



THE UAE'S NTDE HAS SHOWN AN UNRIVALLED ABILITY FOR STEERING NICHE BRANDS TO TRIUMPH. LYNNE NOLAN TRACKS ITS SUCCESS

Farid H. Ahmadi, CEO of National Trading & Developing Est. (NTDE) has witnessed its unwavering growth since his father established what was initially a tobacco company with one member of staff.

Forty years on, the 1500-strong team operates convenience and tobacco store chains in the retail sector alongside its distribution rights to major brands including Cadbury, Davidoff, Gitanes, Hi Line, Hiagen-Dazs, Pokka, Al-Rabie, Cipla, Radwa, Power Horse, Rabee, Coast, Faragello and Lamb Weston.

The group currently has more than 500 vehicles, more than 300 of which are used for distribution, and an impressive 225,000ft² of warehousing, to handle its distribution of more than 6000 products across the UAE, Oman and Iran.

From the firm's strategically located facility close to Dubai International Airport, NTDE's boss reflects on its opening of storage depots at Jebel Ali Free Zone, Hamriya Bonded area, Sharjah, Al Ain, Fujairah and Ras Al Khaimah and its fully fledged offices and operations in Abu Dhabi over the years, and the road ahead.

"We're adding a third party logistics facility, after signing a joint venture deal with the Malaysian company Integrated Logistics, and we are planning to open an 80,000m² complex at Dubai's Logistics City," he enthuses.

The increasingly cutthroat competition between distribution forces in the region could certainly concern the most confident of businessmen. But NTDE does innovation in spades – and its ventures from food and dry cleaning to pharmaceuticals has accelerated its prominence, he says.

"It's a very hands-on, family style of operation, and we put our hearts into it, which gives a more personal touch. Our logistics are very professionally run, and we are now present in more than 10,000 retail outlets."

Ahmadi has streamlined the operation in a bid to maximise growth within the company's multiple divisions, yet he reveals category extensions are a central compo-

ment of his future strategy based on NTDE's perseverance to "fill the gaps."

"There are certain categories where we have gaps in our portfolio of products, and we always strive to fill these with international brands.

"We have a confectionery division with our anchor brand Cadbury, which holds 8% market share, a consumer division driven mainly by beverages, and there are still a few categories to go, focusing on any brand which is essential for a supermarket."

Entering the tissue paper and non-alcohol beer categories are currently high on the agenda, he reveals.

"There is potential across the categories, however the food business is much tougher in terms of margins, expiries, damages compared to other businesses. One of the main divisions is tobacco, which has retail and distribution sides, and we currently have 40 standalone concept shops.

"We are consolidating and streamlining our main business, growing the existing principals and brands. Distribution is our forte, it's our bread and butter."

Ahmadi does not fail to call attention to the fact that the company has been predominantly built on tobacco products. NTDE opened the doors to its inaugural Smokers' Centre retail outlet in 1971, before it forged valuable links with Imperial Tobacco in the 1970s to introduce its numerous brands and formed an association with Japan Tobacco International as distributors for Hi-Lite

VITAL STATISTICS

Chairman Hassan Ahmadi founded National Trading & Developing Est. (NTDE) in 1968, with a tobacco shop and one other member of staff. The company debuted global brands including Cadbury, Davidoff, Häagen-Dazs, and Pokka, and employs more than 1500 people across its subsidiaries and divisions.

NTDE operates 40 Smokers' Centre outlets in the UAE — with more than 3000 SKUS at each store — and its convenience chain News Centre, a distinctly European concept along the line of train

station kiosks. The company owns and operates the leading dry cleaning and laundry chain Champion Cleaners and all of the Häagen-Dazs cafés in the UAE.

It holds the UAE retail distribution rights to brands including Gitanes, Jenan, King Edward, Faragello and Al Fakher shisha tobacco. It is the Duty Free distributor of Ferrero.

CEO Farid H Ahmadi told *Retail News* the company is set to open six more Häagen-Dazs cafés in the UAE this year.

» It's a very hands-on, family style of operation, we put our hearts into it for a personal touch. «

and Mild Seven in the 1980s. In the 1990s, NTDE unveiled Altadis brands, Gitanes and Gauloises into the market, establishing a good market across its principals.

The Smokers' Centre chain is today positioned at prime retail developments, chosen based on high consumer traffic and visibility. The tobacco division also serves retailers across the UAE and the Duty Free market in the region and has a re-export department to neighbouring countries.

The Consumer Division handles an impressive range of products such as Pokka, Al Rabie, Coast, Jenan, Power Horse, Orangina, Rabee, Salgado and Awal Qatfa. Established in 1980, NTDE's Household division deals with 50 companies from around the world, representing Hawkins pressure cookers and Pradeep cookware.

The company's Frozen and Catering Supplies Division has also responded to demand for international heavyweights in the region, from Lamb Weston French fries from Holland to Faragello's range from Egypt and Radwa chicken products from Saudi Arabia.

National Trading and Pharmaceutical Est. (NTPE) extended the firm's efforts into yet another arena, and it represents CIPLA Ltd, India's largest pharmaceutical manu-

fill the difference
feel

البيكوك
SIG SIG Combibloc
www.sigcombiblocbeikan.com

AN INCREDIBLE JOURNEY

Chairman Hassan Ahmadi founded National Trading & Developing Est. (NTDE) in 1968, with a tobacco shop and one other member of staff. The company debuted global brands including Cadbury, Davidoff, Häagen-Dazs, and Pokka, and employs more than 1500 people across its subsidiaries and divisions. NTDE operates 40 Smokers' Centre outlets in the UAE — with more than 3000 SKUS at each store — and its convenience chain News Centre, 'a distinctly European concept along the line of train

station kiosks.' The company owns and operates the leading dry cleaning and laundry chain Champion Cleaners and all of the Häagen-Dazs cafes in the UAE. It holds the UAE retail distribution rights to brands including Gitanes, Jenan, King Edward, Faragello and Al Fakher shisha tobacco. It is the Duty Free distributor of Ferrero. CEO Farid H Ahmadi told *Retail News* the company is set to open six more Häagen-Dazs cafes in the UAE this year.

facturing company with more than 950 specialised products.

In order to cope with heightening consumer education on its latest innovations and brand extensions, the company established Oxford Design Advertising in 1996 to serve the in-house marketing and advertising needs, and facilitate clients' promotional requirements starting from initial R&D, strategic planning, concept creation, all the way to final implementation of varying print, outdoor and digital campaigns.

The retail boom in other parts of the Middle East led to the establishment of Lariana Trading Company, its Iranian trade arm, and the "very active, very promising" B.A.K. Company LLC in Oman, "a major distributor today, distributing many of the brands handled by NTDE."

NTDE's commitment to progressing the convenience retailing market has powered it ahead of rivals. The News Centre concept was designed as "mini supermarkets for people on the move in the busy emirate" and to function as a showcase for product lines such as confectionery, soft drinks and chilled juices alongside local and international newspapers and magazines. Current locations include Deira City Centre, Dubai Festival City and Mall of the Emirates.

According to Ahmadi, the company is also currently number one in dry cleaning with its Champion Cleaners chain. Dotcom Systems, the company's in-house IT depart-

» We are consolidating and streamlining our main business, growing the existing principals and brands. Distribution is our forte; it's our bread and butter. «

ment, arrived in 2000 and has allowed NTDE to develop its own software "from A to Z, from the software operating the shops, to the software of the handheld terminals of its outdoor sales personnel.

Competitors would, it appears, have a difficult task breaking its stranglehold of burgeoning areas including confectionery. Cadbury selected NTDE as its sole agent and distributor for the UAE, and the chocolate giant's products were launched in retail outlets throughout the UAE in 1989.

It was just the beginning of its sweet success, and the company is now Duty Free distributor of Ferrero Rocher in the region, and counts brands including Stimorol and Dirol chewing gums, Blue Bird luxury toffees, Clorets, Chiclets chewing gum and Halls.

Another impressive feat for the company came in March 1999 when it landed the master franchisee and exclusive distribu-

tion rights for Häagen-Dazs in the UAE, and it now operates 15 Häagen-Dazs standalone cafes, 'the showroom of the brand.' Ahmadi reveals plans to open at new locations including Dubai International Airport and Dubai Mall, lifting store numbers to 21.

Niche brands including Fiji Water and Häagen-Dazs present the need for more personnel per account, compared to its high-level distribution brands such as in the energy drinks categories. "More attention must be given to minute details as these brands are more luxury."

In 2007, NTDE clinched the retail distribution deal for Lamb Weston, and its recent additions have been Al-Rabie's range of Awal Qatfa food products and Ennaby juices. Soft drink brand Orangina holds promise and is a "small business but we have plans for it and getting it streamlined," through niche distribution.

Ahmadi argues that the focus on training and nationalisation will place the company in an even stronger position.

"We spend a half a percentage point of our entire group turnover on training, and offer standard corporate training for everyone. Every director sets his or her division's unique requirements and we bring in the courses and trainers to match these.

As Ahmadi approaches the future armed with brands from the "Rolls Royces of companies," he points to the challenges facing FMCG companies, from inflation to finding extra warehousing space.

"There is no single standard for logistics and distribution, unlike in Europe and Canada where the same standard of palletisation is used. We often need to change the pallet size, shrink-wrap it again."

The road network and the traffic also increases costs, we need a higher number of cars to do the same number of deliveries we did a few years back."

Ahmadi adds that although many distributors are struggling to retain talented employees, NTDE boasts one of the lowest staff turnover figures.

"We have a family atmosphere and keep working conditions quite affable," he adds modestly.