

# CATEC: An Engineering Multinational from Egypt

WHAT CHOICE WOULD YOU MAKE? BUYING LESS COSTLY EQUIPMENT WITH DOUBTFUL MAINTENANCE POSSIBILITIES AND AFTER-SALE SERVICES, OR BUYING SLIGHTLY MORE EXPENSIVE EQUIPMENT BUT WITH GUARANTEED AFTER-SALE MAINTENANCE?

Whether an MP3 player, a crane or an aircraft carrier, dealing with a company that is reputed for the quality of their products, and for the availability, ease and quality of its after-sale services, is undoubtedly the best choice.

When it comes to the product itself, we hear of how they were designed, what raw materials went into its making, the various stages of the manufacturing process, the marketing and its competitiveness compared to other similar products in the market. We even hear about the machines and the technologies involved in their manufacture.

But little is ever said about the after-sale services, about its main-

end of its economic life.

One company that specializes in providing after-sale services for industrial machinery is the Consulting and Technical Engineering Company (CATEC) based in Alexandria, Egypt. CATEC was founded in 1980 by Osama El-Nomany as a small business.

"We started as one office in Alexandria," said El-Nomany, the chief executive officer of the company, "now we have two offices in Alexandria, one office in Cairo, and one in Toronto, Canada." Today CATEC employs 45 technical staff and has 295 clients in 30 countries worldwide. CATEC is a corporation with an authorized capital of EGP



tenance, upgrades in the product or equipment, training of its end-users or being available in case of a contingency.

Not all manufacturers have a good reputation when it comes to after-sale services. But it is a critical service that distinguishes one producer from another. Companies highly reputed for both the quality and overall specifications of their products, as well as for their after-sale services are important not only for the industrialization process in Egypt, but also in preparing and training the manpower required for the various machinery.

A weaving or spinning machine, no matter how good, sophisticated and technologically advanced, is not worth much if it lacks the proper and required maintenance. It will end up as scrap before the

10 million, distributed among its limited shareholders.

From Thailand to U.S., Turkey and South Africa, CATEC's client list is impressive. Egypt's most reputed companies such as Nestle, Pepsi, Unilever, Faragalla, Fine, Exxonmobil, Schlumberger, BP, Mehalla, Hesni Textiles, Nile Linen and Sigma Pharmaceutical, are all CATEC's clients.

CATEC's services include onsite installation and servicing of machinery (including start-up of boiler stations, turnkey projects, piping and heating systems) as well as on-call service visits. Besides exporting services, CATEC exports products too, such as textiles, spare parts, electronic equipment, chemicals, boilers, lubricants and machinery for the textile industry. They even provide training for their clients'



workers and staff, according to El-Nomany.

CATEC's relations with Germany go back a long way and is the sole agent in the Middle East for a number of renowned German companies; Loos International Company for steam and water boilers, Lutz for pumps, Kluber and Chemtrend for lubricants and oils, Goller for textile machines. CATEC is also the only official accredited sales and service station in Egypt for the Swiss company, Uster Technologies.

But it does not stop there; CATEC also provides consultancy services for clients in preparing feasibility studies, turnkey projects, heating systems and various other engineering functions.

#### Quality in Services and People

Finding qualified staff is a difficult task in Egypt ; retaining them is



**“ CATEC employs 45 technical staff and has 295 clients in 30 countries worldwide ... [its] authorized capital is EGP 10 million. ”**

Osama El-Nomany,  
CATEC's chief executive officer.

Germany and Switzerland where they learn how to operate, maintain and install high-tech machinery and equipment.

#### During the Crisis

In the fall of 2008, the world was in despair. Financial markets had collapsed in the U.S. and the domino-effect of collapsing economies was spreading across the world. The richest economies were the hardest hit ; U.S., U.K. and Germany in particular suf-

fered great losses. In Germany, factories started dismissing workers by the thousands and unemployment figures soared.

With its reliance on German companies to manufacture and supply machinery, CATEC was understandably affected by the global financial crisis in Germany. CATEC's revenues changed from year to year, but on average the company makes USD 5 million a year. The fact that CATEC's services and products are so diverse and cover



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even harder. To keep up with its expansion over the years, CATEC has made it a priority to hire exceptional calibers.

“Serious, independent, well-educated applicants have priority in our company. We provide each one of them with training in his or her field. We send them for training inside and outside Egypt according to the available, required courses,” El-Nomany said.

CATEC currently employs 45 engineers, in addition to support staff, sub-contractors and technicians contracted on a project basis or whenever the need arises. “CATEC's senior technical experts who have 30 years experience continue to transfer their life experiences to the younger staff. This guarantees maintaining the company's young spirit.” El-Nomany said. Many of the engineers receive training in

many different industries has helped the company weather the global financial crisis. “Like in all markets, our business has been slightly affected by the financial crisis. But, as our company is financially secure and independent, the effect did not shake our business, and we did not face big losses,” El-Nomany noted.

Plans for further expansion are in the pipeline, whether expansion in products, services, clients or premises. In the last three years, the number of countries CATEC operates in has increased from 27 to 30. Five months ago, a new branch office for CATEC was opened in Cairo. Besides its current two branches, a third office is scheduled to open in Alexandria. Customer satisfaction and staff development will remain Catec's main target. ▲