Tarek Sryo

SASCO Group

“ I saw an opportunity to pioneer innovation and modern business practices in the MENA stationery industry. ”

COUNTRY	Egypt
INDUSTRY	Industrials
EMPLOYEES	590
YEAR SELECTED	2011
PARTNER	Alaa Sryo
WEBSITE	www.sascogroup.com

COMPANY SNAPSHOT

Armed with gel pens and trendy binders, Tarek and Alaa Sryo are starting their own Egyptian revolution. The brothers joined their father's company full time in 2005 with hopes of introducing modern business practices to Egypt's stagnant stationery market. Since its founding in 1975 by Nabil Sryo and his partner Wahid Soufi, SASCO has become one of Egypt's largest manufacturers of stationery supplies – but by the time the Sryo brothers joined, SASCO's growth had stagnated and profits were declining ~4% annually. Thus far the brothers have **introduced new product lines, developed hypermarkets as a high-margin distribution channel, and doubled exports.** Alaa and Tarek intend to make SASCO the standard bearer of innovation in the region while launching an e-commerce platform and expanding to five to six new markets each year.

The Sryo brothers have always been proud of their family business. In the tight-knit community of manufacturers and wholesalers in which they were raised, Mr. Sryo and his brand were well-known and trusted. They both enrolled in the American University in Cairo in 2001 , where Tarek pursued a degree in Political Economy and Alaa a degree in Economics. College introduced them to a new demographic of trend-conscious shoppers and inspired them to think innovatively about SASCO's potential. Meanwhile, they continued to volunteer at the company and witnessed the effect of **cheap Asian imports on the price sensitive Egyptian market.** The brothers graduated determined to help SASCO transition from a slow-growing business based on tradition, to a **high-growth business based on market demands and bottom line improvement.**

They started at the bottom of the hierarchy in product development in the factories but quickly proved themselves. Tarek, who followed the sales and marketing track, pioneered SASCO's after-sales service, developed modern trade as a distribution channel, and invested in new vehicles to facilitate more efficient product delivery to clients. Alaa, who focused on finance and manufacturing, revamped SASCO's products to target specific demographics and introduced new lines for a younger and more sophisticated audience. When the economic crisis hit Egypt in 2007, the duo toured trade fairs across the region to develop products targeted at specific markets and established relationships with international importers. They succeeded **in growing exports from three to 25 countries** and in 2009, the founders appointed Tarek and Alaa Senior VPs of marketing and production respectively and handed over control of day-to-day operations.

SASCO products are high-quality and reasonably priced in comparison with expensive international brands and cheap low-quality Asian imports. End-users love both the Reynolds and Bravo lines, the latter of which was the brain-child of the entrepreneurs in 2009. In 2010, SASCO sold 40 million of their most popular Reynolds pen and 10 million of their most popular Bravo pen, while the next closest competitor sold ~35 million. Import/export companies in other MENA countries–as well as Egyptian wholesalers, hypermarkets, businesses and retailers – rely on SASCO to manufacture the latest trends in the global stationery market. The brothers travel around the region to scout trends and work closely with specialized manufacturers in Europe and Asia to develop new technologies. With client relationships dating back 25+ years and preferential treatment from suppliers, SASCO is well positioned to anticipate and meet market demands.

Although the recent economic crisis in Egypt poses setbacks for growth, SASCO has strategized by expanding exports and opening new local distribution channels. In late 2011, SASCO acquired an **Egyptian B2B distribution company with ERP software, IT expertise, and a client list including the Four Seasons, HSBC, and Microsoft.** The brothers believe the convenience of online bulk-purchasing is "the future" of their industry and eventually hope to sell directly to consumers. SASCO will also increase distribution in certain parts of Egypt with favorable demographic trends, while leveraging existing relationships with regional hypermarkets to grow exports. In the years to come, SASCO plans to **raise the standard for innovation in theMENA stationery market.**