

## Kingdom

Wednesday 21 October 2009 (03 Dhul Qa'dah 1430)



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## Kingdom gets more industrial clout

Siraj Wahab | Arab News

DAMMAM: Another new factory has opened in Dammam's Second Industrial City to support the Kingdom's busy energy and petrochemical industries.



Saudi Aramco's Munir Rafie, 2nd R, with Abdullah S. Abahsain, 1st R, ASIC's Shaukat Sheikh, 1st L, Chart Industries' Samuel F. Thomas, center, & SME's Jeff Diaz at the launch of Abahsain's new company in Dammam. (AN photo/Imran Haider)

The Eastern Province-based Abahsain Group in a joint venture with Chart Cooler Services Co. of the United States this week launched a state-of-the-art, 85,000-square-foot facility to manufacture air-cooled heat exchanger products and services to the Middle East.

Massive heat exchangers are required for various processes in the production and refining of oil, gas and petrochemicals. Before now, such equipment and replacement parts had to be imported. The new company has engineering and design capabilities, and the new facility can manufacture standard and customized fin fan coolers, thereby positioning it to become a regional leader in the field.

Prominent among those present at the launch ceremony were Abahsain Group CEO Abdullah S. Abahsain, Saudi Aramco Materials Supply Vice President Munir Rafie, Chart Industries Chairman Samuel F. Thomas, Chart Air Cooler Services Co. President Wayne Pyle, SME President Jeff Diaz, US Consul General Joseph A. Kenny, and ASIC CEO and Abahsain Group Director Shaukat Sheikh.

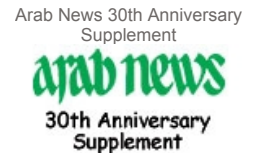
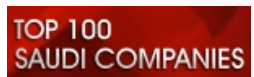
"For many years now, our group was listening intently to the winds of change sweeping the business environment of the Arabian Gulf and in particular Saudi Arabia. These winds of change have required a strategic shift in the industrial landscape of the region," Abahsain said. "Technology users and business leaders alike, see in the Gulf, a desperate need and enormous opportunity for industrial enterprise. We, in this region, are still seeking the basic building blocks for industrial success and eventual self-sufficiency. Our needs today are technology transfer, creation of an educated and technically skilled Saudi work force and independence from critical imports through local manufacture."

Shaukat Sheikh, the brain behind the new venture, said the local industry owes much to the kind support and active encouragement of Saudi Aramco. "Saudi Aramco has proactively assisted in implementing Saudi government's rapid industrialization."

Sheikh said his Abahsain Group has fully embraced the oil giant's strategic plan. "In harmony with Saudi Aramco's vision and will, which seeks to convert Saudi Aramco's traditional trading vendor base to an industrial vendor base, we have embarked on our second phase of industrial expansion. The Abahsain Group opened a new valve manufacturing facility in the same industrial estate in late 2007. In less than two years, we are gathered here again to open our new heat exchanger plant — ASIC." Qualifying as a supplier for Saudi Aramco requires a vigorous auditing process as its facilities are built to higher construction standards than are in place through the GCC. "Winning their approval is an honor for us," Sheikh said. "ASIC now has the privilege of being the only approved Saudi local

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manufacturer of air coolers with complete manufacturing capabilities.”

He said the group’s strategy looks at the long term. “As the slowdown in the world’s economies nears its end, and Saudi Arabia gears up for the inevitable upturn, we see great opportunities for ASIC,” Sheikh said. “These opportunities stem from enormous investments in the energy, petrochem and power sectors in the years to come. In Saudi Arabia alone, upward of \$280 billion will be spent in the oil and gas, petrochemical and power sectors over the next 10 years — and billions more will be spent in the Arabian Gulf and Iraq.”

ASIC’s location will give it a unique opportunity to provide a level of customer service unavailable before in Saudi Arabia, but executives say they will need to capitalize on incentives designed to build the Kingdom’s industrial base.

“We underline the need for robust implementation of Saudi Aramco’s wise policies supporting local manufacturers,” Sheikh said. “We call for the aggressive monitoring of business placement — especially when local and approved manufacturers are available, to fairly compete against foreign sources.”



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