10/8/2017 Inside oil and gas

MIDDLE EAST SPECIALIZED CABLES | PROFILE

PARTNER PROJECT

Middle East Specialized Cables (MESC) prides itself on being at the heart of every project and, by all accounts, it's been a busy time as it expands with joint ventures into Africa and the CIS markets. As one of the world's largest cable producers and the largest instrumentation cables manufacturer in the Middle East, it envisages 2017 and 2018 as key growth areas. Profile by Andy Probert.

aking stock of its position and flexing in different directions has seen Middle East Specialized Cables (MESC) take several steps forward just as the global market has taken several steps back.

It is a dynamic organisation that is continuously adopting, improving and adjusting its strategy at a pace that corresponds smoothly with industry and economic challenges or market drifts, observed Mohammad Gharaibeh, Area Sales Manager.

"We are currently focusing on MESC's image and branding in new territories and sectors," he said. "Placing the MESC brand at the heart of each project is our new marketing strategy."

As Mr Gharaibeh explained, MESC has been undertaking internal developments to increase its flexibility towards clients' requirements as it ventures into new territories "where we need to be open, adopt new requirements and tackle them successfully."

The company has, since 2016, expanded in Africa, due to its proximity to the Middle East, and the potential to establish market share and increase it over the next five years.

"The second sector under consideration

at a slower pace than the African one, but will be potentially rewarding in the long run," he added.

This year, MESC has several projects already under its belt, while others are to be secured for 2018. Mr Gharaibeh said: "However, the major challenge is the oil price that drives most of the projects in the Middle East as well political stability.

"This was the main drive to launch new market initiatives and achieve balanced market share between the Middle East, Africa and CIS by 2022."

Middle Eastern growth

Beginning as a small manufacturing company in 1993 to cater for the development and growth of the oil and gas industry, MESC built its factory in Rivadh, Saudi Arabia and set about becoming the leading manufacturer of industrial, instrumentation and process control cables in the Middle East.

It has since expanded exponentially and today has over 600,000sqm to serve the international market, complemented by the



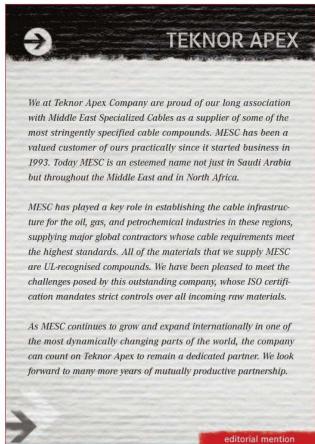
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tions and certifications, such as UL, LPCB, VDE, BASEC, BSI, KEMA and DEKRA, in addition to local quality marks in the Middle East and the GCC region.

With a presence in 11 countries and commercial activities throughout the world, MESC created a factory in the UAE in 2010 for instrumental and small power cables, offering the company a unique opportunity to support the major projects throughout the Middle East and Africa.

The company also created a new state-ofthe-art compounding plant for producing Polyvinyl Chloride (PVC) products in Riyadh. MESC has since introduced one of the region's most advanced fire performance testing labs to the MESC-UAE facility to upgrade the factory's capability within such as railways, commercial, industrial, substations and alternative energy markets.

It has secured two projects in Kuwait with a two to three-year lifespan; a project with British Petroleum in Oman and metro expansion contracts in the UAE, as well as offshore initiatives again in the UAE and Oatar.

MESC's partner approach

Mr Gharaibeh added: "The oil and gas market has been affected by the oil price without any doubt. Nevertheless, certain sectors, such as refining and downstream projects, have gained momentum taking advantage of lower oil prices which has driven the cost of construction down.

"We have seen some projects being

are looking positively on the Saudi and the GCC market towards the third quarter of 2017 and the first quarter of 2018 to get back to normal activity."

While most companies refer to themselves as customer-oriented, MESC believes and works to be recognised as 'partner-oriented'.

"We have business partners that we provide products and services, but we believe the success of our partner and their confidence and trust in our products means the success of MESC," said Mr Gharaibeh.

"We understand our partners' business, challenges and needs and try to exceed their expectations. Their success is our success, as every successful contract and the emirate.

MESC now employs around 1,200 people and has numerous industrial and communication cables products on the market. MESC's products line includes IEC, BSEN and VDE certifications and has more than 15 categories of cables with UL listing.

70% of business is conducted in the oil and gas sector, and 30% in diverse industries,

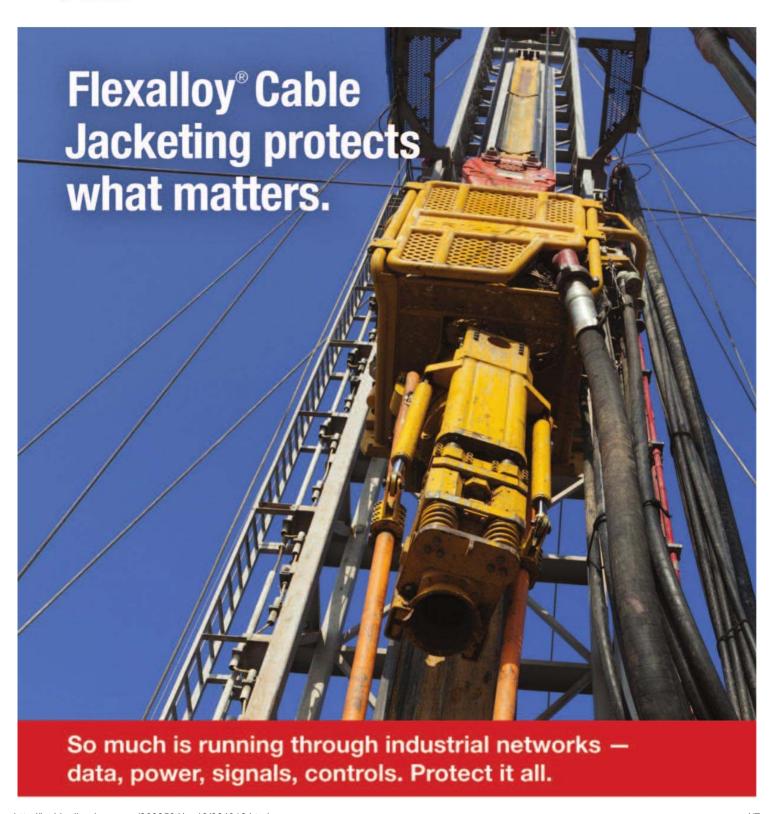
awarded a 50% less cost than what was estimated five years ago. Some clients have taken advantage of the current slowdown and awarded these projects in the past nine months on a much lower than budgeted cost.

"Looking at the current market and situation, MESC believes the market will pick up its pace and lift itself from the current slowdown in the coming six to nine months. We project executed by any of our partners will lead to winning the next project and so on.

"Their experience with MESC and the recognition of our support towards their needs through the projects' different phases will be carried from one project to the next."

He added that with the current economic situation and low oil prices, "wey

54 Inside Oil & Gas



Oil and gas refineries have the same infrastructure requirements as the front office – if not higher – but the cables that sustain that critical infrastructure need to withstand harsh elements and conditions: extreme weather, temperatures ranging from below freezing to searing heat, and corrosive salt water. Not to mention possible exposure to oil and chemicals.

Teknor Apex developed its family of Flexalloy® vinyl elastomer cable jacketing compounds with these unforgiving settings in mind, and in compliance with the stringent requirements of the UL Recognition program.

For datasheets and to find the Flexalloy® compound that's right for your application, visit www.teknorapex.com

Based on proprietary PVC technology, Flexalloy compounds extend the performance and cost efficiency of flexible PVC to provide improved:

- Toughness
- Abrasion resistance
- · Compression-set resistance
- · Oil and chemical resistance
- · Low-temperature properties
- UV resistance



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understand cost has become a major concern globally. So we strive on a continual basis to lower our product costs without any compromise on quality to help support our partners."

MESC offers different contract types to clients where it can form a win-win partnership that will ensure survival and success through the current economic phase

Mr Gharaiben said: "This is all part of our strategy in maintaining a good long-term relationship with our partners. It is a MESC philosophy that being a partner is the key to success. Partnerships are recognised and benefit both parties, enabling challenges to be turned into opportunities."

Focused on increasing market share

He added: "Our focus will be to maintain and increase market share in the oil, gas and petrochemical sector within the Middle East. Moreover, MESC is taking the necessary steps to increase market share in the railway sector due to the expected increase and growth in the project volumes.

In fact, MESC is the first Middle East company to have obtained a quality certificate for railways signalling cables to increase its market share in this sector.

Due to the current economic situation, Mr Gharaibeh admitted that projects have become more limited and therefore competition has increased Both factors are challenges to continually improve processes and offer more efficient production.

"While recent years has been challenging for all industries and resulted in companies laying people off, MESC's management has had a different approach. We saw an opportunity and a challenge to cut costs without compromising quality or laying people off as MESC considers its employees an asset."

He added: "The challenge drove the company to adapt smarter processes, more efficient production and diversifying the quality suppliers to overcome such challenges.

"This has been successful and helped the company in developing new approaches and internal processes."



Inside oil and gas



56 Inside Oil & Gas



10/8/2017 Inside oil and gas

