

MAY 2019

CCI INTERVIEWS

Questions to an entrepreneur in Qatar



MAX-ANDRE DELANNOY

QICC, a Nexans Company – Qatar

Max-André, please describe your company:

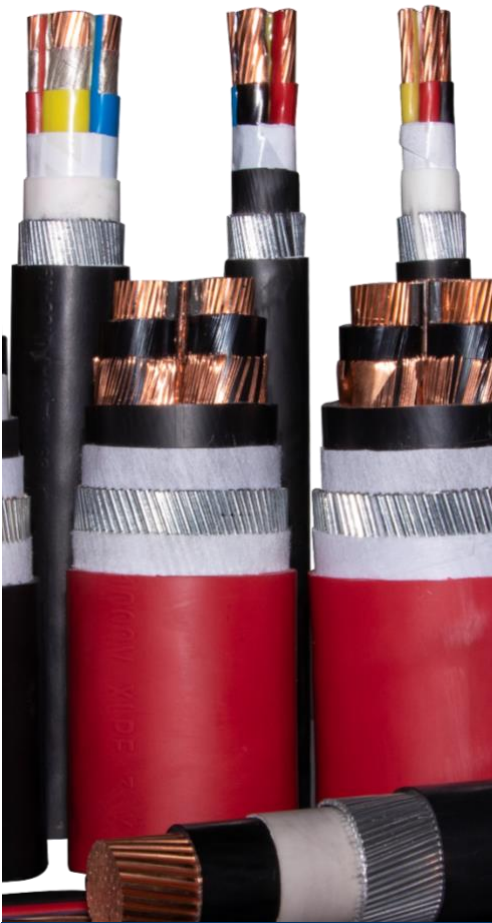
Qatar International Cables Company (QICC) is an electrical cable manufacturing company with a manufacturing plant in Messaied, Qatar. We manufacture these cables for all sectors of Qatar, the first being the Kahramaa electricity transmission and distribution network, then for all infrastructure and building sectors, the railway with the Doha metro and LRT, finally the Oil & Gas projects.

QICC is a JV created in 2008 between Nexans (30%), one of the world leaders in cables and cabling solutions historically based in France, and Al Mirqab (70%) which is a major local investor. The Messaied factory was built between 2009 and 2010 and produced commercially since the end of 2010. In 2017 we reinvested and almost doubled the size of the factory.

BIOGRAPHY

Max-André has been CEO of QICC and Managing Director of Nexans for the entire Gulf since 2017.





In Qatar, we sell what is manufactured by QICC but also what is manufactured in other units of the Nexans group elsewhere in the World.

We are also piloting a project with the Ministry of Administrative Development and the International Labor Office to set up a joint committee between management and staff, with the aim of facilitating dialogue.

Who is your sponsor in Qatar? What were the positive points of this alliance?

Al Mirqab was looking for partners for industrial projects, he is a very large investor, very professional and used to working with large international groups. Al Mirqab strongly supports QICC's growth strategy while delegating the management of operations to Nexans. QICC is therefore both fully Qatari with a factory in Qatar and a majority Qatari investor and fully Nexans with technology transfer and management.

In our case, having a partner makes it possible to energize the project, to reduce the risks provided of course that the agreement is well framed. This type of agreement was what we were looking for.

Was your company already present in Qatar or in the Gulf before this contract?

Yes, in Qatar since the late 1970s, with high voltage cables produced in Europe, installed here by Nexans project teams. This long experience allowed us to understand how the country works, to measure its potential, and to better know the customers. Before embarking on the construction of a factory, it was important to have already had a solid commercial presence, and to have a

global vision of the environment. In 2008, among the Gulf countries, Qatar was the one with the most prospects for our industry, before the great construction boom. In addition, we did not have a local competitor, unlike the situation in neighboring countries.

Once there, did you have to face unexpected difficulties?

Nexans is a big international group so we are used to this kind of projects. However, we had the unpleasant surprise to discover that a competitor had had exactly the same idea as us at the same time, and on the ground right next to ours ...

The blockade cuts off part of the Gulf market and has made our supplies more expensive and more expensive, but today we feel even more supported by the country for being a local business.

How does this market in Qatar help you promote your company elsewhere in the world and win other markets?

There are beautiful and big projects in Qatar, which allow you to have beautiful references that can indeed serve as a showcase for a company.

Do you export from Qatar?

Yes, to Kuwait and Oman which are smaller markets with competitors already present. We are looking for the right means to develop our exports, we have an opportunistic approach with regard to East Africa. We have a competitive cost base from Qatar so we can go find projects there.

« THERE ARE BEAUTIFUL AND LARGE PROJECTS IN QATAR, WHICH ALLOW YOU TO HAVE BEAUTIFUL REFERENCES THAT CAN INDEED SERVE AS A SHOWCASE FOR A COMPANY »



What advice would you give to a company that wants to respond to a tender specifically in Qatar or that wants to settle in Qatar?

You have to spend time in the country to study and understand it before settling there, start by selling from an existing base. Then, it is important to think about its structure, depending on what the company can do, what it wants to do and where it wants to keep control: with or without a partner, and what type of partner.

Then you have to make your teeth, respond to a first call for tenders, lose it, win a second one after having

understood what risks to take and manage, execute it and deepen your mastery of the functioning of business in Qatar.

Finally, you have to look at the market, not only the past but also its evolution prospects which can be very fast here. We must not arrive too late with a peak in consumption behind us and well-established competitors.

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In Qatar, Nexans-QICC also has laboratories for the quality control of materials and finished products as well as for the development of new products.