



GM Message

Dear Colleagues,

I would like to welcome you to this new edition of AREC TIMES.

I wish you a happy reading and please do share any comments you have with us.

Thank you & best regards,

Rawaf I. Bourisli, *Architect*

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- *AREC Operational News*
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Operational News for 2012

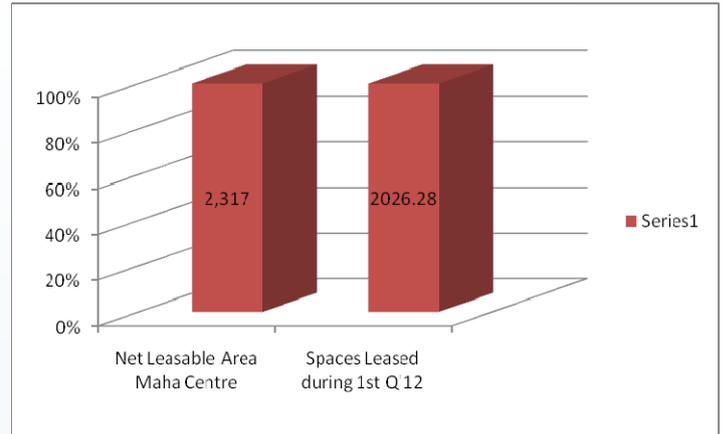
By: Joe Weberhofer—Operations & Marketing Manager

The first quarter of 2012 was quite dynamic from a leasing perspective, as the total net area that was leased during this period totalled 2,026.28 m².

To put things into perspective, the Net Leasable Area of Maha Center adds to 2,317 m², while we leased 2,026.28 m² during 1Q; meaning that we almost leased *Maha Center* in its entirety during this period.



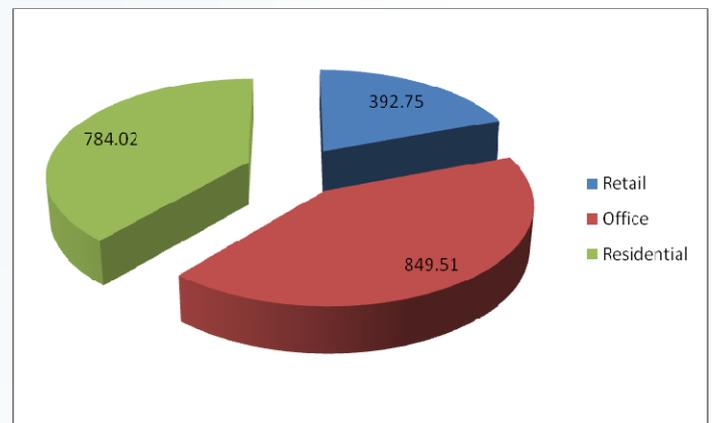
[Maha Center](#)



The most active sector belonged to the Office Space market, whereby 41.9% of all leases were in this category, representing 849.51 m².

The second most active sector belonged to the Residential Space market, whereby 38.69% of all leases were in this category, representing 784.02 m².

And finally in third position came the Retail Space market, whereby 19.38% of all leases were in this category, representing 392.75 m².



From a Property Perspective and Leasing point of view, **the most successful property** was **Mahboula Camp 2** witnessing a new lease in one of the basement of 700 m², representing 34.5% of all leased areas during the period.

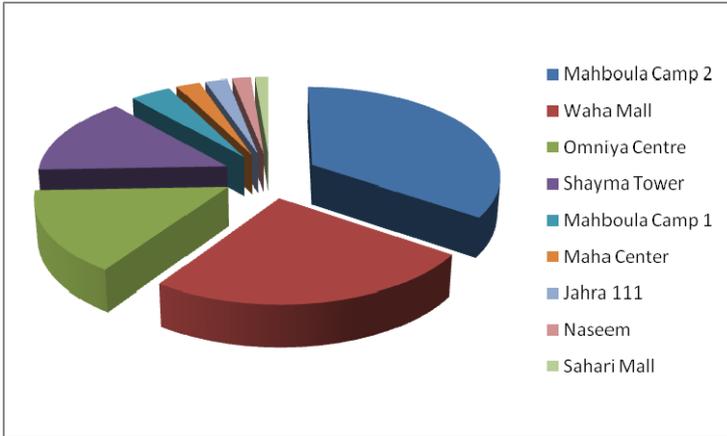
The 2nd position was for **Waha Mall**, witnessing new leases totalling 505.42 m², representing 24.9% of all leased areas.

In **3rd position** was **Omniya Centre**, witnessing new leases totalling 302.30 m², representing 14.9% of all leased areas.

Finally in **4th position** was **Shayma Tower**, witnessing new leases totalling 286 m², representing 14.1% of all leased areas.

The full list of the contribution on a Property by Property basis is as follows:

We signed 18 new lease agreements during the 1st Q'12 with an average value of 820 KD and an average unit size of 116 m2.



Mahboula Camp 2	700.00 m2
Waha Mall	505.42 m2
Omniya Centre	302.30 m2
Shayma Tower	286.00 m2
Mahboula Camp 1	80.00 m2
Maha Center	46.00 m2
Jahra 111	44.02 m2
Naseem	36.54 m2
Sahari Mall	26.00 m2





Hala February Festival 2012

AREC had participated for the second time in the yearly festival of Kuwait City, Hala February for 2012, by launching unique activities in Omniya Centre & Sahari Mall.

Omniya Centre “the ultimate destination of shopping” had hosted weeks of activities ; makeup & hair care week, Nutrition & Fitness week and Flavour Week.



Hala February Festival 2012



In Sahari Mall, a raffle event on Chevrolet Malibu 2012 had taken place in February 2012, the event included the Kuwaiti traditional dance, the event was covered by press media.





Kuwait Logistics: Increased Competition for Shrinking Market

Interview with Eng. Rawaf I. Bourisli, Chairman of Kuwait Dynamics Limited Co.- marcopolis



- **What is the outlook for the logistics sector in Kuwait?**

The western defense contractors have decreased. But on the other hand, there has been a substantial increase in international construction companies. MNC are coming to Kuwait for the Mega projects and the logistics for such companies has been a challenge for the local companies.

We have been successfully able to turn around our business model to cater for such companies. Right now, we have two or three major international contractors on our major customer's list. We provide logistics support and logistics operations for their operations in Kuwait. There is a shift in the market, but still the logistics' market is increasing due to the fact that the construction sector is booming with the government projects and international contractors are actually requiring that service more.

- **In the same time, is it more challenging?**

It is the case because the market got shrunk and there are less and less opportunities are less and less. There is a fierce fight and a rising competition. But one thing with logistics is that it is based on quality and only few players can provide quality and international contractors are international organizations do concentrate on the quality. Though it might look that there is a high competition but when it comes to quality, there is only few.



The western defense contractors have decreased. But on the other hand, there has been a substantial increase in international construction companies.

We are successful and we offer the best quality. You have to look if the contracts are renewed or not. One will only know the providers once you only try them. So all these certificates imply testimonies and do come to the real challenges and trials.

I think you have to look if you get a renewable contract that's when you are doing the best and good on the market, but when your clients are walking away or you are facing law suits or you are banned by some agencies, I think you cannot say that you are the best.



- **What is the proof that the quality is there?**

Yes, I don't think we have clients that walked away from us since we have signed. Unless there is a force major and the project has been cancelled, but luckily we have been always with the same customers.

We are just increasing our base, but we have never lost clients. As well as for the real estate, we are the best when you look at you tenant list. As Action Real Estate, we have never had a tenant that ever walked away from our projects, because we do provide services. Service is what everybody is looking for right now.

- **Is it the price that makes the clients converts to?**

Price has a major share of the equation but there is services, maintenance, transparency, speed, professionalism. All of these are actually part of the equation.

Just like when you check in a hotel; you can find some hotels that are pricier than the others, but you will not happy with the services. That's the equation adopted by everyone. It is a mixture between price and service.

- **What is your vision for Kuwait Dynamics?**

As far Kuwait Dynamics, our ambition is to continue developing our logistics department, and we are building up a joint venture with international companies for construction as well. Since we are classified as a grade A contractor in Kuwait, we are beefing up about the construction division to activate it and be a major player within the construction market with the support of international companies that we are in discussion and building up relations with.

- **Does construction mean warehousing?**

It is civil and infrastructure construction which are mainly bridges, roads and certain buildings.



Press Release

Cable Technology Symposium in Kuwait : LEONI Kerpen, Germany

KUWAIT: 22nd March 2012, The Kuwait Industrial Professionals from Oil & Gas Sector, Petro-Chemical Sector, Power and Water sector witnessed a cable technology symposium organized by “LEONI Kerpen GmbH” (Formerly KERPEN GmbH), Germany, in an alliance with “Action Consultancy Bureau” Kuwait. The event had an overwhelming participation from high ranking officials from KOC, KNPC, KGOC, EQUATE, MEW and the major EPC Contractors. LEONI is one of the most renowned and competent suppliers of cable solutions for industrial applications as per International Measurement and Control Technology pertaining to the Oil and Gas, Petrochemical, Chemical, Solar, Power Generation and Water sectors.

With the ICON® product line, LEONI offers a comprehensive range of cable products which meet the various international Electrical, Thermal, Mechanical, Environmental and Safety standards. LEONI complies with more than 150 Inter-national, National and Customer specifications. LEONI handles more than 40,000 different ranges of cable constructions at its state of the art facility in Stolberg, Germany. The Manufacturing range can be outlined to encompass the Instrumentation cables, Thermocouple cables, Control cables, Field-bus and other bus cables, L.V & M.V Power cables, Tele-communication cables, Data cables for local area networks (Copper and Fibre Optic products) and Special cables for various applications.

Action Consultancy Bureau (ACB) is a wholly owned subsidiary of Action Group Holdings Co., established to meet the demanding needs of Oil, Gas and Power Sector. ACB is dedicated to supplying and servicing of specialized products and offer cost effective solutions to respective industry segments. ACB's Services range from sales and representation of International products, EPC Companies, Consultancy and Engineering Services in niche areas. The ACB Management ensured to extend their complete support for the success of this partnership.



Al Hamra Tower & ABC

By: Abdulaziz Abu Hadida



Al Hamra Business Tower is the world's tallest 'sculpted' tower and Kuwait's tallest skyscraper, creating a dramatic focal point that is visible throughout the city. On the outside the tower curves like a curled newspaper to its highest point with the outer north, west and east curve fully glazed and the inner curve covered with solid sculpted barrier from the harsh desert sun from the south. From the inside, the office tower benefits from views across the city and the Arabian Gulf. The Project has a total leasable area of more than 130,000 square meters, of which, 105,000 square meters is dedicated for business offices.



Regus in Al Hamra Tower

Recently, **Action Business Centers** (a subsidiary of AREC) made the decision to expand its serviced offices business (branded Regus) and open a new Regus Business Center in Kuwait's landmark office tower; Al Hamra.

A complete floor of area 1,700 square meters will be dedicated to the new center. The center will be located on the 41st floor which will provide clients with an exquisite view of the city. The design and layout of the center will still have the "Regus" print on it; however, certain aspects will be modified to take into account the luxurious characteristics of the building, small offices and meeting rooms will still be the core offerings of the center, in addition to some other facilities such as video conferencing, virtual offices, and other related services.



Kuwait Economic Plan

Marcopolis, April 2010

Kuwait strategic economic plan is worth 30 billion dinars (US\$104 billion). On the agenda is a detailed roadmap to implement Kuwait economic plan a long-term strategy after years of short-term planning. It is the first of its kind since 1986.

The state of Kuwait does not want to be overshadowed by the other gulf states any longer. Although the northern gulf state is less present on the global media stage, Kuwait wants to attract foreign investments, people, and know-how for multi-billion KD projects at home. On top of this, the ruling family is preparing its people for a future which will likely not have much in common with the sheikhdom's past, economically.

Kuwait City - When in mid-March Kuwait's prime minister Sheikh Nasser Mohammed al Ahmed al Sabah called more than 150 top government officials to discuss the country's five-year plan, money was not the main issue. This plan is worth 30 billion dinars (US\$104 billion).

On the agenda is a detailed roadmap to implement a long-term strategy after years of short-term planning. It is the first of its kind since 1986. According to the deputy prime minister for economic affairs, Sheikh Ahmed al Fahad al Sabah, there are 798 construction projects worth 4.8bn dinars planned for the forthcoming fiscal year. This is twice the budget for such projects in the previous year. In order to achieve this ambitious objective, the government has 45 new laws.



Five public sectors – housing, electricity, ports, warehouses and health insurance – were chosen to be privatized with the aim to provide its citizens competitive jobs. Sixty per cent of the 1.3 million Kuwaiti nationals are younger than 25 years (foreigners make up to 62% of the total population).

Black gold for blue skies

The objective: Kuwait aims to be a prosperous state that is less dependent on oil but based on a well diversified multi-industry. The country wants to play a pivotal role in the gulf region. With production of 3,15 million barrels per day (bpd), Kuwait, whose surface of 20,000 square kilometers is half the size of Switzerland, produces more crude oil per day than Algeria and Indonesia combined. Within the Organization of Petrol Exporting Countries (OPEC), consisting of 12 members states, Kuwait stands at number four in production ranking, together with the United Arab Emirates (UAE) and Nigeria.

In addition to its role as a major oil supplier, Kuwait is also the home of global players in the non-oil sector. From A like Agility to Z like Zain, Kuwait corporations are increasingly quoted in the Middle Eastern business news sections. Agility is a leading logistics firm in the region and is listed at both the Kuwait Stock Exchange KSE and the Dubai Financial Market DFM.

The Kuwait-based telecom giant Zain (formerly MTC Kuwait), was founded in 1983 as the region's first mobile operator. It has since emerged as one of the leading players in the Middle East and North Africa (Mena). Zain operates today in 22 countries and has a client base 56.3m people.



Kuwait's Minister of Commerce and Industry , Amad A-Haroun , stresses that *"Kuwait has a strategic geographic location, which is unique in the region. Situated between three major economies, it has much potential to become a trade center and a trade route, bringing back the glories of the historic Silk Way."*

Kuwait is a member of the Gulf Cooperation Council (GCC), a political and economic union founded in 1981, which is composed of Kuwait, Saudi-Arabia, Bahrain , Qatar, the UAE and Oman. Among GCC members, Kuwait has always been on the forefront of investing abroad. No other people travel more. No one is investing more aggressively abroad than Kuwaiti businessmen.

Curious about the world and open-minded, Kuwait financed integral parts of the Western world such as Daimler AG and the modern city of London. The state's main sovereign wealth fund, the Kuwait Investment Authority (KIA) holds assets in excess of \$200bn.

The KIA became a major shareholder in German carmaker Daimler AG for the first time in 1974, long before the term *"sovereign wealth fund"* was coined. During the 1980s, the already modern business city of Kuwait, with its iconic, skyscraper-rich cityscape, financed the construction of the London docklands, a symbol of *"Thatcherism"* at that time, meaning a laissez faire economy.

<http://www.marcopolis.net/kuwait-economic-vision.htm>



Profile of the Issue

For every issue of the newsletter, one of the most interesting profiles will be presented

*For this quarter; the profile of this issue is for **Ms. Manal Zaqout***

Ms. Manal Zaqout had joined Action Group Holdings in September 2008 in the capacity of Group Human Resources and Administration Manager.

In addition to her day-to-day responsibilities of employee's related matters, Ms. Zaqout bears the responsibility for all of the processes and systems related to people in the organization. The role of the HR is evolving to fit the needs of today's modern fast changing organization and business environment. In addition, she spearheaded a number of assignments within the group. Manal believes that committed and well trained staff can only contribute positively on the success of any organization.

The HR career of Ms. Zaqout had started with Ernst & Young back in 2001 where she had the opportunity to work in a diverse environment and progressed to gain a regional role in Human Resources within the Middle East. Prior to that, Manal was the Exchange Officer at the British Council in Kuwait for almost nine years. Among her responsibilities, is to promote and facilitate the British Government's scholarship programme and other British Social programmes in Kuwait.



Ms. Manal was born in Gaza but originally from Isdood in Palestine and was raised in Kuwait.

Education and Qualifications

Diploma in International Business Studies, Pitman Business College – United Kingdom 1984/85.

Certificate - Professional in Human Resources, Society of Human Resources Management – USA/Kuwait 2006

Other interests:

In her spare time, Manal enjoys spending time with her nephews and catch up with friends. Manal would love to find some time to do voluntary work and has an unfulfilled ambition of being a fashion designer.



We would like to welcome the new members of AGH & AREC Family

Mr. Brinley Jones, had joined MRI Action Recruitment & Management in the capacity of **General Manger** on 29 January 2012.

Mr. Jones has more than 30 years Commercial and Business experience and had held several positions as Managing Director, Sales and Marketing Director, etc with major global companies including; Ingersoll-rand, Johnson and Johnson, and Barlows.



Mr. Talal Rashid had joined Action Holding Company as **Government Relations Manager** on 12 March 2011.

Mr. Rashid has more than 18 years of experience in the governmental & private sector and had worked in major companies & Ministries in Kuwait such KNPC , Ministry of Commerce & Industry and Chamber of Commerce, international leasing and investment company etc.

Mr. Rashid is holding bachelor degree in Political Science & business Administration from University of Utah, USA

Mr. Abdullah Abuhadida had joined Action Consultancy Bureau as of **Business Development Officer** on 30 January 2012.

Mr. Abuhadida had graduated from the University of Denver, USA in 2011 and holding bachelor degree in Business Administration.



Ms. Rowaida Al Zarrad had joined Action Real Estate Company as **Accountant** on 25 December 201a1, and she is holding bachelor degree of Accounting from GUST University in Kuwait.

Welcome on board and we wish you all the best



SHARE A BLESSINGS...

Ibis Hotels Kuwait shared their blessings with HOPE School, a special needs school for children, on Sunday, the 22nd April 2012, by donating school supplies and necessity items.

The donations for the children were acknowledged personally by the Hope School Principal, Ms. Linda Graves Fouke.

Spearheaded by Ibis Hotels Kuwait General Manager, Mr. Bruno Debray, and Ibis Sharq Kuwait Hotel Manager, Mr. Nasrat Rassem, along with Ibis Kuwait Heads of the department, the charity has just started and will continue to share a blessings for the special needs.



EMPLOYEE OF QUARTER 



The EOQ award for the 1st quarter of the year 2012 goes to Mrs. Ana Lhea Zungia ...

“Ana had experienced new challenges and extra pressure during 1st quarter of 2012 and had proven extraordinary abilities to handle that with patient and professionalism.

under such awesome work performance I am nominating Ana as EOQ for the second time. “

Congratulations Ana :)

With Love... by AREC



Love is the only thing you get more of by giving it away ---Tom Wilson



**On behalf of the
AGH Group of
companies; Thank
you Eng. Rawaf
Bourisli for the
nice gesture :)**





Ana Lhea Zuniga 21 April



Tamam Arbid 2 June



Amaal Saed 2 June



Eswaraiah Challa 05 June



CONGRATULATIONS

Mrs. Maja Magdelinic had received new gift from God, her new baby boy; Mateo whom born on 26/3/2012

Congratulations Maja and welcome to life Mateo :)

Managing Editor

Suha Al Jurf

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For contributions;

Email us

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**"Funky Groove Evening
at Omniya Mall"**

on Friday, April 27
7 PM at the Ground Floor

"FREE ADMISSION"

A WORLD CLASS QUARTET

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