



Flying HIGH

Soaring above the clouds by name, soaring above the clouds by nature; Eagle Chemicals is in fine fettle right now and in very safe family hands.

YASSER BISHAY

CEO @ EAGLE CHEMICALS

Cairo-based Eagle Chemicals was set up in 1950 as a paint manufacturer, more specifically, the company made paint for decorative coatings. Brothers Yasser and John Bishay joined the firm in 1989 and 1994 respectively – at that time they and their late father decided to start a backward integration, and started producing solvent-based resins. They realised that evolution was vital if Eagle Chemicals was to continue to thrive. The siblings pushed the development of new products and branched out from producing solvent-based resins to water-based as well. Today, the company manufactures and sells over 30 product categories, including resins for paint, adhesives, pipe lines, textiles, ceramics, detergents, and additives.

On the rise

As Eagle Chemicals' offerings grew, so did its stature. From humble beginnings it now boasts four state-of-the-art factories, not to mention a "tank farm" – a terminal used for storing petrochemicals and liquid raw materials for production. The company employs 700 people and exports to more than 80 countries across four continents. Eagle Chemicals' 70-year evolution has taken many turns and overcome several obstacles, and CEO Yasser's guidance has been critical to its success.

"For a long time, we were just a small, family-owned company – it came to the point when it was important to manoeuvre into a position where there was less reliance on my brother and me," he says. "We needed to achieve a more corporate feel, which we implemented over the last decade. Now we have a senior management structure, a board of directors, and so on."

This corporate drive has been fruitful; from 2014-18, Eagle Chemicals enjoyed significant growth, resulting in the opening of yet another new plant, which happens to be the largest in the Middle East. Production capacity has consequently been ramped up from 85,000 tonnes of output to 215,000 tonnes over the last few years, while revenue and earnings before tax more than doubled.

However, Yasser is gunning for yet more expansion to boost the company's market share considerably over the next five years. Within the next decade, the CEO plans to build another production facility to reach a target output of 335,000 tonnes, which would make Eagle Chemicals the Middle East's largest chemicals company.



One big family

But Yasser is under no illusions – he knows it won't be easy in such a competitive industry: "Of course, there will always be tough competition but we are confident that if we get hold of the right raw materials at the right price, at the right time, we will reach our potential."

Relationships with suppliers are key to the success of any manufacturing firm, and Eagle Chemicals values its suppliers massively.

"We have less than ten key partners in the supply chain," Yasser explains. "But we have cultivated these relationships very carefully because they are essential. Our strong finances have helped with this – suppliers always know they will get paid."

These relationships have enabled Eagle Chemicals to secure necessary materials even

in times of scarcity, and to be given preferential prices when ordering in large volume. With a storage capacity of 30,000 tonnes, the company is always prepared if supply chains fail for any reason. However, because it primarily relies on petrochemical companies for raw materials, being located in the oil-rich Middle East means supply chains are pretty short, which is a huge advantage.

"Our location is very important, but so is the fact that we've spread our wings to diversify our product families – this has given us a serious competitive advantage," Yasser says.

Eagle Chemicals' geographical location is not only beneficial because supply chains are short, it's also useful in terms of export. Egypt lies at the crossroads of three continents. Europe →



Yasser's brother,
John – COO

is a stone's throw across the Mediterranean, while the hubs of Alexandria and Port Said are close by. Africa and Asia are also nearby.


Green questions

Aware of its steadily growing influence in the region, one of Eagle's most recent ventures has taken the company into the field of education. This summer, a contract was signed with the Environmental Engineering department of Zewail University to establish an academy specialising in the resins and polymer industries.

"We want to help train the youth of the Arab region and Africa in this type of industry," the CEO explains. "It is important for us that Eagle

Chemicals' success is not only financial, but that we also enrich the lives of those around us."

Ensuring that operations become more sustainable is crucial as the company plans for future success. Like many industries, resin and polymer manufacturing is being increasingly scrutinised by environmentalists. The industry's reliance on fossil fuels, coupled with its role in plastic production such as polystyrene, neoprene, and bakelite makes it an obvious target for those seeking to redress global warming. Yasser is very much aware of this but growing environmental concerns have done little to deflate the global market's buoyancy. From \$533.6 billion in 2019, it is projected to grow by 5.1% a year to \$838.5 billion by 2030, with much of this growth taking place in Asia and Africa. It's clear that there's huge potential for companies that can assuage the green lobby and continue to ride this wave. Eagle Chemicals, under the guidance of the Bishay brothers, appears well positioned to do just that.

"For us, the secret of our success is consistency," Yasser says. "Consistency with our relationships, our products, suppliers and customers. Everyone who deals with Eagle understands that we can be depended upon. This is very important." 



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GORM JENSEN
EVP Sales & Business Management, Perstorp



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140 years of thinking about tomorrow.

