



مجموعة كانوو
The Kanoo Group

KANOO GROUP

AN EXPERT PARTNER





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The Kanoo Group is one of the largest and most diversified businesses in the Middle East. Deputy chairman Mishal Hamad Kanoo talks about the joint ventures and family values

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Inside a Kanoo
Travel outlet

There is certainly a great deal of power in a name, particularly when that name has been earned through ethical trading and well managed diversification over a period of 122 years. The Kanoo Group began as a small family business in Bahrain in 1890 and expanded slowly into shipping and logistics. It wasn't until the oil boom of the 1960s, though, that the company began to diversify into many other logistics-related sectors and started extending its footprint throughout the Gulf region.

Today, Kanoo is one of the largest and most diversified business houses in the Gulf. Managed as four divisions—travel, shipping, commercial and joint ventures—it encompasses a wide range of services and capabilities, and has made many landmark achievements. Kanoo Shipping, for example, is the largest regional shipping agency in the Middle East, handling over 7,000 vessels from Suez to India, and covering every port in the Middle East. Kanoo Travel was the first Gulf travel company to become an IATA agency, and is now the largest travel agent in the Middle East with over 170 offices throughout the region.

Shipping and travel are perhaps the most visible elements of the company. Most ex-pats working in the Gulf will have used either or both services. There is, however, much more beneath the surface. The commercial division was created in the 1970s and provides materials, products and services for heavy machinery, oil & gas, power and industrial customers. The shipping division incorporates



Industry: Ports & Terminals
Location: Jubail, Saudi Arabia
Customer: S.A. TALKE is part of the German TALKE group, a logistics service provider for the chemical and petrochemical industries. S.A. TALKE represents the group in the Kingdom of Saudi Arabia.

The materials handling fleet of over 32 units includes:

- Hyster H2.5FT Fortens LPG Forklifts for container stuffing
- Hyster H2.5FT Fortens LPG Forklifts with Push-Pull Attachments
- Hyster RS45-31CH ReachStackers

Benefits Hyster brought to S.A. TALKE

- Efficiency has been enhanced through the dependable and reliable range of trucks from Hyster.
- Enhanced performance and reduced downtime is delivered thanks to the 24 hour, on-site maintenance crew, which helps S.A. TALKE to effectively manage the equipment and improve overall efficiency.
- Driver productivity is enhanced, thanks to the ergonomic design of the trucks. The Fortens trucks, for example, feature comfortable adjustable seat and armrest and excellent visibility.
- Maximised operator performance is achieved thanks to the Hyster ReachStacker, which offers class leading lift speeds and excellent visibility from the sliding 'vista' cab which offers enhanced driver comfort.
- A strong partnership has developed between S.A. TALKE, Hyster and the local distribution partner, thanks to the dependable, tough equipment, excellent level of service and dedicated local support, including driver training.
- Reduced expenditure is delivered through a reduction in tyre wear, thanks in part to the electronically controlled DuraMatch transmission and the low-maintenance oil immersed brakes featured on the Fortens trucks.
- Efficiency has been increased at S.A. TALKE thanks to reduced lifting equipment costs at Jubail Port and faster handling capabilities featured on the Hyster equipment.



Background

S.A. TALKE group provides supply chain solutions including transport, packaging and storage, complemented by a wide range of added value services focused on the logistics of chemical products. The engineering, construction and ownership of logistics facilities is an essential element of the core business, and supports the group's position for outsourcing in the Gulf region, be it integrated within the production facilities or at an off-site location.

How did Hyster help S.A. TALKE?

1. Worked closely with its local distribution partner to supply dependable tough trucks supported by a reliable service to support a 24/7 operation.
2. Provided the equipment on a full service contract, including standby replacements and a team of technicians to ensure the 95 per cent availability target is achieved.
3. Operator training was conducted and provided through the local distribution partner for S.A. TALKE's 100-plus operators.

Equipment summary

The Hyster equipment, which includes counterbalance forklift trucks, forklift trucks with Push-Pull attachments and ReachStackers, is required across the site for loading, picking, palletising, storing, transferring goods, and stacking the containers.

all aspects of logistics including road freight.

A large part of company operations resides in the joint venture division. "The idea for us is very simple. We aim to provide the best products and best service in our industry," explains deputy chairman Mishal Hamad Kanoo. "However, where we don't have the necessary expertise and knowledge in a particular area, we form a joint venture with a global company that does have that expertise. And we bring them into the marketplace."

To illustrate the size and scope of the joint venture division, Kanoo currently employs 3,500 people within the shipping, travel and commercial divisions and a further 4,500 in joint ventures. Each joint venture operates as a standalone company, and has been formed with global market leaders such as Maersk in the shipping industry, BASF and Akzo Nobel in the chemicals sector and American Express in travel.

The benefit for Kanoo is the expansion of its knowledge base and service offering.

HYSTER

Hyster is one of the leading global brands of materials handling equipment, offering over 140 models of counterbalance trucks, warehouse and container handling equipment. The company invests heavily in research and development to ensure Hyster products are at the forefront of the materials handling industry, providing maximum dependability and the lowest cost of ownership for demanding operations everywhere.

Hyster Company is part of NACCO Materials Handling Group, Inc. (NMHG), which employs approximately 5,300 people worldwide. NMHG is headquartered in Cleveland, Ohio, and is a wholly owned subsidiary of NACCO Industries, Inc. (NYSE:NC).

www.hyster.eu

7,000

Vessels handled by shipping division



Mishal Kanoo

Sabre / **Travel Network**®



KANOO GROUP

Kanoo Group head office

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For the partner company, the benefits are enormous. “We can help our partners navigate both politically and operationally within this market,” says Mishal.

The region has many unique operational traits. For global businesses wishing to enter the market, understanding and adapting to those traits is essential. In the Gulf region, most business interactions takes place on a personal and verbal level. “We talk, we discuss.”

Mishal points to an interesting example. In many parts of the world, customer satisfaction surveys are carried out routinely by sending out questionnaires. The results are then used to improve business performance. “In our part of the world I’m not sure you would get an honest response

from a questionnaire because there is a retribution fear factor. There is a feeling that if something is written down it might go into the system and get lost, whereas if you initially talk it over in person, it will be listened to and acted on. So the best way of getting feedback is literally by talking to the customer and asking them.”

Kanoo not only provides its partners with a deep understanding of local business

customs, but it can help tailor global products to the needs of the regional marketplace, enabling a new service to become operational and effective without the sharp and often uncomfortable learning curve. Kanoo also offers commitment. “We’re not here to make a fast buck,” Mishal continues. “We look at the long-term rather than the short-term. Our goals are in decades rather than a few years.” In forming a joint venture

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partnership, the company is therefore looking to create a business that is not just viable for a few years but for decades.

The Kanoo Group began as a family enterprise, and continues to hold family values at the heart of the business. As one of the latest generation of the Kanoos to head up the business, Mishal is a vocal proponent of the family influence. “Many people on the outside have the impression that family

businesses are a thing of the past and that they can’t compete with corporations. Recent studies done by universities such as Harvard have proved the opposite, that they can match and even outperform them—as long as they have the right governance structure, the right succession planning and the right people in place to run them,” he says.

“For us, our employees come first,” he continues. When most companies responded

“THERE IS A HUGE AMOUNT OF LIQUIDITY AND DISCRETIONARY INCOME IN THIS REGION, AND WE HAVE THE POTENTIAL TO BECOME THE PETROCHEMICAL HUB OF THE WORLD”



There is huge potential in the Gulf region’s petrochemical industry



ADGAS site

to the global economic crisis in 2009 by cutting costs and by shedding people, Kanoo did not. Now, as buoyancy begins to return to the market, the company has well trained and loyal staff ready to swing into action, providing quality care, quality products and quality services.

Looking to the future, Kanoo intends to continue operating within the logistics related markets. “This gives us a certain amount of comfort. Outside of that we would be taking a shot in the dark and as a family we’re not comfortable with that idea.”

The region has certainly had its difficulties in recent years, with the global economic crisis and the real estate market collapse in Dubai. But many countries are now entering a new and exciting phase of development. A

huge amount of infrastructure is currently under construction, and the final touches are being made to plans for vast housing, commercial and leisure developments. “There is a huge amount of liquidity and discretionary income in this region, and we have the potential to become the petrochemical hub of the world,” he says. “For companies willing to invest here, if you have the right partner, you’re not going to find a more dynamic, young and more importantly rich part of the world in which to operate.” **BE**

For more information about Kanoo Group visit: www.kanoo.com



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