

Ahmarra

Overview and Growth Plan 2018

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**AHMARRA INCORPORATING:
Ahmarra Door Solutions Ltd
Ahmarra Installations Ltd
Ahmarra Door Installations Ltd**

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Overview

The Ahmarra Group of companies incorporates:

Ahmarra Door Solutions Ltd is a specialist manufacturer of performance timber doorsets, employing 40 people. Ahmarra's doorsets and associated products meet the requirements of architects, interior designers and customers for prestigious construction projects. Our customer base is drawn from the hotel, airport, education, commercial, health and luxury homes market. The majority of work is within a 100 mile radius of the company's factory base in Portsmouth.

Ahmarra prides itself on its quality door manufacturing credentials, combined the latest CAD design, CNC precision machinery and craftsmanship to consistently achieve high standards. This has enabled the company to attract and retain blue-chip customers including the majority of the Top 10 UK construction companies, Heathrow and Gatwick airports, Grange Hotels, Apex Hotels.

Ahmarra offers a range of standard and bespoke doors, allowing flexibility in design while retaining comprehensive fire certification in accordance with Building Regulations. The doors are faced in a range of materials including wood veneers, laminate and metal, offering a range of design options. Quality of finish and product compliance are seen as key hallmarks of the company.

A family-owned and run business for over 25 years. Ahmarra has a strong order book, notably from airports and hotel groups in the south east, the company is currently performing well, with an annual turnover in excess of £3m.

Ahmarra Door Installations Ltd are experts in specialist fire door installation at UK airports and other UK construction projects employing 5 people. Providing a full project management service and a fully certified installation service through the Q Mark Fire Door Installation Scheme (a UKAS certified third party certification for fire doorsets) in FD30, FD60, FD90 and FD120 fire resistance ratings. Since 2006, they have installed doorsets at many of the UK's major airports such as Heathrow, Gatwick, Stansted, Southampton, Edinburgh and Glasgow airports. They have installed in excess of £8 million worth of doorsets and successfully completed over 400 projects. The discipline required to be successful in this environment is totally different from normal construction, often working to very tight

deadlines and having to ensure work is completed in a single day or night shift necessitates making sure every single component is shipped on time as coming back tomorrow is often not an option in a live airport environment.

Ahmarra Installations Ltd, is a specialist, highly skilled and experienced joinery contractor, concentrating on luxury hotels, apartments and commercial projects employing 5 people. They work closely with contractors, designers and architects to provide a complete service for design specification support, manufacture and installation requirements. The dedicated team of highly-skilled, highly-motivated project managers, site foremen, skilled joiners and carpenters are used to working within tight budgets and deadlines and their ability to provide a significant, reliable and flexible service to our clients, is significant of having successfully completed many high-profile construction projects in the UK for over 25 years, with many returning clients.

MISSION, OBJECTIVES, STRATEGY AND TACTICS

As part of its business planning process, Ahmarra has set out the following Mission, Objectives, Strategy and Tactics

Where we want to be – Mission

To be the fire door manufacturer, installer and joinery contractor of choice for architects, interior designers and main contractors

Company Goals – Objectives

- By December 2018, we expect annual Ahmarra turnover to increase by 20% to £10.5 million from £8.8 million in 2017
- By December 2019, we expect annual Ahmarra turnover to increase by 10% to £11.5 million
- By December 2020, we expect annual Ahmarra turnover to increase 25% to £14.5 million.

Thereafter the company expects to grow annual sales by 10% year on year

Non-financial company goals are:

- Achieve over 95% customer satisfaction – measured by repeat business, customer satisfaction surveys and access to the website;
- Enhance industry reputation as a provider of high quality doors and door/joinery installation - measured by repeat business and access to the website;
- Strive to improve product quality in every aspect;

How we are going to achieve it - Strategy

- Increase manufacturing capacity and office space.
- Invest in research and development for the doorsets and product ranges;
- Increase the number of vital supply chain partnerships with main contractors;
- Develop, implement and have an ongoing marketing strategy;
- Increase market share by nurturing existing clients and obtaining new accounts;
- Increase sales support and estimating resources to cope with the additional sales/estimating demand.

Key things we need to achieve - Tactics

- Increase and improve manufacturing facility and capacity by end 2019;
- Increase sales estimating capacity through training and IT by October 2018;
- Increase delivery capacity by recruiting 25% more staff by October 2018;
- Identify the 10 top ten external clients/architects and visit them regularly during 2018 and put into place trading agreements/volume rebates etc;
- Improve levels of technical support via CPD, technical manuals and BIM;

The company has already identified that key areas of the business needed improving and so redesigned the web site in December 2017 and have launched a number of new product ranges throughout 2016/2017.

Keys to Success

The following factors are regarded as crucial to the achievement of Ahmarra's mission:

- Achieving a sound financial platform to sustain and grow the company;
- Achieving greater brand recognition – so that the construction industry knows what Ahmarra can offer;
- Innovations introduced by Ahmarra lead the way in future door design;
- Offering a high quality professionally run and delivered service – tied into the fire and ISO standards;
- Establishing a wider customer base, with more customers requesting our services and recommending Ahmarra to others;
- Develop our internal systems and production processes to ensure we offer a consistently high quality of service.

MARKETING PLAN

Customers

Luxury Homes – working with interior designers and architects to provide a fully bespoke service for luxury residential panel doors;

Exclusive Hotels – working with hotel chains such as Grange, Apex and Intercontinental on their design, manufacture and installation requirements for internal doors and joinery. Here, Ahmarra's expertise extends to full reception areas, wall panelling, cabinet joinery, vanity units, veneered cubicles, timber flooring and bespoke joinery products. Ahmarra have produced a new hotel range of doorsets specific to his sector.

Education and Healthcare – Ahmarra's severe-duty tested doorsets are particularly suited to public buildings such as schools and universities. Ahmarra have produced an Education Range of doorsets specific to this sector.

Airports - since 2006, Ahmarra has supplied and fitted thousands of fire-rated doorsets at UK airports, specifically at Heathrow and Gatwick. Ahmarra has invested heavily in the construction of airport doorsets, and created a technical catalogue of nearly 300 standard door types.

Commercial – Ahmarra offers solutions to the challenges presented by building regulations and performance requirements of commercial properties including banks, offices, retail shops, bars and restaurants;

Heritage – Ahmarra’s project list includes a number of landmark heritage properties;

Research and development plays an increasing role within the company set up. To achieve and maintain a “high quality” positioning, Ahmarra works with target clients and specifiers on an on-going basis in order to develop a technology focus that meets clients’ needs.

How Growth will be achieved

Ahmarra should focus on building an ongoing reputation for top quality (lower volume) and leverage the “quality Made in Britain” pitch for the home market.

Ahmarra wants to be seen as the leader in door innovation, incorporating a variety of materials and designs and product innovations to produce doors that are compliant with fire standards.

To achieve this, Ahmarra will continue to expand and improve on current product range for specific sectors. The aim would be to research and develop the necessary designs, technical drawings and technical information for each door type. The scope of would include the following:

A key element of Ahmarra’s growth strategy is to move from responding to whatever is requested to developing a set range of door sets that can be individually branded to suit different corporate customers with better technical and specified information.

The planned research and development will include looking at doors around the EU and looking at whatever appears innovative in either design or product eg concealed doors, or use of innovative materials, (eg banana veneer).

Business Information Modelling (BIM) drawings will be produced in order for Ahmarra to comply with the forthcoming regulations for BIM drawings. Ahmarra will also ensure the technical drawings will incorporate both 2D CAD and BIM.

Competitor Analysis

Due to the difficulty in obtaining the required certification for doorset products, Ahmarra has a relatively small number of competitors.

Ahmarra's main competitor is IDSL (Integrated Door Solutions Ltd) which rose from the ashes of our previous main competitor Leaderflush, who folded in 2016.

The total value of the UK market is not known but believed to be in the 100s of millions.

The majority of competitors are in the £3 million to £10 million turnover range and include UK Firedoors, European Doors, Scotdoors, Cotswold, Shadbolt, Enfield.

The main issue is breaking specification as the market leaders are often specified for projects at an early stage and the customer is then reluctant to go against the specification.

The challenge for Ahmarra is to become more frequently specified customers and then successfully tender for product ranges with improved margins.

Ahmarra is as strong as its competitors in areas that are important to the customer, including products, quality and reliability.

Steps to market the business

The Company's future strategy is to reach the specifier at an earlier stage in the order process through marketing and sales tactics such as CPD's to architects, technical brochures, website product selectors and BIM models, Barbour ABI sales leads and advertising.

To become the "fire door of choice" with specifiers and architects the company must have a competitive advantage within the marketing mix. If it can't be price, then it has to be either quality or technology.

At the same time the company should focus on engaging and building long term relationships with main contractors to become recognised supply-chain partners.

Similarly, engaging with one or more (preferably several) strategic partners/suppliers may allow entry into new markets whilst keeping costs down and minimising risk. This is probably the only way to expedite certification procedures in other territories whilst minimising cost.

Promotion

Ahmarra will be using the following promotional methods to communicate with customers:

Ahmarra wants to project an image as an industry-leading high-quality door manufacturer whose quality of finish, certification for products and installation as well as building compliance, all of which are key hallmarks of the company. Part of this will entail increasing PR output, with a focus on high quality projects.

Reasons for moving

Our current facility is too small and inefficient to meet the increasing demands of our production schedule. The new facility will improve this in the following ways:

1. Stream lining production Due mainly to lack of space our product does not have an efficient work flow through the factory. This can mean that each door travels from one area to another and often doubles back again or has to be stored in areas that block work flow, meaning that work has to be delayed or halted until this product is finished.

This will be vastly improved with Increased factory space with room for growth

2. Office space We are at capacity desk space but have need to hire additional office staff resources to meet estimating/sales requirements.

3. Marketing support/brand awareness/quality control Our customers operate in high end industries and expect us to work in a clean, efficient facility with a strong emphasis on quality and environmental controls. These are externally audited regularly as well as customer visits to ensure our working practices so we need a production facility that will demonstrate our commitment to these and enable us to maintain our reputation as one of the UK's finest door manufacturers.

4 Parking our current facility offers only 15 spaces for 39 staff Staff that require parking and no facility for company vehicles or visitors. Increased parking would not only improve the work flow, meaning less interruptions to the working day but be an added incentive to staff benefits as well as creating a good impression for visitors arrival.

5 Shared/poor access. We currently share with Durkin and access can be an issue. It is partial residential area and whilst we do our best not to disturb residents, often deliveries can queue on the main road as only one vehicle can be in our goods in area at one time and the only holding area is the main road.

6 Poor insulation The current facility is not in a good state of repair and has lots of problems with holes in the roof, which causes flood/water damage and can halt/affect production. It also makes it very difficult to heat and the factory can be very cold in winter due to heat loss.