



Nebra Consulting

Strategy | Business Development | Change

Saudi Arabia Strategic Joint Venture Partnerships Proposal

One of our clients is an established Engineering & Maintenance Services Company in **Saudi Arabia's** prominent industrial **Eastern Province**.

With a 16 year track record and a host of premier clients, our client has been serving the region's industrial services needs (metals fabrication, equipment overhauling, engineering services & maintenance) from a number of strategically located branches in **Saudi Arabia's industrial and oil rich Eastern Province**.

Mid 2016 marks the opening of its **new 5000m² headquarter** with a **2500m² shop floor factory**. An extra **8000m²** in the vicinity of **King Fahd International Airport (DMM)** (north of Dammam, KSA) may also be utilized for workshops, warehousing and logistics.

This is a rare opportunity for new and incumbent players in the Saudi market to build and strengthen their competitive advantage by exploring joint interests with our reputable client. Ever increasing requirements for doing business in Saudi Arabia, like the

- **In-Country-Value (ICV) generation**
- **In-Kingdom Total Value Add (IKTVA)**
- **70-by-2020 / Saudisation**

policies effectively require international suppliers to either incorporate own entities, or benefit from the network and experience of established Saudi companies. Our client welcomes in this context select international partners to explore joint synergies in Saudi Arabia and the wider GCC region. The owner-run company proposes a range of partnership-working models, as illustrated next page.

Due to our client's noticeable spectrum of factory shop floor machinery, the needs of small and delicate workpieces can be as easily addressed, as the needs for large and heavy duty workpieces. For example, valves / flange connectors / general metal workpieces with up to 400cm diameter and 700cm (1200cm after set-up) in length can be machined and handled with ease. Gantry cranes can lift 24 tons. Heavy duty forklifts lift even greater weights.

Our client serves all life-cycle stages for a wide variety of metals based products / items: (Design, Prototyping, Manufacture, Assembly, Maintenance & Servicing, Upgrading, Overhauling).

Our client's customers currently operate in these industries:

- Oil & Gas
- Petrochemical
- Maritime & Offshore
- FMCG / Food / Agriculture
- Maritime & Offshore
- Engine & Gear Overhauling
- Desalination / Water Treatment
- Construction & Equipment

Proposed partnership models are to be understood as a discussion agenda.

Partnership Model Proposals:

1. Strategic Joint Venture Partnership (Manufacturing, Sales, Service):

- Benefitting from over 16 years of cross-industry contacts and experience. Enviably located headquarters in prime industrial location. Bespoke Manufacturing Facility Building (new 2500m² factory shop floor (extendable), 12 m internal height). 24t Gantry cranes. New adjacent 2-storey administration building.
- Direct Dual Carriage / Motorway access allowing easy access for heavy duty items.
- Welcoming partners with backgrounds and interests in Design & Manufacturing (CNC-machining, Injection Moulding, Deep-drawing, etc.) and CNC-Technology. Particularly for partners oriented towards Oil & Gas, Petrochemicals, Chemicals, Offshore, Water, Rail & Transport, CNC-Services, Maintenance Services, etc.

2. Appointed Full Service Vendor Agent:

- Our client acting as the vendor appointed and vendor certified representative for an agreed region (Eastern Province, Saudi Arabia, GCC) or branch of industries, covering business activities, such as
 - Sale of new items
 - Country / Regional / Hub Parts Stockist (Optional: Vicinity of Dammam Airport)
 - Manufacture of sub-assemblies OR assembler of components (**ICV requirements**)
 - Providing Vendor Maintenance Services to Vendor's clients'.

3. Appointed / authorized & Vendor Certified Maintenance & Installations Agent:

- Our client acting as the vendor authorized and vendor certified representative for an agreed region (Eastern Province, Saudi Arabia, Bahrain, Kuwait), covering business activities, such as
 - Installation / Disassembly of components at Vendor's clients' sites.
 - Provision of product maintenance services (one-off, routine, preventative)
 - Modification & update of machines and components according to vendor's instructions and timing intervals.
 - Manufacture of sub-assemblies (**ICV requirements**).
 - Assembly of components.

4. Contract Manufacture / Prototyping / Servicing / Reconditioning / Upgrading / General Metalworking:

- Our client independently developing and producing prototypes for partner identified industrial business needs.
- Our client producing prototypes according to partner's blue prints. All metals and plastics can be sourced and machined.

5. Flexible one-off & project based Engineering Services Support:

- Provision of Workshop Facilities & Field Support (for customer managed projects):
 - Inclusive of labour, lifting, haulage, temporary warehousing.

6. Regional Warehousing & Logistics Hub

- 8000 m² fully wall-enclosed estate in the vicinity of Dammam Airport. All utilities present.

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Please do not hesitate to contact us, if you are looking for support in entering other industry markets in the GCC, or markets in Europe, Africa or South America instead.