-use projects in Damascus and on the Dead Sea.

In 2007, hodema co-founders bucked the Dubai-investment trend and instead turned to Saudi Arabia. “Dubai was not our market – we are a service business. Instead, we went into the more difficult and less glamorous but bigger

market in Saudi Arabia,” explains el Asmar. They entered into a partnership in 2008 with Jeddah-based Siraj Capital that accelerated their business entry into the Kingdom.

“The hospitality industry has for the most part been very underdeveloped in Saudi Arabia. There are tremendous opportunities with huge potential in the leisure, religious tourism, and F&B areas,” says Dr. Ghassan Ahmed Al Sulaiman, Chairman of Siraj Capital. “Business travel to the Kingdom is also on the rise, which, in turn is fueling a growing demand for quality hospitality and related services. Together with hodema, we plan to identify new opportunities in untapped sectors in order to maximize development potential and investment returns.”

Noting that the F&B market is still highly dependent on foreign labor, Al Sulaiman adds that there is a need to “develop, train and recruit a professional and well-established F&B Saudi workforce. We are looking at the possibility of establishing professional hospitality training academies and institutions, and we plan to leverage hodema’s extensive experience and track record in this field.”

Siraj Capital/Ghassandevco and hodema are currently collaborating on a number of ventures in Saudi Arabia, including the franchising of F&B brands in Jeddah, implementation of a mixed F&B street-level cluster



Karim el Asmar, Managing Partner of hodema consulting services

hodema consulting services

in the new Bin Sulaiman Business Center, and the feasibility and development of a hospitality destination cluster within the old historic section of Jeddah.

“What I particularly appreciate from hodema,” concludes Al Sulaiman, “is that they take strong ownership of every project they undertake and practice a hands-on approach.”

“Consultancy is still a new concept in the whole [MENA and GCC] region,” explains hodema co-founder El Asmar, noting that their method of working is also new. “We come in and define the concept, the targeted market, the overall theme, and the framework for the project.”

Locality is another factor that distinguishes their approach. “We believe we have to be in close proximity to our clients in order to understand their needs and their environment,” he adds.

hodema is a young company committed to forming lasting professional relationships with all of its clients. Headquartered in Beirut, it has offices in Jeddah, Riyadh, and Damascus and has been tripling its revenue annually since 2007.

hodema consulting services
Future Business Center – 5th Floor
Amanah Street, Jeddah 21352
P.O. Box 126666
www.hodema.net

ALMARWA.net

Marwa Al Saleh, founder and General Manager of ALMARWA.net, an Information Technology service and E-commerce solutions company, epitomizes the new generation of Saudi businesswomen – determined, well-educated and independent-minded.

“I always dreamed about being a businesswoman,” explains Al Saleh, who started a small web design business out of her home in



Websites designed by ALMARWA.net

Al Khobar after graduating from college. Al Saleh knew a lot about Information Technology (IT) services, but she soon realized that she knew nothing about how to set-up and run a business. “I read everything I could find on

business that first year,” she recalls.

Al Saleh’s client base outgrew her home office within a year. In 2007, she officially registered her company and rented office space in the newly-formed businesswomen’s section of the Eastern Province Chamber of Commerce. Finding the money to start her business was the easy part: Al Saleh had saved more than SR 90,000 (\$24,000) for just that purpose. “I didn’t want anyone to be able to stop me,” she explains.

Then came the difficult part. “I had to learn everything from scratch – finances, human resources, how to write a business plan, and how to look for and hire employees,” Al Saleh notes. “It was a lot of trial and error,” she admits. In addition to providing office space, the Eastern Province Chamber of Commerce was able to advise Al Saleh about hiring employees and administrative start-up details.

Less than four years later, ALMARWA.net is a well-established business with six female employees and more than 50 loyal clients, including the Eastern Province Chamber of Commerce, real estate and petrochemical companies, as well as numerous small and medium-sized enterprises (SMEs). Website design and redesign, custom programming, E-commerce websites, online advertising, website hosting and domain registration are among the many services offered by the company.



ALMARWA.net

In 2008, Al Saleh’s company was recognized as the most promising IT services company in the Eastern Province and, two years later, it ranked third on the Saudi Fast Growth companies to watch list. “These awards put a spotlight on the company and increased our customer base, as well as our customers’ expectations,” explains Al Saleh. The next year will be critical, says Al Saleh, who plans to grow her company by introducing new products, such as training courses and establishing e-mail services for SMEs.

Al Saleh enjoys the challenge of running her own company. “It’s not just about making money,” she emphasizes. “It’s very fulfilling to do a good job for a client.” As a businesswoman, she also enjoys mentoring the young women she hires for her company. “I want to inspire them and help them believe that they can be the next entrepreneurs,” concludes Al Saleh.

ALMARWA.net
P.O. Box 77097
Al-Khobar 31952
www.almarwa.net.sa

alcantara group

“Bridging technology is what we do best,” explains alcantara Chairman and CEO Khalid Suleimani. “We bring Western technology to Saudi Arabia and provide a platform for these companies to work just as they would in the West. We handle everything and eliminate the stress factor,” adds Suleimani.

Established in 1997, alcantara group is one of the leading systems integrator and solutions providers in Saudi Arabia. Over the last decade it has become the holding company for a diverse range of technology providers: Kerfi Arabia for systems integration; IFS Arabia for Enterprise Resource Planning (ERP); Nexus Arabia for health information systems; and Medacsys for healthcare hardware and software turn-key packages. Nexus Arabia and Medacsys are both wholly-owned companies. In 2003,

alcantara became the largest ERP implementer in the Kingdom.

While studying for his doctorate in engineering in Boulder, Colorado, Suleimani realized that he was as much a businessman as he was a scholar. “I discovered my passion is in the business of delivering solutions, not just doing research,” he explains. In 1995, Suleimani established his first company in Jeddah – Business Automations Systems Engineering (BASE) – while commuting back and forth between the U.S. and Saudi Arabia to complete his doctoral exams.

“We started at a hard time,” recalls Suleimani, who took \$8,000 he had saved from his scholarship money to launch alcantara. He explains that a prolonged freeze on Saudi government projects, and the lack of internet in the Kingdom until approximately 1999, made the start-up years very challenging.



“We went bankrupt more times than I can count, but we stood our ground,” Suleimani notes proudly.

“It was also tough to sell software licenses at big prices, let alone try and sell services. It was assumed that all of these came for free. In 1995, ERP was a term that came from Mars. Now everyone knows what it is,” confides Suleimani. “Selling technology in a developing country is always difficult – you have to create demand and spend a lot of your marketing budget on educating consumers,” he adds.

continued on next page



Alcantara – from previous page

Despite those early challenges, alcantara survived. By 2003, it had a staff of 15, an in-house research and development department, and a growing book of business. In 2005, alcantara and Kerfi AB, one of Sweden’s leading systems integrators and e-government solutions providers, formed Kerfi Arabia, which has since developed a significant client base across Saudi Arabia.

In 2006, Nexus Arabia, a joint venture established between alcantara and Nexus AG, Germany’s leading provider of e-health solutions, landed one of the largest health information systems (HIS) deals in the history of the Kingdom. “There are 16 hospitals and two million patients using our systems now in the Ministry of Defense. It’s very flattering for us to know they are all using something we did to make their lives easier,” comments Suleimani. “It’s a small contribution, but it gives me great satisfaction,” he adds.

Suleimani explains that most of alcantara’s applications are European because of



More than 16 hospitals in the Kingdom use Nexus Arabia health information systems (HIS)

post-9/11 difficulties. “My original passion was to work with U.S. companies. It’s easier for us to deal with Americans, and I used to travel to the United States every three months on business, but I had to shift gears after 9/11” he admits.

alcantara was recognized as one of the top ten fastest-growing companies on the Saudi Fast Growth 100 List in 2009. “There are more than 160,000 commercial registrations in the Kingdom, and I never knew there were other people like me until I met them at the Saudi Fast Growth summit in the U.S.,” comments Suleimani. “It’s very important to raise the awareness of this award because it gives the small entrepreneur something they can look up to,” he concludes.

alcantara group
P.O.Box 50646
Jeddah 21533
www.alcantara-group.com

SECTOR: LEGAL SERVICES

Al Yaqoub Attorneys & Legal Advisors

Montasir Al Mohammed is Managing Partner of Al Yaqoub Attorneys and Legal Advisors (AYALA), a Riyadh-based law firm that works in association with Lovells, an international firm with 28 offices scattered around the globe.

“I was one of only a few lucky students who were hired to practice law right after graduating from the university,” comments attorney Al Mohammed. When he attended King Saud University in Riyadh in the early 1990s, legal studies were incorporated within the College of Business and Administration,

explains Al Mohammed. It wasn’t until 2008 that the College of Law was established as a separate entity, he notes.

Al Mohammed studied law at a time when it was an uncommon profession for young Saudi university students. “I could see the way the Kingdom was developing and it seemed



Montasir Al Mohammed, Managing Partner of Al-Yaqoub Attorneys

clear to me that a Saudi with legal expertise could help bridge the gap between Shariah and Western law,” explains Al Mohammed.

His intuition was right. Hired in 1992 by Arthur Andersen LLP, Al Mohammed spent 13 years with the company through its merger with Ernst & Young. He was trained in Arthur Andersen’s regional and London offices and became the head of legal services until he left to establish his own law firm in Riyadh in 2005.

In less than five years, AYALA has become one of the leading law firms in Saudi Arabia. Staffed with 11 lawyers, three of whom are Saudis, the firm specializes in litigation and real estate and handles a full range of services, including investment, corporate/commercial, finance, construction and intellectual property. AYALA’s clients include the Kingdom Holding Company, H.R.H. Prince AlWaleed Bin Talal Bin Abdulaziz Al-Saud, Emaar Group, Saudi Telecommunication Company, Four Seasons Hotels, and numerous others.

AYALA, in association with Lovells, has opened an office in Jeddah, which establishes Lovells as one of the few international law

ALYAQOUB

in association with
Lovells

firms with a presence in two major cities in Saudi Arabia. International law firms require a locally qualified Saudi national to act as a sponsor in order to practice in the Kingdom.

“This new office will add depth to our presence in a key economic zone of the Kingdom,” notes Al Mohammed, “and it is a part of our continuing commitment to provide our clients with high quality legal services.”

Al Yaqoub Attorneys
and Legal Advisors
in association with Lovells
P.O. Box 57288
Riyadh
www.alyaqoub.com

SECTOR: LIFESTYLE SERVICES

3eesho – Nurturing My Life

“We are a social network with a goal and a vision to improve lifestyle and develop better skills,” explains 3eesho CEO Rafah Al Khatib. “It’s a way of communicating to create a better life,” she adds.

3eesho was chosen as one of the semi-finalist business teams in the 2008-2009 Massachusetts Institute of Technology (MIT) Arab Business Plan Competition. More than 1,200 teams registered for the competition, which selected nine finalists and 16 semi-finalists.

CEO Al Khatib came up with the idea for 3eesho in 2008 and spent months mulling over the concept before she decided it should be a web-based portal application. 3eesho works as a dashboard to monitor, measure, and work on improving habits in order to change one’s lifestyle. Users log in their habits on a daily basis – allowing them to check the total impact of those habits, as well as to compare lifestyles and habits with

similar user groups. Plans to improve habits can also be logged in and monitored for levels of success.

“I wanted to create a social network similar to Facebook, but not as time-consuming...

where instead of playing games, people can have a diet challenge or plan their finances and compete with others about achieving certain lifestyle goals,” notes Al Khatib.

She developed two modules – “My health” and “My wallet” – as well as a food database with over 3,000 meal plan suggestions. Data entered for daily eating and expenditure habits is analyzed, translated into graphs and tables, and recorded under the “My Life” section. The portal is 100 percent private and does not share or sell information.

The Beta-phase for 3eesho was launched in January 2010. “As soon as we placed an advertisement on Facebook, we got ten users



each day,” comments Al Khatib. She hired a technical manager, a web designer, and a programmer to help launch her business.

Prior to creating 3eesho, Al Khatib was the general manager for one of the first companies in Riyadh that developed portals, e-solutions and built websites. When she decided to start her own business, she focused on two topics of growing interest to her – health and nutrition.

“Obesity is becoming a global problem,” notes Al Khatib, “and there is an increasing level of obesity in the Middle East – 25 percent of the children, as well as 75 percent of women over the age of 30, are obese in Egypt. Kuwait and Saudi Arabia rank very high among the Arabian Gulf countries in terms of obesity,” she adds.

“3eesho was created to help individuals in the Arab world improve their lifestyles by using the technology that is a daily part of their lives. Any change in a society starts with the individual,” Al Khatib emphasizes.



3eesho CEO Rafah Al Khatib and icons for (l-r) “My Wallet,” “My Health,” and “My Life”

3eesho
Dubai – Riyadh – Amman
www.3eesho.com

SECTOR: MARKETING

Beyond Holding Group

Beyond Holding Group was established in June 2005 by Dr. Turky Abdulmajeed. “Saudi Arabia’s economy was booming and changes initiated by King Abdullah made local and foreign investment easier,” explains Abdulmajeed. “I decided it was time to leave the corporate world and take all the experience I had acquired during my 12 years with international companies and go out on my own,” he says.

Located in Jeddah, Beyond Holding Group provides integrated business management services and solutions to the Arabian Gulf market. The company manages a number of enterprises: C&B – marketing consultancy; Extend Arabia – events management; Marketing & Beyond – direct communication; SPARK

– market research; WAP – IT solutions; HR & Beyond – human resources (HR) outsourcing; and Fatory – catering supplies.

“It wasn’t easy to get clients in the beginning, and it’s still challenging,” notes Abdulmajeed. “In Saudi Arabia, people are not used to hiring consultants unless they come from international corporations. Hiring a Saudi as a consultant is more or less a new concept,” he emphasizes.

Nonetheless, Abdulmajeed’s extensive background in corporate marketing with Procter & Gamble, Frito Lay and PepsiCo International impressed clients and gave him a competitive advantage. He secured three significant contracts – one with Nestle – during his first year of business. “I started off in a



small office in a very inexpensive rental district in Jeddah,” recalls Abdulmajeed. “In less than six months, I had moved to one of the best locations in the city,” he adds.

During the past three years Beyond Holding Group has enjoyed a 150 percent growth rate and has watched its client base grow throughout the Arabian Gulf region. “As a consultant, I analyze a client’s needs and then bring in whatever services are needed – IT, marketing, research, and so on – in order to either fix the problem or upgrade the business,” explains

continued on next page



Beyond Holding Group – from previous page

Abdulmajeed. At any given time, his company will have more than 100 people employed on a project-to-project basis.

Two of the Beyond Holding Group companies – Marketing & Beyond and HR & Beyond – were ranked on the Saudi Fast Growth 100 Companies to watch list in 2010. “This list is new to the Kingdom and it’s a great concept,” suggests Abdulmajeed. He notes that the prestige of the award, as well as networking opportunities among the Saudi Fast Growth companies, have been beneficial to his business.



Beyond Holding Group CEO Dr. Turkey Abdulmajeed

“Being an entrepreneur is very challenging, and that’s what motivates me,” says Abdulmajeed. “I know what I want to do and my experience has taught me how to do it. The economy is booming in Saudi Arabia, and it’s a great time to be an entrepreneur.”

Beyond Holding Group
P.O. Box 122585
Jeddah 21243
www.beyond-hg.com

SECTOR: MANAGEMENT/ CONSULTING

impaQta Management Advisory Services

“Not everyone can be an entrepreneur,” explains Aiman Said. “It requires a lot of risk-taking.” In 2004, Said decided to take a risk and established impaQta, a management advisory services company. For the first six months, he ran the business without having either an office space or employees.

By the end of 2004, Said and his partner hired their first full-time employee. One year later, the number of employees had grown to 15 and at the end of the fourth year, impaQta had 40 employees.

The risk paid off. Between 2004 and 2008, the Riyadh-based company grew more than 139 percent, and it has average annual revenues of between SR 1 million and 5 million (\$266,600 - \$1.3 million). In 2010, impaQta ranked among the fastest-growing companies in the Kingdom on the Saudi Fast Growth 100 list.

CEO Said comments that the past five years have often been like a roller coaster ride. In 2009, the global economic crisis hit close to home when many of impaQta’s clients either postponed or cancelled scheduled projects. The company tightened its belt, scaled back to ten employees, and rode out the storm. “Despite the hard times, I have no regrets

being an entrepreneur,” explains Said. “It gives me the right to decide my own destiny.”

Prior to starting his own business in 2004, Said spent more than 17 years working in the corporate world with IBM, Hewlett-Packard and Arthur Andersen Consulting (now Accenture). “Consulting opened up a whole new



MANAGEMENT ADVISORY SERVICES

international and global world for me, and I learned a great deal from my clients,” notes Said.

He built the foundation for impaQta on much of that experience, creating a business that advises companies on how to build a viable, sustainable and profitable enterprise. From designing a business plan, to building and fine-tuning the internal infrastructure once the company is up and running, impaQta’s objective is to become the leading strategic and management advisory company in the Middle East.

Said explains that he and his wife, 3eesho CEO Rafah Al Khatib, represent new faces among the growing entrepreneurial sector in Saudi Arabia. “We are non-Saudis, and the new laws allow us to establish a company and own it 100 percent. There is a new set of entrepreneurs operating and thriving in the same environment as their Saudi counterparts,



impaQta CEO Aiman Said (left)

and this will result in a greater exchange of expertise,” comments Said.

Entrepreneurship is alive and well in the Kingdom, according to Said. “Saudi Arabia used to be all about the SABICs and Aramcos; now it supports SMEs,” he says, noting that King Saud University in Riyadh requires all students to take an introductory course on entrepreneurship. “They want to plant the seed of entrepreneurship in everyone,” emphasizes Said.

impaQta Management
Advisory Services
P.O. Box 300653
Riyadh 11372
www.impaQta.com

IBS: Innovative Business Solutions

When Osama Bakur Natto decided he was going to start his own business, he made certain he could not turn back. “If I knew I had a safety net to go back to the

corporate world, I would not have excelled. It was do or die,” Natto recalls.

“It’s very important to have the right mindset if you plan to succeed,” says Natto. “Every year

people come to me for advice about starting a business, and the first thing I ask them is whether they are ready to make sacrifices.”

continued on next page

IBS – from previous page

Natto clearly was. Prior to founding Innovative Business Solutions (IBS), he held an executive position at Procter & Gamble in Jeddah. “There were a lot of rules, and I felt very restricted in my ability to grow professionally and personally,” explains Natto.

One day he announced to his work colleagues that he was going to open his own business within a year. Natto sold his house, moved his wife and children into an apartment, and told them they had to tighten their belts while he was building the business.



Osama Bakur Natto, founder and CEO of Innovative Business Solutions

His determination paid off. Jeddah-based IBS started as a one-man company in 2005 and it now has 15-20 full-time employees, as well as four part-time consultants. IBS has a base of approximately 40 loyal clients, including the Elixir Group, Blueprint Communications, National Commerce Bank, Emaar Economic City, Hewlett-Packard International Trade B.V., and Procter & Gamble. Eighty percent

of their clients are repeat customers or referrals, and 20 percent are solicited.

IBS ranked among the Saudi Fast Growth leading start-ups two years in a row. The company has grown more than 123 percent during the past five years and its average revenues are in excess of SR 5 - 10 million (\$1.3 – \$2.66 million) per year.

According to Natto, the IBS team is intent on becoming “the most appreciated consultants in Saudi Arabia.” IBS provides strategy and management consultancy, information services, start-up expertise, project management and analysis support for the information technology (IT) sector in Saudi Arabia and the Arabian Gulf.

“Running a small business is a real challenge,” says Natto, who is no stranger to hard work. “My dad is an entrepreneur who built his business from scratch, and I started working for him when I was eight years old. We grew up working,” he explains. Prior to



Innovative Business Solutions

IBS, Natto tested the waters with his short-lived first start-up – Omnitech Al-Saudia – in 2004.

Natto is very supportive of other start-up companies. “We try and make sure that anything we need – couriers, lawyers, printers, and so on – is done by small businesses rather than large corporations,” comments Natto. “It’s very important for us to support each other as entrepreneurs.”

In addition, Natto lectures several times a year at the Jeddah Chamber of Commerce, as well as at Effat University, on how to build a business and other related topics. “I am not interested in just making a profit,” says Natto. “It’s also about making a difference.”

IBS Innovative Business Solutions
P.O. Box 54000
Jeddah 21593
www.ibsolutions.com.sa

SECTOR: PR/ADVERTISING

Trans-Arabian Creative Communications (TRACCS)

Trans-Arabian Creative Communications (TRACCS) is one of the largest public relations networks in the Middle East and North Africa. Established in 1997 under the name Saudi Creative Communications Services (SACCS) by partners Mohamed A. Al Ayed, Sarah A. Al Ayed and Haroon Sugich, SACCS steadily expanded its outreach. In 2001, the Jeddah-based company launched the TRACCS network with the opening of branch offices in Dubai, Cairo and Manama.

Today, the company’s 250 employees handle approximately 150 client relationships in 13 markets. Fifty percent of the TRACCS staff is female, and five of its managing directors are women. What began as a desire to establish a local public relations industry in Saudi Arabia evolved into a leading regional enterprise that controls ten percent

of the market and extends from Northwest Africa to the Arabian Gulf.

Sarah A. Al Ayed, Managing Partner - Saudi Arabia and Network Vice-President, is recog-



TRACCS Managing Partner Sarah A. Al Ayed

nized as the leading female public relations practitioner in the Middle East and North Africa (MENA) region. One of Saudi Arabia’s



Trans-Arabian Creative Communications

most successful businesswomen, Al Ayed is also a founding member of the first Saudi Arabian Businesswomen’s Committee, which is incorporated within the Jeddah Chamber of Commerce and Industry.

“I knew nothing about public relations when my brother and I first talked about working together in 1997,” Al Ayed explains, noting that she crammed for months to learn the basics before they officially opened their business.

TRACCS moved from shared office space to its own headquarters within three months after opening, and it quickly assumed market leadership as one of the first local public relations agencies in Saudi Arabia. In 1999 and 2000, TRACCS won the Coca-Cola Middle East

continued on next page



TRACCS – from previous page

Agency of the Year Runner-Up Award.

According to Al Ayed, by the end of 2000 there was a growing need for public relations in the Arabian Gulf and other markets in the Middle East. "Our clients were asking us to expand in the region, which is why we opened new offices in Dubai, Cairo and Manama," she notes. Since then, TRACCS has opened additional offices in Jordan, Oman, Kuwait, Qatar, Iran, Tunisia, Morocco, Lebanon and Syria.

"All of our regional offices are hands-on, which enables us to create the right PR package. It's important to know the local markets and industries first-hand," adds Al Ayed.

TRACCS conducts an internal and external communications audit for each new client and handles everything from media placement to crisis management, events, marketing and corporate social responsibility. It has nine main practice groups that specialize in telecom-

munications, healthcare and nutrition, NGOs, banking & finance, public affairs and government relations, travel and leisure, transportation, digital PR and retail.

"In the United States, public relations started over 100 years ago," states Al Ayed. "But in this region, it's only 12-13 years old. We want to turn this into an industry by conducting workshops and training people."

In 2005, TRACCS founded the Arab Conferences Company (ARC) in order to expand its communication platform. ARC hosts a yearly public relations conference in Jeddah that is open to all PR practitioners. TRACCS also established a Strategic Communications Outreach Program at Prince Sultan University in Riyadh.

Al Ayed emphasizes that the growth of entrepreneurship in the region has led to a greater recognition of corporate social responsibility (CSR). In 2005, TRACCS organized

and sponsored the first CSR conference in Kuwait. Al Ayed says that it is part of the company's mission to use their collective skills for the common good. That same year, TRACCS launched a city-wide anti-littering campaign in Jeddah, and the company regularly provides communication support to NGOs working in the region.

In 2010, TRACCS placed 44th on the Saudi Fast Growth 100 List, which ranks the Kingdom's fastest growing companies. "Entrepreneurs are the hidden story no one knows about," says Al Ayed. "Small and medium-sized enterprises (SMEs) may be small in size, but not in impact. They lead to the growth of a country."

TRACCS
P.O. Box 23851
Jeddah 21436
www.traccs.net

Phenomenal PR & Events

Phenomenal PR & Events is a small public relations firm with great ambitions. Established in 2006 by entrepreneur Shadi Zahid, the Jeddah-based business has a reputation for thinking outside the box.

Zahid had a long and varied employment history before he decided to form his own company. At the age of 14, he became the youngest reporter for Arab News and Asharq Al Awsat, two leading Saudi Arabian newspapers. After 12 years as a globe-trotting correspondent, Zahid changed gears in 1998 and began to work in public relations.

"I was looking toward the future and public relations was a relatively new concept in Saudi Arabia at that time," explains Zahid. He spent six years learning the trade with two American companies – Hill and Knowlton, a New York public relations firm, and advertising agency Leo Burnett, which is based in Chicago.

"My years at Hill and Knowlton taught me that the big multinational firms may know all the techniques but, as outsiders, they can't really understand the local community," he

notes. "As a Saudi, I know what my client wants because we share the same culture."

In 2006, Zahid was ready to start his own public relations company. With less than SR 5,000 (\$1,333) to invest, he borrowed office space, furniture and equipment from friends

and launched Phenomenal PR & Events. During the first month, he landed a two-year contract with Unilever and later signed agreements with McDonald's, Porsche, and a number of local Jeddah companies. In less than six months, Zahid paid back all the start-up loans and Phenomenal PR was in the black.

Phenomenal's current staff of 13 handles a growing client list, which includes Signal, Sunsilk, Unilever, Brioni, Puma, and United Colours of Benetton, among others. In addition to public relations and event planning, Phenomenal PR

organizes business tours to introduce young Saudi entrepreneurs to potential business partners and new markets in the Kingdom.

"Everyone is fighting over business in Jeddah, Riyadh, and Al Khobar when there are new opportunities emerging all the time



Shadi Zahid, Managing Director of Phenomenal PR & Events



in other cities like Hail, Abha and Jizan throughout Saudi Arabia," explains Zahid, who coordinates these tours with the local chambers of commerce.

Zahid has plans to develop Phenomenal PR & Events into a large media organization. His publishing company, which has a staff of four, was established ten years ago and prints Arabic language books, including his own volumes of poetry. Currently Zahid is finalizing plans to set-up a film studio in Jeddah – Phenomenal Production House.

According to Zahid, success is based on one simple philosophy: "Believe in yourself and work hard." His young company was honored twice by the Saudi Fast Growth 100: in 2009, it ranked number one on the Start-up Company list, and in 2010, Zahid's sister and account manager Heba Zahid accepted the award when Phenomenal was ranked one of the leading new companies to watch.

Phenomenal PR
P.O. Box 122578
Jeddah 21332
www.prphenomenal.com

Rumman Company

In October 2007, three Saudi women packed up their determination and vision and left their jobs at a publishing house in Jeddah to launch their own company. Less than three years later, Rumman Company, an innovative Media Publishing House, has 21 employees and annual revenues between one and five million Saudi Riyals (\$266,000 - \$1.3 million).

What began in the living room of Rumman CEO Enas Hashani's house is now a thriving enterprise that owns, operates, and manages socially responsible and youth-oriented ventures in media publishing and production. The

company also provides corporate and social event management and will soon launch the Grow Program, a training, development, and funding program for social entrepreneurs.

"We had a clear vision for the company from the start," says Hashani who co-founded the company with 21-year old Fainak General Manager Maria Mahdaly and 25-year old Chief Operating Officer Bayan Esam Abuzinadah. A serial entrepreneur, Hashani has a retail clothing store as well as a catering business, but she admits that "running a retail business is very different from establishing a

venture like this one, especially since none of us had a background in marketing."

Undaunted by this lack of experience, they found an enthusiastic investor, moved into a small office and launched what are now their two main ventures: Fainak?, one of the first and most active on-and-offline youth media sites in Saudi Arabia, and Destination Jeddah

– City Insight on the Go, a monthly English-language guide distributed to more than 70,000 readers in Jeddah.

"In the past few years, Jeddah has opened tremendously to business investment and tourism, which is why we decided to

create this guide," explains Hashani. COO Abuzinadah adds, "We wanted to educate people, including locals, about what Jeddah has to offer. Most people who live here don't explore the city and we want to encourage local tourism."

Rumman's trademark products have grown to include Fainak Buzz, Fainak Newzine and Fainak Events, each of which illustrates the company's ability to successfully target and showcase a largely under-represented audience – Saudi youth. All products and services offered by Fainak, such as the newly launched Fainak



Youth Hub, are intended to give Saudi youth a chance to expose and develop their talents.

Due to Rumman's large on-and-offline database of young subscribers, it has become a primary resource for companies eager to market their products to youthful audiences. "Fainak Buzz has become one of our hot sellers because when a company comes to us with an event, we can quickly deliver the right youth audience," explains Mahdaly, General Manager of Fainak. Mahdaly was named one of the top 30 student entrepreneurs in the world by the U.S.-based Entrepreneurs' Organization, and she attended the Presidential Summit on Entrepreneurship held in Washington DC in late April.

Rumman Company placed first out of 31 companies on the Saudi Fast Growth 100 Start-Up list and received an award during a gala dinner at the 2010 Global Competitiveness Forum held in Riyadh. "When I was up on that stage accepting the award, all the hardships and difficult times we went through became worthwhile. At that moment I knew we were doing the right thing," concludes Hashani.

Rumman Company
P.O. Box 6707
Jeddah 21452
www.rummancompany.com

3points Advertising Agency

When Marwan Qutub and Eissa Bougary co-founded 3points Advertising Agency in 1998, they became leaders of the burgeoning local advertising market. "We saw an opportunity at the time because the market in Saudi Arabia was very underdeveloped and was dominated

primarily by non-Saudis," explains Qutub. "This is not the case when you look at the rest of the world. The creative directors and the marketing people are generally locals who understand the culture of their clientele," he points out.

Qutub and Bougary were both three to four-year veterans of Procter & Gamble before

they established 3points. "It was a life-changing experience," recalls Qutub, who explains that their jobs taught them all the tools of the trade and also made them aware that it was the right time to start their own business. "Our deep understanding of and insights into our own

culture would produce a better product for our clients," he emphasizes.

"We became one of the first agencies that is Saudi-owned and Saudi-run, making us trend-setters," comments Qutub, who is CEO of 3points. Eissa Bougary is the Chief Creative Officer (CCO) of the Jeddah-based company, which now has 60 employees and offices in

Riyadh and Dubai. According to Qutub, the hard part in 1998 was not getting their first clients, but finding the right staff. "An advertising agency is all about people," he suggests. "It was not an easy job to develop the right corporate culture and to find the best people who could work as a part of our team."

3points' first print campaign for a local consulting firm became the talk of Jeddah and led to a host of new clients. By 2000, 3points had attracted a number of key corporate clients, such as Rabea Tea and Al Sawani, and the company was off and running. Today, its clients include Kingdom Holding, Saudi Telecom, Barbican, Savola and United Sugar Company, among others. 3points is one of the major advertisers for the Esmerelda Residential area in the King Abdullah Economic City (KAEC).

continued on next page





3points – from previous page

“Saudi Arabia is still an emerging nation,” explains Qutub. “All of these developing sectors – such as aviation, telecommunications and the new economic cities – offer huge opportunities for advertising. It’s exciting to work with clients who have a major impact on the Kingdom’s economy.”

In 2009, 3points became the first Saudi Arabian advertising agency to win an award at the Cannes Lions International Advertising Festival in Cannes, France. The company was honored for two of its public awareness campaigns – “Aqim Salatak” (Perform your Prayers) and “Because we love you” – the Abdul Latif Jameel Group’s corporate social responsibility program.

“We were the first advertising agency in the region to produce public service announcements (PSAs),” asserts Qutub. The “Perform your Prayer Campaign” was launched in 2001



Samples of 3points print media advertisements

and marked a turning point in Saudi Arabia’s advertising industry, according to Qutub. “It has been a part of our vision from day one to give back to our community through PSAs,” he explains. “Marketing and media are very influential mediums, and we have to be ethical and responsible with the messages we send.”

In addition to running 3points, Qutub and Bougary established a sister agency in 2006 called “Gluetube,” which specializes in digital marketing and web designs. That same year, they founded “Under the Carpet,” a film production company located in Dubai Media City. “As long as the market in Saudi Arabia continues to expand, our potential is unlimited,” says Qutub.

“We have changed the world of advertising in Saudi Arabia. 3points has set a standard for other agencies, and I believe we are a good example for many of our colleagues who want to become entrepreneurs,” he concludes.

3points
P.O. Box 122194
Jeddah 21332
www.3points-ad.com

SECTOR: SECURITY SOLUTIONS PROVIDER

Secutronic

Secutronic is not just a business, it’s a way of rethinking business. “When we founded Secutronic, we changed the way a company is supposed to be run,” explains CEO Jawad Anwar Ali.

“Usually, when a business is launched, there are systems and procedures in place. We believe that a company is all about its people, who are the epicenter of any organization,” he notes. “This is why we have a flat management approach. There is no boss, just 200 entrepreneurs working together. This creates an energy that benefits the entire company, as well as our clients and shareholders.”

In today’s competitive business environment, attracting and retaining talent is critical to the success of a company, explains Anwar Ali. “If you find the right people with the right talent, put them in the right job and emphasize core ethical values, they will help your business flourish,” he comments.

Chairman Ihab Elsamannoudi and CEO Anwar Ali both equate employee satisfaction with customer retention and a successful enterprise. Given the company’s growth rate of more than 2,500 percent over a five-year period, as well as its average annual revenue of SR 10 to 50 million (\$2.6 million - \$13.3 million), their belief is well-founded. The



Secutronic CEO Jawad Anwar Ali

company has a 95 percent retention rate among its 200 employees, 35 percent of whom are Saudis. The rest of the staff is multi-national.

Co-founded in 2003 by Elsamannoudi and Anwar Ali, Secutronic is a leading security solutions provider and integrator. Headquartered in Jeddah with offices in Riyadh and Dammam, Secutronic provides innovative and customized high-tech security solutions – such as virtual control rooms, security management, CCTV Surveillance, access control, and intrusion

detection. Their corporate and governmental clients span the medical, financial, petrochemical, commercial and hospitality sectors.

According to CEO Anwar Ali, Secutronic is the only company in Saudi Arabia that provides total turn-key security solutions, caters to all industries, and is completely vendor-neutral. “We do not go out and promote any specific product,” he says.

Secutronic carefully studies a client’s individual security requirements, determines which products will best satisfy the client’s needs, and then mixes and matches products from a number of vendors. “Our vested interest is in achieving the best value for our customer,” notes Anwar Ali, who adds that Secutronic’s goal is to become a “transparent embedded success story within our client’s organization.”

SECUTRONIC™

One of Secutronic’s major projects was providing a comprehensive security package to the International Medical Center (IMC) in Jeddah that included high-tech surveillance cameras, personnel identification mechanisms, and workflow management processes, such as Time & Attendance and access control. Other clients include Arab National Bank, National Commercial Bank (NCB), DHL, Fitaihi Group, Ikea, Savola and many others.

In 2009, Secutronic was nominated the number one Saudi Fast Growth 100 winner. “It’s an awesome program that really adds value to the entrepreneurial community in Saudi Arabia,” comments Anwar Ali. “I think the ecosystem of the world revolves around these small to medium-sized enterprises (SMEs) that help economies flourish.”

Chairman Elsamannoudi adds, “Being a Saudi Fast Growth 100 winner has inspired our team. Our staff sees that their work has paid off, our customers are more confident that they are putting their security needs in the right hands, and our stockholders are proud to be number one.”

Secutronic
Beautat Business Park, Suite 26
P.O. Box 54544
Jeddah 21524
www.secutronic.com.sa

Jeddah United Sports Company

Lina Almaeena is shaping the future of women's sports in Saudi Arabia. As the Director of Jeddah United and the captain of its Women's Basketball Division, Almaeena has pioneered a sports program for girls ages four through 17, as well as for adult women. Her goal is to create Olympic-quality female players who can compete in national and international events.

"H. M. King Abdullah has emphasized the importance of sports," explains Almaeena, who wants to promote sports and healthy lifestyles for women and youth within the context of Saudi Arabia's culture and traditions. She began with a small group of six girls and a private basketball coach in 2003. By this year, the number of participants has increased to more than 300.

"From day one there was a great deal of interest in the women's basketball teams," comments Almaeena, who notes that sports are not available to girls in Saudi Arabia's public schools. "We never have a problem getting players; in fact, we always have a waiting list. What's difficult is finding qualified coaches because there isn't a sports federation in Saudi Arabia that certifies coaches and referees," she adds.

In response to this growing interest and a desire to promote sports in general, Almaeena and her husband, Obeid Madani, put together

a business plan and founded Jeddah United Sports Company (JUSC) in 2006.

JUSC is the first local training and sports events management company for women and young men in Jeddah. The company runs the women's basketball divisions, as well as the young men's basketball and soccer teams. Corporate social responsibility programs that



Lina Almaeena and members of one of Jeddah United's women's basketball teams

include coaching disabled young women in basketball, as well as offering sports programs for underprivileged youth, are an inherent part of the company's philosophy.

Since 2006, JUSC has organized numerous basketball tournaments each of which are centered around themes such as anti-smoking, drinking milk, father and son relationships, and the like. JUSC spearheaded Saudi Arabia's first Women's Street Basketball Tournament in 2007, in which 12 teams participated; the following year, the company conducted two basketball clinics with ex-Women's National Basketball Association (WNBA) players Lynette Woodward and Ruthie Bolton. Twenty-five coaches and 45 players from numerous organizations attended the clinics.

Jeddah United (JU) is the first Saudi women's basketball league in the history of the Kingdom, and it is also the first in the Middle East to be endorsed by Nike and Pepsi. Almaeena and her team have competed in



Amman and at the American University in Sharjah in the United Arab Emirates.

Seventeen-year-old Wejdan Al-Amondi has been with Jeddah United for four years. "This is not something you can usually find in Saudi Arabia, and I'm really grateful I joined the team. I hope what we are doing will inspire other girls," Al-Amondi comments.

Jeddah United Sports Company recently partnered with Haji Husein Alireza & Co. Ltd., the third largest distributor of automobiles in the Kingdom, to launch Khobar United – the first women's sports organization in the Eastern Province of Saudi Arabia.

Haji Husein Alireza & Co. Vice-President and Partner Hasan A. Abulhasan notes that based on the "pioneering success" of Jeddah United, they were inspired to start a similar program for women in Al Khobar. "People follow success," comments Abulhasan. "I applaud Lina Almaeena, the force behind Jeddah United and her team, for having the intelligence and the courage to start this venture."

"We really believe in what we are doing," explains Almaeena. "Our vision was to use sports to make an impact on our society, and it seems to be working."

Jeddah United Sports Company
P.O. Box 62
Jeddah 21411
www.jeddahunited.com

Bravo – Public Telecommunications Company

Bravo is having a great year. Nominated in January as one of the companies on the Saudi Fast Growth Start-Up List, Bravo was again in the limelight when *CEO Middle East* magazine honored Bravo's Chief Executive Officer, Mohammed bin Abdulaziz Al-Ageel, with the 2010 "Best CEO in Business - Telecom Sector Award" for the Kingdom of Saudi Arabia. Al-Ageel was chosen for the award for

having successfully positioned Bravo as one of the three leading telecom companies in Saudi Arabia.

The path to that award was not easy for Al-Ageel, who was appointed CEO of Bravo in September 2008. "This was one of the biggest challenges I've had in my entire life. It normally would have taken me ten years to figure out what I had to learn in less than 18



months at Bravo," he admits.

Despite more than 15 years of experience working in telecommunications in both the military and private sector, Al-Ageel was not aware of the challenge he had in store for him when he joined Bravo. Established in 2001 as the Public Telecommunications Company

continued on next page



Bravo – from previous page

(PTC), Bravo launched its services in Saudi Arabia in 2005 as the sole licensed provider of wireless communication services using Motorola iDEN technology. It operates under a license owned by the Saudi Telecommunications Company.

“It was scary,” Al-Ageel says, noting that when he took over he had to restructure the entire organization, fire many of the long-time employees, and bring in new blood with market experience. “The old model was not financially viable. We had to change it, or the company was going to fail,” he explains.

According to Al-Ageel, another big problem was that the company was built by non-Saudis. “If you want to create a niche service for the government sector in Saudi Arabia, you need people who understand the culture. If you are an expat, it is very hard to communicate with your customers, especially in the security and military sectors,” he explains.

Utilizing the “Tripod or Turnover Strategy” he developed while studying for his M.B.A. at King Saud University in Riyadh, Al-Ageel hired Saudi marketing and sales directors, built a new team, and slashed costs. Against all odds, the company turned the corner and began to thrive.

The company shifted its focus away from the general market and began to specialize in the government, business and industrial sectors. Bravo is the first and sole provider of Motorola’s “Push-to-Talk” (PTT) technology in the Kingdom, which enables instant communication between multiple users at the same time.

Headquartered in Riyadh, Bravo has a branch office in Dhahran and 400 employees, 60 percent of whom are Saudis. Al-Ageel actively recruited 22 women for Bravo, and they now manage the customer care, sales, after sales and collections departments. “There are many highly-educated women in Saudi Arabia, but not as many job possibilities as there should be



Bravo CEO Mohammed bin Abdulaziz Al-Ageel

for them,” explains Al-Ageel, who built a special women’s section for customer relations.

By 2011, Al-Ageel intends to make Bravo the number one provider of telecommunication services for the private and public sector in Saudi Arabia.

Bravo – Public Telecommunications Company
P.O. Box 62660
Riyadh 11595
www.bravo.net.sa

SECTOR: TELECOMMUNICATIONS/TELECOM INFRASTRUCTURE PROVIDER

Delta United Contracting

“Anyone who comes to Saudi Arabia for business will regret that they did not come earlier,” suggests Aziz Assi, the co-founder and CEO of Delta United Contracting Co. (Delta). Founded in late 2005 as a Saudi Company licensed under The Foreign Investment Regulation by the Saudi Arabian General Investment Authority (SAGIA), and headquartered in Riyadh, Delta provides state-of-the-art infrastructure and maintenance services for major telecom operators and vendors across the Kingdom.



Aziz Assi (middle), CEO and co-founder of Delta United

During the past five years, Delta has achieved a growth rate of more than 118 percent and its annual revenues in 2008 were between SR5-10 million (\$1.3million-\$2.6 million). In 2009, Afkar Development Investment Company, a Siraj Capital affiliate, made a strategic investment in Delta, which has a stellar track record in the industry.

Commenting on that transaction, Siraj co-founder and CEO Ibrahim Mardam-Bey notes, “Delta offers Siraj Capital a unique

opportunity to invest in a dynamic, successful Saudi entrepreneurial business with the potential for sustained sizeable growth. This investment is typical of Siraj’s traditional merchant banking approach, where we strive to invest in companies with tier-A management teams in growth sectors located in Saudi Arabia, which we believe to be a unique market for direct investments.”

Less than two years after it was founded, Delta had established a 100 percent success rate on all of its projects. Within three years, the 200 employee company had contracts with all major telecom vendors in Saudi Arabia.

Delta has three major departments – wireless, telecom installation and fiber optics. CEO Assi notes, “Since Delta was formed, we have endeavored to build a solid platform for our business to grow rapidly. We are confident that the relationship with Siraj Capital will allow us to create the premier telecom infrastructure service company in Saudi Arabia.”

This goal is moving closer every day. Delta was recently approached by local and international companies interested in either acquiring shares in the company or forming joint ventures. In addition, Delta was short listed on a bid for a multi-billion-dollar telecom project, competing against industry giants such as Huawei, ZTE, Ericsson, Nokia Siemens Network (NSN) and Alcatel-Lucent (ALU).

For the second year in a row, Delta was ranked number 11 among the fastest growing



start-up companies by the Saudi Fast Growth 100. “It is a tremendous advantage being on the list,” explains Assi. “Other companies ask me all the time what I had to do to get on the list, what was the secret formula. It has become an impressive award in our industry and it gives us great exposure,” he adds.

Assi is an intrepid serial entrepreneur who has watched the business environment change for the better in Saudi Arabia during the past ten years. The liberalization of the telecom sector and the more recent development of new industrial and economic cities have increased the demand for infrastructure services. Relaxation or elimination of many of the old regulations, easing of restrictions for foreign investors, greater transparency, and the Saudi Arabian General Investment Authority’s new “60-24-7” program are all factors that have made it much easier for small and medium enterprises to succeed in the Kingdom, states Assi. “This encourages more people to become entrepreneurs and to give a lot back to their country.”

Delta United Contracting Co.
P.O. Box 52947
Riyadh 11573
www.delta-united.com

SECTOR: TRAVEL

Intercontinental Travel Company

Khaled Alfadl had a successful career as country head of Islamic Banking at the Arab National Bank when he decided to take over a failing travel agency in 2005. "It was a big risk because Intercontinental Travel (ITC) had a SR 500,000 (\$133,000) debt," notes Alfadl. "However, it was also an opportunity to get involved in the travel business, which is something I really enjoy."

"It's been in my blood for more than 25 years," explains Alfadl, who says that he was 12 when he first started to arrange all the family vacations with travel agencies in Jeddah. "The travel business was not new to me."

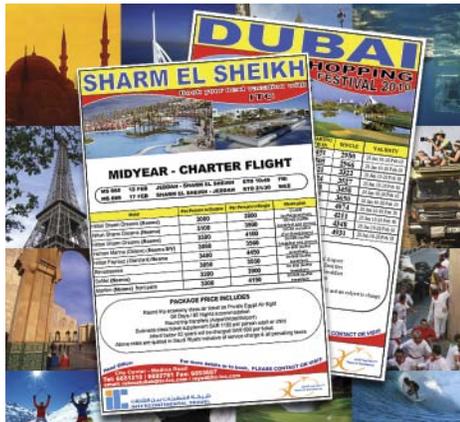
During the first year, Alfadl began to revive Intercontinental Travel while still working full-time at the bank and managing his father's consulting firm part-time. He pulled Intercontinental back from the brink by establishing two new branches north and east of Jeddah that brought in additional revenue. "In one year, the agency went from one branch to three and from three employees to 20," says Alfadl.

"At that point, I decided I had to roll up my sleeves and jump into this full-time," explains Alfadl. "It was then or never. The longer I waited, the higher the risk calculation would be." He noted that his decision to leave his job at the bank was not supported by anyone. "I took the plunge against everyone's advice, including my parents, but I believed in it and my passion overruled my logic," confesses Alfadl. "It's been a tough ride, but I'm glad I did it."

Intercontinental opened another two branches the following year. Alfadl eliminated the company's bad debt, aggressively marketed ITC's website for online bookings, and invested his own capital to expand the business. "We had to diversify our revenue streams and

minimize risk," explains Alfadl. He added more accounts on the corporate and retail side, opened yet another branch, and brought in new agents with good VIP client accounts. "When everyone was firing, we were hiring," he notes.

Alfadl keeps a close watch over the business, even updating the cash flow every few hours.



"That's how risky this business is," he states. He acknowledges that his banking background saved the day many times.

Intercontinental's agents are on call 24/7 and they are instructed to answer every inquiry. "We have to differentiate ourselves with good service or our customers won't come back," Alfadl explains.

Intercontinental's excellent services have won the company numerous awards. In 2007 and 2008, ITC received Lufthansa Airlines Superior Lufthansa City Center Award. Emirates Airlines presented Intercontinental with the Lifetime Achievement Award in 2008. The company also ranked among the fastest growing companies on the Saudi Fast Growth 100 List – placing 14th on the list in 2009 and sixth in 2010.

"I left the bank because I had a desire to excel," admits Alfadl. "Now I am running my own company and I have started a new journey that has no limitations."

Intercontinental Travel Company
P.O. Box 12478
Jeddah 21442
www.itc-lcc.com

SECTOR: WATER, ENERGY AND POWER

ACWA Power International

ACWA Power International was established in 2004 as a limited liability company with the goal of becoming a fully capacitated developer, owner, and operator of independent seawater desalination and power generation plants, delivering low cost bulk power and water.

Incorporated four years later as a joint stock company, ACWA Power International has rapidly become one of the leading Independent Water and Power Projects (IWPP) providers in the Middle East. The



Artist's rendering of the Shuqaiq Water and Electricity Company facility currently under construction.

company is two-thirds owned by ACWA Power Development (a joint partnership between A.K. Al Muhaidib & Sons and Abdullah Abunayyan Group) and one-third owned by MADA Group for Industrial and Commercial Investment (one of the Al Rajhi Group companies).

ACWA Power Development was one of the first companies to respond to the Saudi Arabian Government's 2004 decision to privatize the water supply and power generation sector through private/public partnerships, explains Paddy Padma-



nathan, President and CEO of ACWA Power International. "There was a chronic under-investment in the sector at that time, as well as a significant gap in supply and demand," says Padmanathan. "Power was one of the basic infrastructures that needed to be improved and modernized."

As a lead developer, ACWA Power International identifies opportunities, assembles development partners and advisors and puts together competitive and comprehensive proposals. Projects are structured on a concession or utility outsourcing contract model.

continued on next page



ACWA – from previous page

“In the past 18 months our staff has grown from 40 to 110 employees in the development company,” notes Padmanathan. “We have a completely global team that consists of at least 25 different nationalities.” He explains that ACWA runs all of the projects as the lead manager. “ACWA is the active partner,” says Padmanathan. “We are not a passive investor or standby local investors. These are mostly billion dollar businesses and we take all the risks,” he adds.

To date, ACWA Power International has launched five mega-projects: Rabigh Independent Water Stream and Power Project (IWSPP), Shuaibah IWPP, Shuaibah Expansion Independent Water Project (IWP), Marafiq Jubail IWPP and Shuqaiq IWPP. The \$2.45

billion Shuaibah IWPP south of Jeddah is one of the largest combined power and water plants currently under construction in the world today.

In addition to these five projects, two barge-mounted, self-supporting desalination plants have been constructed, each capable of producing 25,000 cubic meters of water per day (m3/day). Once all of these projects are fully operational, they will collectively deliver 6,000 megawatts (mw) of power and 2.24 million m3/day of desalinated water.

“Our plan was to build our foundation in the Kingdom and establish a track record,” says Padmanathan. “Phase two involves expanding regionally with the ultimate goal of becoming a global player.” ACWA Power International is currently the third largest

IWPP in the region and is valued at approximately \$1.6 billion.

ACWA Power International’s meteoric rise was recognized by the Saudi Fast Growth 100 when it ranked the company number three on the start-up list in 2009 and among the companies to watch in 2010. “This is a fantastic program,” comments Padmanathan. “As Saudi Arabia grows it needs to imbed the culture of entrepreneurship. These initiatives that showcase what other Saudis have done are inspiring and help to put Saudi Arabia on the map.”

ACWA Power International
P.O. Box 22616
Riyadh 11416
www.acwapi.com

SECTOR: WEIGHING SYSTEMS & SCRAP PROCESSING

Al Sale Eastern Company Ltd.

Sheikha Nadia Al-Dossary has a will of iron. As CEO & Partner of Al Sale Eastern Co. Ltd., Saudi Arabia’s leading company in the field of ferrous scrap processing and weighing systems, Al-Dossary has established herself in a male-dominated industry and risen to the top.

Al-Dossary forged her path and that of Al Sale Eastern when she joined the family-owned business in 1996 as an investor and manager. It was a bold leap. Prior to joining Al Sale Eastern, Al-Dossary spent five years working first as a trainer and then as a general manager for the Avon cosmetics company in Saudi Arabia. “I wanted to learn from experts,” Al-Dossary emphasizes. “Avon gave me the opportunity to identify and open new markets for them throughout the Kingdom.” By the time she left, Al-Dossary was Avon’s top producer in the region.

Founded in 1976 by her husband, Sheikh Youssef bin Ahmad bin Hamad Al-Dossary, Al Sale Eastern is a pioneer in the ferrous scrap processing industry. The company established the first local steel scrap yards in Saudi Arabia and began supplying steel-base scrap metal to Saudi Iron and Steel Company (Hadeed – a Sabc company) in 1984. In 1994, Al Sale Eastern added an industrial weighing systems division to the company and has since installed weighing systems in Oman, Kuwait, Bahrain



Sheikha Nadia Al-Dossary

and the United Arab Emirates.

Al-Dossary had worked her way up to being General Manager of Al Sale Eastern when her husband was involved in a near-fatal traffic accident that left him in a coma for two months and in recovery for several years. “I had to take over,” recalls Al-Dossary, who was the only woman in a company of 128 employees. “The scrap business depends on a daily exchange of money. We buy and sell scrap steel every day and the loss of several days’ work can involve losses in the millions of dollars,” she explains.

Al Sale Eastern thrived under her management. “I don’t believe in running a business from the top down,” asserts Al-Dossary. “It takes a team effort.” Within five years, the company expanded 500 percent. She spearheaded improvements in the collection process and was the first in the Kingdom to implement European environmental and safety controls for the collection of scrap metal. “I want our company to be as green as possible,” states Al-Dossary. Al Sale Eastern inspectors check to ensure that the scrap metal is neither radioactive nor procured from public or government sources.

By 2008, Al Sale Eastern had become a leader in the industry in Saudi Arabia and the GCC countries. That same year, the company



installed a giant shredder – the first in the Kingdom – which dismantles, separates and shreds everything from computers to cars and also checks for any environmental problems.

Al Sale Eastern has 12 collection yards in Saudi Arabia and controls more than 65 percent of the market. It is the largest local supplier of heavy metal scrap in the Kingdom and also exports to the Far East.

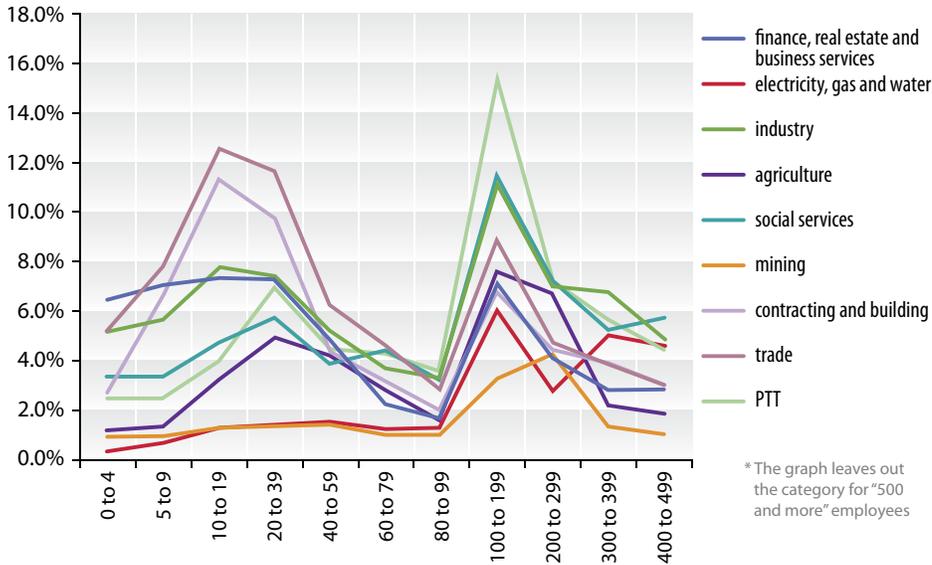
Corporate social responsibility is an essential part of Al-Dossary’s business ethics. Several years ago the company launched the National Micro Yard Program which encourages Saudi youth to become entrepreneurs instead of employees by co-owning a scrap yard. As co-owner, Al-Sale Eastern provides the necessary training, equipment and initial capital investment in the micro yards.

“I never wanted to stay in my comfort zone,” explains Al-Dossary, who has received numerous awards for her accomplishments as an entrepreneur. Ranked the top business-woman of the year by *Arab News* in 2006 and 2007, Al-Dossary was also chosen that year as one of the top 25 influential women in the Middle East by *Financial Times*.

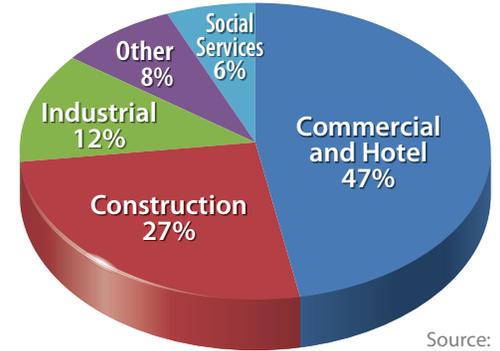
Al Sale Eastern Co. Ltd.
P.O. Box 885
Al Khobar 31952
www.alsale.com

Saudi Arabia - General Information on SMEs

Distribution of Employment Within Sectors by Size of Company*



Sectoral Breakdown of Saudi SMEs



Source: Standard Chartered

Contributions of Different Sectors to Total SME Employment (companies with up to 100 employees)

finance & realty	electricity, gas and water	industry	agriculture	social services	mining	contracting and building	trade	PTT
3.4%	0.4%	10.4%	0.6%	9.0%	0.5%	31.5%	42.4%	1.9%

Number of Employees by Sector and Company Size in Saudi Arabia

Size of company (empl.)	finance & realty	electricity, gas and water	industry	agriculture	social services	mining	contracting and building	trade	PTT	other	% in total	Total
0 to 4	7931	229	19188	523	14141	751	29288	58785	2235	5	4	133076
5 to 9	8626	423	20872	595	14042	789	70218	87319	2250	18	6.1	205152
10 to 19	9004	792	28485	1455	19817	1183	119695	140862	3567	NA	9.7	324860
20 to 39	8960	859	27286	2183	24398	1235	103454	130836	6172	48	9.1	305431
40 to 59	5930	958	19082	1856	16503	1242	46482	69911	3985	NA	4.9	165949
60 to 79	2788	770	13637	1228	18347	818	34217	51389	3698	NA	3.8	126892
80 to 99	2145	802	12142	681	13566	915	21831	32215	3206	NA	2.6	87503
100 to 199	8719	3614	40572	3341	48182	2804	71394	100044	13677	NA	8.7	292347
200 to 299	5002	1665	25572	2965	31081	3645	47211	52984	6393	NA	5.3	176518
300 to 399	3463	3015	24896	974	22132	1142	41705	43338	5067	NA	4.3	145732
400 to 499	3504	2724	18148	849	24172	904	32781	34294	3914	NA	3.6	121290
500 and more	56357	42796	115957	27342	172780	69588	437220	316987	34455	1334	37.9	1274816
Totals	122429	58647	365837	43992	419161	85016	1055496	1118964	88619	1405	100	3359566

Information excerpted with permission from *Benchmarking SME Policies in the GCC: A Survey of Challenges and Opportunities*. (A research report for the EU-GCC Chamber Forum Project by Steffen Hertog)



Saudi Arabia At-a-Glance

Area	2,240,000 sq km
Population	27.019.731 million (2006)
Density of Population	2.18% (2006)
Capital	Riyadh
Main Cities	Riyadh (Capital)
	Makkah (The most sacred place to Muslims, and their praying direction)
	Al Madinah (Second most sacred place to Muslims)
	Jeddah (Saudi capital of business, an important port, and a major gateway to pilgrims)
	Dammam (Capital of Eastern Province, and an important port)
	Dhahran (The location of Saudi Aramco's headquarters, the largest oil company in the world)
Language	Arabic
Currency	Saudi Riyal
National Day	September 23rd
Symbol	 Two crossed curved swords which symbolize strength and justice. A palm tree on the top symbolizes prosperity.
Timing	GMT + 3:00
Internet Code	sa
Phone Code	00966
Calendar	Saudi Arabia follows the Muslim Hijra calendar. Hijra year has 12 months. However, it's ten or eleven days less than the calendar year. In the Hijra calendar, the month ranges between 29 to 30 days.
Working Days	Saturday to Wednesday Public Sector: 7:30 a.m. to 2:30 p.m. Private Sector: Morning: 8:00 a.m. to 12 p.m. Afternoon: 4:30 p.m. to 7:30 p.m. Thursday: (morning shift only) Banks: 8:30 a.m. to 4:30 p.m. Shopping Stores: Weekdays: 10:00 a.m. to 12:00 p.m. Friday: 4:00 p.m. to 10 p.m.
Weekends	Thursday - Friday
Official Holidays	Eid Al Fitr: 25th Ramadan to 5th Shawwal Eid Al Adha: 5th Thi Alhijja to 15 Thi Alhijja



Map produced by Rick Clark Illustration & Design

Ebda'a Exchange Supports Saudi Businesswomen

On May 9-11, Ebda'a, a Saudi women's business organization, held its seventh annual conference entitled "Ebda'a's Exchange" in Al Khobar. Co-sponsored by the Gulf Chapter of the International Public Relations Association (IPRA-GC), and with the support of Princess Ghadah bint Abdullah bin Jiluwi, the conference showcased women-run businesses and attracted more than 300 Saudi businesswomen and entrepreneurs.

Organized by-and-for businesswomen, the conference focused on encouraging female entrepreneurship in Saudi Arabia. Noura Al-Shaaban, founder and president of Ebda'a, noted that the conference "is intended to help women develop their business concepts and to support them."

Saudi entrepreneur Ayah Darwish started "Let's Paint," an arts and crafts store, and designed what she describes as one of the first Saudi-produced craft toys. According to Darwish, local entrepreneurs still struggle to find the support they need to launch a business. "It's important to have creative people and entrepreneurs," said Darwish, "but it's equally important to have sponsors who will support new businesses."



Noura Al-Shaaban, Ebda'a's founder and president

COMMENTARY

KAUST: A Catalyst for Small Business Growth

In my travels around the Kingdom since the recent launch of the King Abdullah University of Science and Technology (KAUST), I have encountered considerable enthusiasm for this new “House of Wisdom” on the shores of the Red Sea. Saudis and non-Saudis alike recognize that this extraordinary experiment, made possible through the vision of the Custodian of the Two Holy Mosques, has the potential to transform the Kingdom into one of the world’s top destinations for academics looking to conduct scientific research at the graduate level.

What few have apparently realized, however, is that KAUST could also play a leading role in fostering partnerships between entrepreneurs around the world and Saudi Arabia’s business community.

The biggest obstacles for most small companies worldwide are two-fold: access to research facilities and access to capital. The former is essential for start-ups looking to develop cutting-edge technologies, and the latter is vital for production, market penetration, and commercial growth. KAUST, and investors in Saudi Arabia, offer access to all of these.



The KAUST Library (center) and campus at twilight.

For small businessmen and businesswomen, particularly those leading early-stage technology start-ups, KAUST’s Innovation Clusters look like a dream come true. On a competitive basis, at little cost to these entrepreneurs, KAUST offers state-of-the-art research laboratories and offices.

But that’s just for starters.

KAUST also offers a business incubator designed to convert high tech research projects into commercial entities that will offer practical

applications for the benefit of society. The incubator will assist with business plans, local service providers, accommodations, and other services intended to make the transition to KAUST as worry-free as possible.

Moreover, through the KAUST Industrial Collaboration Program (KICP), the university will introduce these start-ups to such world-class companies as Boeing and IBM – firms that are well positioned to help match up fledgling technologies with global applications. KICP promises to promote collaboration to foster pilot projects, create consequence companies, and build capacity in cooperation with some of the world’s best recognized business entities.

Access to such expertise is essential, but it represents only part of the equation. The other vital element needed is funding.

For worthy start-ups with a good track record, KAUST has established a Seed Fund that may invest up to \$250,000. This is a remarkable contribution by any standard, but it pales in comparison to funding that should become available through Saudi Arabia’s private sector.

The Kingdom’s business community is known for its investment savvy but, historically, there were very few “pipelines” in Saudi Arabia that methodically carried entrepreneurs to local investors. With the establishment of KAUST, this may be about to change.

One can imagine a scenario in which chambers of commerce like mine, working in cooperation with the Council of Saudi Chambers of Commerce and Industry, help to identify entrepreneurs overseas who are good

candidates for research & development opportunities at KAUST.

These same chambers, working with their member companies, would also be well positioned to provide more substantial seed money in support of those technologies that have promising commercial applications. Such funding is especially important now – at a time when banks around the world have largely shut off the supply of capital to small businesses and entrepreneurs.



David Hamod, NUSACC
President and CEO

“The biggest obstacles for most small companies worldwide are two-fold: access to research facilities and access to capital. The former is essential for start-ups looking to develop cutting-edge technologies, and the latter is vital for production, market penetration, and commercial growth. KAUST, and investors in Saudi Arabia, offer access to all of these.”

David Hamod

KAUST is doing its part to recruit the best and the brightest from Saudi Arabia and around the world to engage in scientific research. With business community collaboration, converting such research to commercial applications for the marketplace holds the potential to create new cutting-edge companies, generate home-grown jobs, and help the Kingdom move toward the knowledge-based society envisaged by King Abdullah.

David Hamod, President & Chief Executive Officer of the National U.S.-Arab Chamber of Commerce, (NUSACC) attended the opening of KAUST on September 23, 2009.

Reprinted courtesy of *Gulf Business* magazine.



Prince Salman bin Abdulaziz Young Entrepreneur Awards: Building Tomorrow's Leaders

The Prince Salman bin Abdul Aziz Young Entrepreneur Award was established in 2006 to support young male and female entrepreneurs and to instill an entrepreneurial spirit among the future generation of leaders in Saudi Arabia. Referring to the youth of Saudi Arabia as the "fuel of its civilization and the hope of its future," the award recognizes the increasingly important role young entrepreneurs play in the Kingdom's economy.

Saudi Arabians under the age of 40 establish more than 72 percent of the small and medium enterprises (SMEs) registered annually. They represent 69 percent of the work force and are the Saudi business community's fastest growing group, increasing approximately 5.7 percent annually, according to the findings of the award committee.

The annual awards are presented to outstanding entrepreneurs in six categories:



industry, service, trade, technical, agricultural and leadership. Saudi nationals between the ages of 18 and 40 who have established a business or developed a project that has made a significant contribution to society in one of these six categories, and has at least a one-year track record, are eligible to apply for the award, which carries a cash prize of SR100,000 (\$26,600).

In addition to these main categories, additional awards are presented to the best government and best private organization, as well as to a leading business person who has demonstrated outstanding support to young entrepreneurs.

In 2010, The Centennial Fund won the Best Government Organization Award, National Commercial Bank (NCB) was presented the Best Private Organization Award, and Mohammed Abdul Latif Jameel won the Businessman of the Year Award.



"Young entrepreneurs should renew the business spirit. They should not rush success and should seek to build it step by step. They are the bricks needed for building this homeland."

H.R.H. Prince Salman bin Abdul Aziz

The Prince Salman bin Abdulaziz Award also organizes educational seminars, forums and training workshops for entrepreneurs, and it partners with similar regional and international award committees. Recently, the Award committee finalized an agreement with the Talal Abu-Ghazaleh Organization (TAG-Org.) whereby TAG-Org. will register trademarks free of charge (with only minor government fees applicable) for young entrepreneurs in the Kingdom.

NATIONAL U.S.-ARAB CHAMBER OF COMMERCE

National Headquarters:
1023 15th Street, NW, Suite 400
Washington, DC 20005
Tel: (202) 289-5920 • Fax: (202) 289-5938

1330 Post Oak Boulevard, Suite 1600
Houston, TX 77056
Tel: (713) 963-4620 • Fax: (713) 963-4609

8921 South Sepulveda Boulevard, Suite 206
Los Angeles, CA 90045
Tel: (310) 646-1499 • Fax: (310) 646-2462

420 Lexington Avenue, Suite 2034
New York, NY 10170
Tel: (212) 986-8024 • Fax: (212) 986-0216

©2010 National U.S.-Arab Chamber of Commerce (NUSACC). All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, photocopying, recording, or otherwise, without prior written permission of the National U.S.-Arab Chamber of Commerce.

Key Contacts for the Kingdom of Saudi Arabia

Saudi Government Contacts in the United States

Royal Embassy of the Kingdom of Saudi Arabia
601 New Hampshire Avenue, N.W.
Washington, DC 20037
Tel: (202) 342-3800 Fax: (202) 944-3113
Web: www.saudiembassy.org

Saudi Arabian Mission to the United Nations
809 UN Plaza, 10th/11th Floor
New York, NY 10017
Tel: (212) 557-1525 Fax: (212) 983-4895
Web: www.saudi-un-ny.net

U.S. Government Contacts in Saudi Arabia

United States Embassy in Saudi Arabia
P.O. Box 94309
Riyadh 11693
Saudi Arabia
Tel: +966 (1) 488-3800 Fax: +966 (1) 483-0773
Web: riyadh.usembassy.gov

Business Organizations in the United States

U.S.-Saudi Arabian Business Council
8081 Wolftrap Road, Suite 300
Vienna, VA 22182
Tel: +1 (703) 962-9300 Fax: +1 (703) 204-0332
Web: www.us-sabc.org

Business Organizations in Saudi Arabia

**Council of Saudi Chambers of
Commerce & Industry**
P.O. Box 16683
Riyadh 11474
Saudi Arabia
Tel: +966 (1) 218-2222 Fax: +966 (1) 218-2111
Web: www.saudichambers.org.sa

Middle East Council of American Chambers of Commerce (MECACC)

- American Business Association – Eastern Province
- American Business Group of Riyadh
- American Businessmen of Jeddah

P.O. Box 8723
Riyadh 11482
Saudi Arabia
Web: www.mecacc.org
Email: chairman@mecacc.org

Federation of GCC Chambers

P.O. Box 2198
Dammam 31451
Saudi Arabia
Tel: +966 (3) 835-5006 Fax: +966 (3) 835-5007
Web: www.fgcc.org

Tradeline written by: Piney Kesting, Managing Editor
Produced by: Rick Clark Illustration & Design