

economy makers



Shaikh Rashed bin Abdullah Al Sunaid
Chairman,
Al Sunaid Group





Headquarters of Dania Air Control System Factory in Riyadh

Business & Finance Club - Riyadh

Business & Finance club magazine has interviewed one of the industry poles and leaders at his headquarters at the city of oil and capital, Riyadh. This meeting had a special texture as we enjoyed the speech with a group of persons in one person, investing in various economic sectors, working over 25 years. This meeting is one of the best meetings of our magazine at one of the most important issues about the achievements of HRH on the 50th anniversary for Achievements of Riyadh, the city of capital and oil, as Dania Air Control System Factory is the sponsor of industrial sector in this occasion. We had this exclusive interesting dialogue with HE Shaikh Rashed Abdullah Al Sunaid, Chairman of Al Sunaid Group.

When was Al Sunaid Group established?

Rashed Abdullah Al Sunaid Group was established in 1982 in Dammam and moved to Riyadh in the same year.

The start of its business was in building material, screws and nuts trade. Then we moved to industry

when we opened Dania Air Control System Factory in Riyadh city in 1403H, thus we started the factory production in the Kingdom of Saudi Arabia.

Thanks to our rational leadership and the security our country enjoys, we became ahead of international manufacturers

What did Riyadh city offer in support to the industrial cities? As a member of the industrial sector, what is the government support offered to you?

It is not secret to say that HRH prince Salman bin Abdulaziz, governor of Riyadh is the designer and builder of Riyadh city who

excelled in developing it. The first industrial area was established, then followed by the second and third industrial areas. Praise be to Allah, the factories of Riyadh produce national high quality products that contribute in the kingdom's progress and flourish.

For our factory, we got a plot of land in the second industrial area, Al Kharj road, and started to construct our factory on 8400 m², as the finance and funding was 100% personal. We did not apply for any loans from the Saudi Industrial Development Fund. Thanks to Allah, our production continued successfully and we are permanently developing and growing. At the beginning, all the products were imported from abroad with all the problems of delay and other troubles, but with the existence of national factories like ours, we are able to provide all the requirements of local contractors in the A/C local manufacture within a short period of time, compared to the import complexities.





Part of Naniah Factor products for Air Condition Supplies & Accessories

HRH Prince Salman bin Abdulaziz governed Riyadh over 53 years, and this event addresses 50 years of achievements, including oil, industry and real estate, etc. What is your message for the role performed by HRH prince Salman during 50 years?

HRH Prince Salman bin Abdulaziz has great effect on Riyadh, without his efforts exerted during the last years Riyadh would not have witnessed such development and progress. Riyadh has become the capital of culture, the capital of oil and gas, it is the live city with giant projects in the heart of the Kingdom, particularly and in the Middle East in general.

Back to Al Sunaid Group owned by you, would you please list the activities in which the group operate, other than industry sector?

Al Sunaid Group is a group of 100% individual establishments in addition to limited joint stock companies. With our

partners, we have founded and supervised the group in various economic fields including: Industry, trade, security guarding, funding, and various local and international

Over 25 years of excellence and production on the industry of air conditions supplies

projects. The number of our establishments is about 60 inside and outside the Kingdom.

What are your investments outside the Kingdom?

We have international investments in Azerbaijan, water factories and tea factories, in Arab Republic of Egypt we have investments in Agriculture

and fisheries, computer through our office in Dubai (Currently stopped), and was concerned with communication industry, etc.

What is the approximate number of your staff?

The number of employees in our group including the individual establishments is about 6 thousand (Saudi and non Saudi) employees, and the majority are Saudi, particularly in the security field.

HRH Prince Naif bin Abdulaziz Al Saud, Minister of Interior has directed the Saudi establishments and companies working in the private sector and public sector for Saudization of most jobs, and your role was positive in responding to his call, what is the approximate Saudization percentage in your establishments?

Saudization percentage differs from one sector to another. Sometimes it is very high like in the security guarding sector, it is 100% and the employees are over 5000. but the other sectors the average is about 30 % Saudi citizens such as in the industry sector.





Aluminum section (Grills – Diffusers)

What is the approximate sales volume for your group as a whole up to the end of 2006?

Thanks to Allah, our group's sales exceed SR 400.000.000 (Four hundred million Saudi Riyals).

Is there an approximate number for sales increase during 2007, over the last year 2006?

We expect increase between 10% and 15% , as the Kingdom of Saudi Arabia, as known by all, is continuous in development and economic progress in architecture and other fields and we have share in these huge investments in different fields.

How do you estimate the volume of the fixed assets of Al Sunaid Group?

As you know our group is working in different investment sectors, and as we are still investing from time to time, what I could say is that our assets exceed tens of millions at the present, since Dania Factory the sponsor of industry sector in the 50th anniversary on the achievements of Riyadh, what is the number of Dania Factory Products?

Dania Air Control System Factory produces over one hundred products, but there are products have high demand in the field of air conditioning industry.

HRH prince Salman bin Abdulaziz, governor of Riyadh is the first personality who supported and encouraged national manufacture and led it to the top.

Is Dania Factory classified?

Of course, it is classified with Saudi Aramco, the largest oil company in the world, which is one of our privileged clients, and also with the Royal Commission for Jubail and Yanbu, in addition to most Saudi ministries.

Would you please mention some of the projects performed by Dania Air

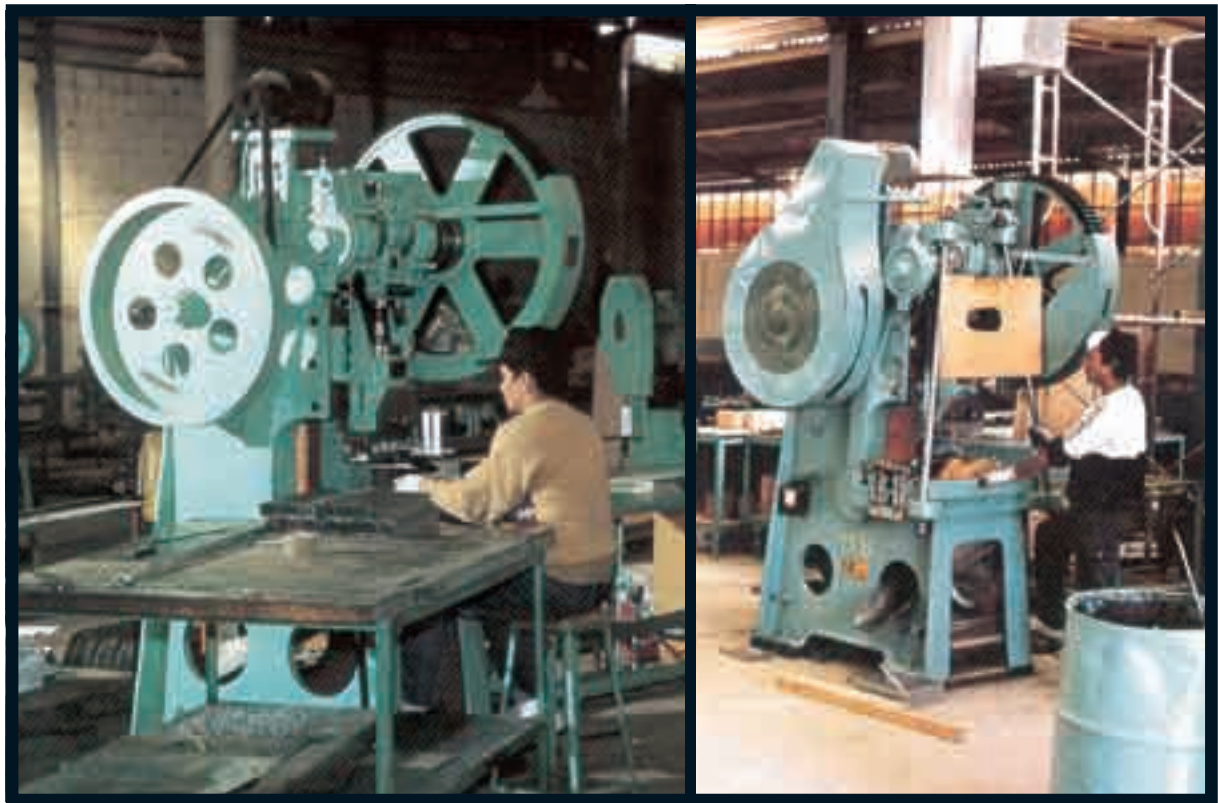
Control System Factory in the Kingdom?

Among the projects that we are proud of, the headquarters of the Ministry of Interior in Riyadh, various hospitals of the Ministry of Health, various projects of the Ministry of Defense and Aviation, particularly in Tabuk, and many other projects in the Kingdom. It is worth saying also that our factory has celebrated its Golden Jubilee, for the 25 years of production, i.e. we are proud that we shared in the achievements of Riyadh the city of oil and capital.

As a factor specialized in this type of Air Condition industry, where is your position among the similar activities?

It is difficult to determine the order, and there are many competing factories in the market, but I could say that our sales are increasing continuously, and each year we have about 20% sales increase, and this means that we are competing others.





Part of the factory workshops for production of air extensions

Did Dania Air Control System Factory obtain international certificates such as ISO?

Yes of course, Dania Air Control System Factory has obtained ISO certification since 2000.

Did Dania Air Control System Factory obtain any other local or international certificates?

Yes, our factory has obtained certificates of appreciation for participating in the local exhibitions that are concerned with air conditioning, construction and architecture sectors.

Would you please mention some of the distinguished products of your factory?

The factory products include air condition opens that differ in shape either circular or rectangular, and we depend on the design that should suit the product, and our factory paints all the products with different colors as required by the client.

Through dialogue, we noticed that your factory is distinguished from others and

it has over 100 products, are the equipment used in the industry advanced? i.e. are their manual or computerized?

They are electronic and electric

We met the call of our rational leadership for job Saudization until our group became a leading one in Saudization.

equipment, but manual intervention is a must, there are things made automatically as we are keen to cope with the progress, and other items made manually.

A two dimensional question, what is the sales quota of Dania Air Control System Factory in the Saudi market? What is the percentage of its influence on the Gulf market?

If we suppose that the Saudi market requires about 2 billion Riyals per year from air condition opens, not all the air condition, and thus competition is increasing in Riyadh city and outside on the same product.

What is the percentage of the sales from the local market? Does the GCC market affect your sales, or has a share in it?

Industry in the GCC countries is unified, and we import from other countries such as Qatar and Dubai, and export to them such as Yemen.

Do you export your products to the GCC countries?

Certainly, we export our products to some countries particularly Yemen where we exported some projects.

Does this mean that you are seeking branches and agents abroad?

Most of our clients are the A/C contractors, we have dealt with Bin Laden Group for Air Conditioning and other contractors, as most of the companies resort to us as an exporter, when we start other projects, to quote our prices, and we received export orders from Kuwait for re-export to Iraq, after it is relieved from its troubles.





HE Shaikh Rashid bin Abdullah Al Sunaid reading Business and Finance Club Magazine.

What about your request for agents in the Gulf or outside?

We welcome such step, as we received a demand from Kuwait and accepted it.

Since your activities are various in different sizes, do you look for new activities?

As Rashed Al Sunaid Group, our activities vary among oil, gas, etc, and we cooperated with Saudi Aramco and other companies in communication, computer and trading companies, and we are studying other projects to invest in.

During the era of Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz and HRH Crown Prince Sultan bin Abdulaziz, the kingdom has witnessed great jumps in various fields, including the infrastructure and other fields, what is your personal view and expected results during the current year?

No doubt that our dear King Abdullah bin Abdulaziz and his Crown Prince Sultan bin Abdulaziz Al Saud have achieved great achievements for our nation, and we have witnessed a lot of developments in building the industrial cities and economic cities. There is King Abdullah capital city, and other economic cities in Riyadh,

in addition to the architecture and construction in the western region, and in Hail, Jizan and Eastern region. All these achievements were prosperous to our nation in all fields

The economy of Saudi Arabia is in the top and businessmen should benefit from the upcoming unprecedented jump witnessed by our country

and we joined the WTO which gave competitive changes.

Your expectations for 2007 as for employment of citizens and creating new investment opportunities, do you expect that the Kingdom will attract a good percentage of the world countries to invest?

No doubt that the economy of the Kingdom of Saudi Arabia attracts companies different from those

came in the 70s. there is now the communication and IT fields, and the mentality is different and there are Saudi citizens who achieved great developments and remarkable progress. We expect remarkable efforts from our citizens who have the proper infrastructure for building this nation.

In conclusion to our dialogue, what is your message to the Saudi and non-Saudi businessmen as investors? As the chance is available now for non Saudis to invest?

We welcome the non-Saudis to invest and we are in need of manpower in some professions and sectors, and the collaboration is profitable to all in any country.

What I wish is that investors allocate part of their profits as charity not as Zakat for assisting the needed, and I wish that the Saudi people to be perseverant and abide by the contracts they enter into with the government companies and other companies, as we sometimes see that citizens sign contracts and get away and we don't know the reason. I call for control in the Saudi market so that trade become honest and sincere.

