

Saudi Post has announced plans to enter the distribution business in the Kingdom. How do you see the potential competition from them?

Saudi Arabia is a very large and rapidly developing country with close to 25 million residents spread across a far reaching territory.

To properly service that market, any company or organisation in the country's distribution industry must be capable of moving goods and services with an incredible degree of efficiency. And this efficiency can only come from a company's ability to leverage its technology, human resource, and experience. But package delivery experience and existing infrastructure alone are not sufficient for a company to compete in Saudi's competitive distribution business.

Customers today expect more from a delivery company/organisation, today the information on the status of package is important as the package itself. Faster deliveries and delivery commit time are main requirement of the business. These key elements will base the success of any delivery business.

EIRAD/UPS welcomes competition from all sides as competition help to further increase our efficiency and will ultimately better the service to our customers which has been always and will continue to be our aim.

How large is the volume of the courier business in Saudi Arabia? What scope do you see for its future expansion?

It would be hard to determine volume size within the Kingdom but with the introduction to WTO, new business and new investment driving into the Kingdom, the courier market will continue to grow.

With a country the size of Saudi Arabia, today's and tomorrow's businesses will not only need a distribution supplier who will import and export their packages or move them from point to point domestically, but also one to whom they could outsource the synchronization of their total supply chain. With one supplier for all its import and export distribution, mailroom management, logistic and warehousing needs, the customer can focus on what is most important to them, their core business.

What is the extent of Saudisation in the courier business in general and UPS in particular?

Saudisation in the courier business is growing at very consistent speed but is not as fast as one would expect it to be.

At EIRAD / UPS it has been our focus and our Saudisation has increased over the last years. Our team is supplied with adequate industry training, which enhances their skill and knowledge, and enables them to become assets to our organisation. It's not only



**Interview
with: Jim
O'Gara,
Country
Manager UPS
in the
Kingdom of
Saudi
Arabia.**

employing Saudi nationals, the key is retention and development, which has been our main success.

Our workforce are committed to Saudi social and cultural values on the one hand, and international business standards and practices on the other

At EIRAD/UPS, we take great pride in our company-wide Saudisation level, which is in excess of 30% and we continue to attract young Saudi-nationals talent to our organisation.

What is the share of UPS in the market?

With a growing market in the Kingdom it is difficult for us to determine the market share. However, globally UPS is the world's largest package delivery company and a leading global provider of specialised transportation and logistics services.

Within the Kingdom we are the fastest growing integrated express shipping and supply chain service provider.

Tell us something about the technology you have deployed for courier delivery service?

UPS has shown extraordinary commitment to IT, investing approximately \$1 billion annually for the past 15 years on an integrated global IT network that is unmatched in the industry.

Essentially, the way UPS approaches IT and the accompanying investments is that the company's business units spearhead decisions on applications and the IT department facilitates the selection, testing and implementation of those applications. UPS views technology as a business enabler. It improves the way UPS does business – through better customer service, cost reduction or by enabling the company to increase revenues by offering new or enhanced services to its customers.

UPS's approach to technology is controlled, strategic and smart. It is the business that drives technology at UPS. No technology is deployed before its time. The selection, testing and implementation of technology is methodical and well-planned across the scope and