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Perfume maker to open 100 more stores in next five years

By Pradeep Palat

To say that its fragrance is all-pervasive would perhaps be no exaggeration. After all, with a history spanning over 56 years, the Dubai-based Ajmal Perfume, the well-known perfume brand, enjoys a market share of 60 per cent in the region.

In the UAE alone, the company has 36 retail outlets and two manufacturing facilities. In all, it has 100 perfume outlets and 500 dealers and stockists in the region, with manufacturing facilities in different parts of India and extraction facilities in the Far East as well.

Having secured the leading position in the regional market, the company is planning aggressive global expansion. "We want to open at least 100 stores in the next five years," said Abdulla A Ajmal, deputy general manager of the company who represents the third generation in the family business.

"We are going for real global retail expansion. We will select the countries and look at opening three to five stores in each country," he said.

The company already has strategic alliances and distribution agreements with partners in more than 14 countries. "In the next five years, our products will be available in 30 to 40 countries, either through our own retail outlets or with other distributors. We are looking at the east, west and southern parts of Europe and the US for expansion," said Ajmal.

Regionally, Ajmal plans to open four stores in two years in the UAE and two stores in Saudi Arabia by the end of the year. The company's aim is to open up to 100 stores in Saudi Arabia in the long run. It already has 26 outlets in the kingdom. The company will invest up to Dh35 million in manufacturing facilities in the next one year, he said.

Ajmal Perfumes was established in Assam, India, in the year 1951 by Ajmal's grandfather

Ajmal Ali. He grew up in a farming community and the area had a lot of oud trees. However, he quit farming later and turned to business. He moved to Mumbai (Bombay) and started trading in oud.

West and Malaysia and Laos in the East. While the packaging materials are imported from Europe, paper boxes are manufactured locally.

Internationally, Ajmal is in a

at Cityscape 2007. We are very active in India as well. Here we are launching four more projects very soon," said Ajmal.

Diversified interests

In India, the group is into textiles, leather and agro-tech. "However, we don't have any plans to enter into new areas of business here," said Ajmal.

He said the company has plans of going for an initial public offering (IPO), but only after five years. "We did some due diligence last year. But our consultants were of the opinion that the value that you could get for your business in five years, when you would have 80 per cent of your plans in place, could be multi-fold of what you would get today. Today, we are a trans-national player, whereas after five years, we would be a truly global player."

The group is into many philanthropic activities. It runs one of the largest rural hospitals in Southeast Asia, the Haji Abdul Majid Memorial Hospital in Assam. "We have many vocational schools, orphanages and learning institutions as part of our social commitment. We also support the Make A Wish Foundation. Besides, we are associated with establishments like Al Noor, the Thalesimia Clinic."

"There is a mandate set by the directors that a certain percentage of the profit should go to charity. One of my uncles is fully dedicated to managing our philanthropic activities," said Ajmal, adding that the company recently donated Dh5 million to the Dubai Cares programme for children.



Abdulla A Ajmal

Since he was dealing directly with clients, he realised that there was a growing demand for different blends and started blending oud with different kinds of oils.

Family business

In the early '60s, Ajmal's father joined the business and his grandfather started travelling to the Middle East. They had many customers from the UAE, Kuwait and Saudi Arabia.

In the '70s, his uncle Fakrudin Ajmal also started coming to the Middle East. Ajmal's grandfather felt that Dubai was going to be the business hub of the region. His uncle was deputed to set up the business in Dubai. In 1976, they opened their first store in Murshid Bazaar. After that, Ajmal grew at a consistent rate, opening two or three stores in the region every year. Thirty years later, the company, opened its 100th store in the region in Umm Al Quain recently. The group employs around 1,300 people, of whom 300 are in the UAE. Its turnover is \$140 million and its average growth rate is 13 per cent.

A major portion of the raw materials comes from France, Germany and Switzerland in the

neck-to-neck with major global brands, says Ajmal. "Virgin Airlines and British Mediterranean carry our brands, and we are in talks with Sakhs Fifth Avenue and Harvey Nicks as well," said Ajmal.

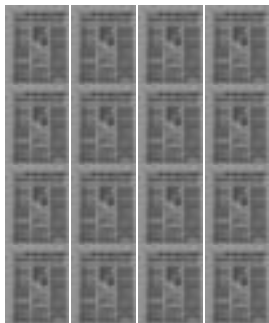
In the UAE, Ajmal is planning to renovate the stores to make them more trendy. "By next year, you will see our new store décor. We are in the process of getting that done," said Ajmal.

The group has a real estate company called Ajmal Real Estate Company. Ajmal's cousin Obaid Ajmal and his uncle run the real estate business. "We have just launched a building called Sarah



Ajmal's factory in Dubai

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