

EGreen – remanufacturing in the Middle East

During Paperworld Middle East 2017, *The Recycler's* Will Roszczyk visited UAE-based remanufacturer EGreen, discussing the company's products, services, business plans and the Middle Eastern and African markets, as well as what it believes is ahead over the next 12 to 18 months.

EGreen's Managing Director, Aliasger Badri, stated that the company has "been in business since 2004 remanufacturing cartridges – we started in inkjet and moved to laser and colour laser. Initially with inkjet, we then went into the corporate market, and in the 13 years since we have gained over 2,000 corporate customers. We remanufacture around 20,000 cartridges a month, have developed our own packaging and also offer maintenance and MPS contracts".

The company's main warehouse and plastic recycling centre is in Ajman, a neighbouring emirate of Dubai, while its head office was in Sharjah, but it also has empties and finished goods storage in Ajman and an office in Business Bay in Dubai. In terms of future business, "we are very soon introducing a new range of remanufactured wide-format cartridges, as well as introducing a full range of green stationery, which is totally recycled. Both are part of our upcoming plan, which is launching very soon, and we recently also launched a new website".

Middle Eastern market, opportunities and advantages

In terms of where the company focuses its business, Badri stated that "we started initially in the UAE, but are now operating in Oman and Saudi Arabia, and recently tied up with agents in Ethiopia and Uganda. We are also discussing business in Tanzania and Kenya, and have already started exporting to Nigeria. Africa is a new market for us, and there are more empty demands from there, so we might have to expand.

"I just came from travelling to both Ethiopia and Uganda, and keep travelling as there are a lot of opportunities in these markets. While there are a lot of low-quality products, there is still a niche for remanufacturers there as well". Advantages of operating in the Middle East for Badri



EGreen's Managing Director, Aliasger Badri

include that "we are operating from and are based in the UAE – the main benefit of this is from our customers, as we speak the language and have direct access to the right connections.

"Also, to be a company recycling on our own premises makes all the difference – we get that privilege, and it's a tough market, so it gives us an edge over any restrictions". In terms of disadvantages or challenges, for EGreen "the only challenge is labour, as the cost is very high, which is why we're more

expensive. This affects pricing and in turn affects market share, but I don't see any other disadvantage. The UAE is helpful, as the government are promoting us as a greener industry, so the cons are lesser than the pros!"

Opportunities inherent in the market include, Badri noted, "the country currently preparing for Expo 2020, which will bring a lot of new companies and a lot of footfall", for which EGreen is "currently preparing" as well. The Expo is expected to see "25 to 30



“If you have a good work ethic and staff, and quality cartridges, you still have the edge – doing the job correctly will take us far”

million visitors”, which Badri believes will “boost the economy, and offer a lot of positive movement in the industry, allowing us to grab a good part of the industry too.

“We have a lot of hospitality customers, and have already started receiving inquiries from companies – three years before 2020! The World Cup in Qatar in 2022 will also definitely be an opportunity for us – we are currently in discussions with a strong company in Qatar, who are after us for cartridges, and we might be able to exploit this too. There are a lot of opportunities in the pipeline”.

Instability, challenges and the way ahead

On the region’s instability and how that might affect business, Badri was frank: “Since 2005, we have never had business from the troubled areas in the region, so for us there has been no direct effect of the instability.” He added that as the UAE has “become a tourist destination, it is year-by-year increasing as a nation, the economy too, and we have grown 30 percent year-over-year consistently as a company”.

For 2017, EGreen is “looking forward”, and “we have hired almost nine salespeople, and almost 13 people altogether since January! This is a record for us – we’ve never hired so many people at once”. On challenges for the company in the market, he outlined low quality clones, but pointed out that “the government here has been very vigilant, and has undertaken many raids on lots of factories that are repackaging clones”. Another challenge is new-builds, which Badri commented were “really inferior and very cheap”.

However, here the company has benefitted, as “we have been able to take big customers back who have come back to us from using new-builds. Their quality affects customer confidence in remanufacturing, and has been killing the industry’s margins”. For the next 12 to 18 months in the region, EGreen is “seeing a lot of growth potential”, with 2020’s Expo bringing a “bigger portion of the market for us to get our hands on”.

He noted that “if you’re not doing a good remanufacturing job, companies are conscious of this, and won’t let you have their business. I am very confident about the



near future – you will see us everywhere! It’s a big opportunity to have contracts with us, and we have been able and hope to be able to keep hold of a big share of the market”.

He reflected in turn that “to get the Middle Eastern business, you need companies like us – we can help with market penetration and brand awareness, and offer a gateway to the industry in the region. We’re then able to gain a lot of confidence from our customers, particularly with our strong sales, remanufacturing and logistical and administration teams.

“We are well versed to serve the region very well, and there are definitely more European companies trying to come in – the trend is going up, and unstable countries will settle down. We’ve spoken with a lot of European companies interested to work with us or in the market, but you really do need local partners here to succeed”.

A global perspective

Finally, conversation turned to the global market, and Badri – on the next 12 to 18 months across the world – stated that “for another two years I don’t see anything declining”, though pointed out that “one factor is that HP Inc have been aggressive on the inks side, which is a bit concerning. Otherwise, I don’t see a downside, though the promotion of inkjet in offices should be something the industry is watching. Of course in 10 years the printing industry might go down, but that is the only thing with inkjet – it’s a very difficult market to tap”.

On challenges ahead for the industry globally, Badri stated that “I have been visiting China, India, the EU and Africa, and

the one thing I see everywhere is that new-builds are really aggressive”. On new-builds that can be remanufactured meanwhile, he stated that “if that happens, how would the price factor work? It’s difficult to get the right price, a tough ask to change all the parts, and even then you’re still not sure if it will last long.

“Some new-build manufacturers are only having very few cartridges enter the market, but customers don’t clearly identify differences between them and remanufactured, which could cause us to lose the fight for them to use remanufactured cartridges”.

Moving onto opportunities for the market globally, Badri stated that “if you have a good work ethic and staff, and quality cartridges, you still have the edge – doing the job correctly will take us far”, while MPS is “definitely one thing everyone should have” to offer to customers, as it’s a “way to get the trust of the customer - it’s already the big thing!” On consolidation, he believes this “will keep on continuing – there are a lot of opportunities for this in the industry”, while other companies are “able to figure out a lot of opportunities” as well, such as OEM licensing deals. 

