

تجاره  
Tejarah Talks

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IMPACT

# ECONOMIC GARDENING

GROW YOUR OWN



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MAJOR PLAYERS	PRODUCTIVITY GAP	EQUAL TERMS	ADOPTING AI	ECONOMIC GARDENING	FERTILE GROUND	GARDENING TOOLS	LIVE EXAMPLE	SUCCESS STORIES	DIG IN	TEJARAH TALKING
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About Tejarah Talks

# INSPIRE EDUCATE ENTERTAIN

Tejarah Talks is organized by Oman Business Forum in association with the Ministry of Commerce, Industry & Investment Promotion. With a firm focus on Oman's current and future business, export and investment environment, Tejarah Talks is a series of informal, interactive evening discussions that brings together some of Oman's most inspirational and innovative thinkers and doers to share their stories, insights and ideas with an enthusiastic crowd. It is a platform for positive interaction.



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**Panelist** **His Excellency Pankaj Khimji**  
Foreign Trade & International Co-operation Advisor  
Ministry of Commerce, Industry & Investment Promotion



**Panelist** **Hussain Al Lawati**  
CEO  
Development Bank



**Panelist** **Masoud Al Rawahi**  
Co-founder & Partner  
Phaze Ventures



**Moderator** **Jamal Al Asmi**  
Executive Producer  
RealityCG



**PAUL ROMER**

SEIDNER UNIVERSITY PROFESSOR & FOUNDING DIRECTOR, CENTER FOR THE ECONOMICS OF IDEAS, CARROLL SCHOOL OF MANAGEMENT, BOSTON COLLEGE

## Talking Point 1

# MAJOR PLAYERS

There are an estimated 400 million small and medium-sized enterprises (SMEs) worldwide, creating close to 70% of all employment and global GDP. In emerging markets as many as 7 out of 10 formal jobs are generated by SMEs.<sup>1</sup> The World Bank projects that 600 million new employment opportunities will need to be created by 2030 to absorb the growing global workforce - that renders the development of SMEs a high priority for governments around the world. This demonstrates the importance of SMEs to national economies and the global economy at large. In fact, there are reasons to think they are about to become even more important.



The UN celebrates MSME Day (micro-, small- and medium-sized enterprises) 27 June every year. It is an attempt to bring the world's attention to a part of the economy that is often overlooked.<sup>2</sup> Not only are there a large number of SMEs, they also work in every part of the economy, from manufacturing solar panels and high-end fragrances to building free zones and designing eco-friendly food packaging.

## Footnotes

- 1 The World Bank, Small & Medium Enterprises Finance
- 2 UNCTAD, Galvanizing MSMEs Worldwide by Supporting Women & Youth Entrepreneurship & Resilient Supply Chains
- 3 US Chamber of Commerce, New Business Applications Surge Across the Country
- 4 Statista, Number of SMEs in the European Union from 2008 to 2023
- 5 NCSI, Monthly Statistical Bulletin, April 2024

In China, SMEs represent 80% of non-government employment. Vice-Premier Liu He describes them as the mainstay of the domestic economy. According to US Census Bureau data, the 5.5 million businesses started in 2023 is the highest year on record.<sup>3</sup> In Europe, the number of SMEs has increased by 18% 2008-2022, employing 84.6 million people in 2022.<sup>4</sup> While in 2023, Oman witnessed a 7.4% increase in registered micro-businesses and an 18.7% increase in the number of small businesses. As of December 2023, SMEs represent 14.1% of all businesses in Oman employing 33,990 - playing a key role in adding value in every sector of the economy, contributing 12.9% to GDP.<sup>5</sup> They bring innovative solutions to challenges like climate change, resource efficiency, product development and help spread innovation in a variety of industries across the country. They are central to Oman's transition to a green, sustainable and digital economy. Indeed, they are essential to the country's competitiveness, prosperity and resilience to external shocks.

## Oman SME Classification

### Micro-business

Employees 1 - 10  
Annual Revenue Less than US\$388,000

### Small Enterprise

Employees 11 - 50  
Annual Revenue Between US\$380,000 - US\$3.2 million

### Medium-sized Business

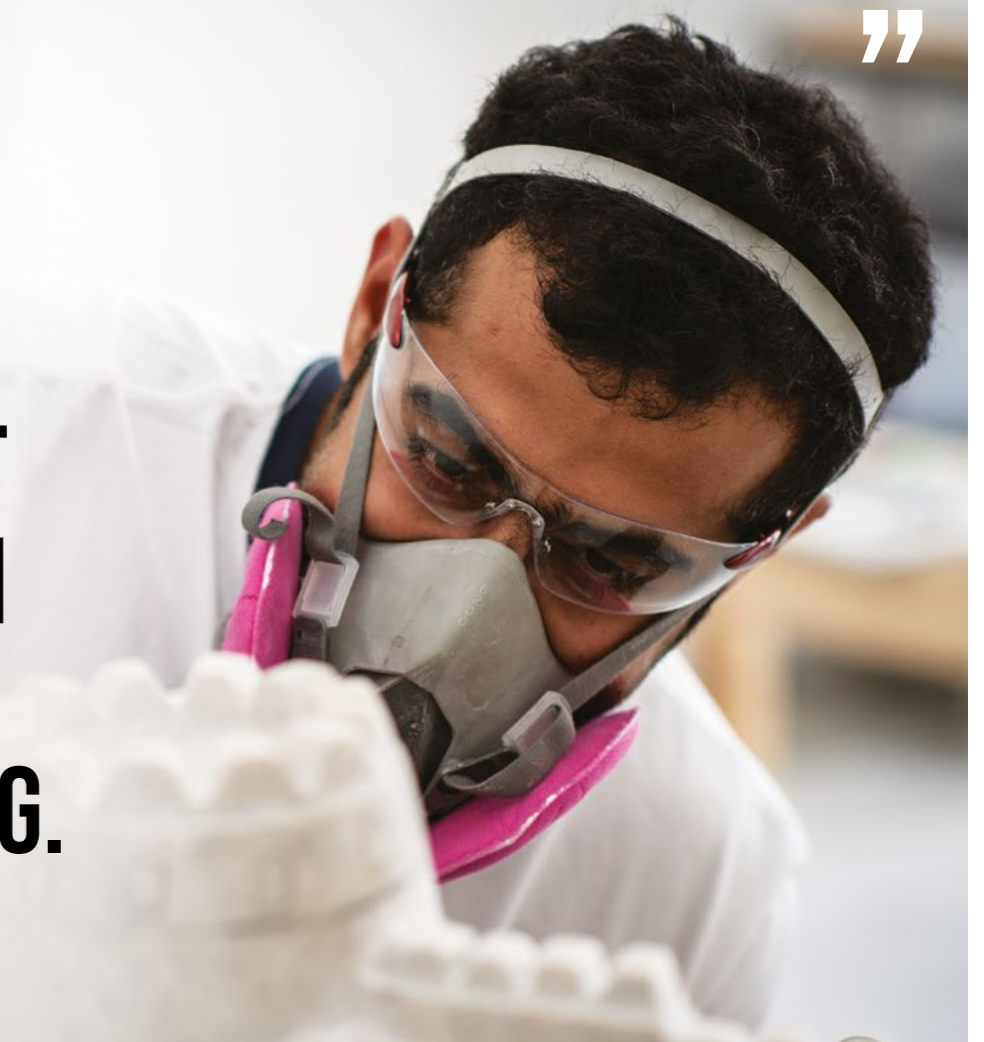
Employees 51 - 150  
Annual Revenue Between US\$3.2 million - US\$13 million

“

**PRODUCTIVITY ISN'T EVERYTHING, BUT IN THE LONG RUN IT'S ALMOST EVERYTHING.**

PAUL KRUGMAN

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Footnotes

- 6 McKinsey, Unlocking Growth in Small & Medium-size Enterprises
- 7 Economics Observatory, The UK's Productivity Gap: What Did it Look like Twenty Years Ago?
- 8 Ibid
- 9 McKinsey, Unlocking Growth in Small & Medium-size Enterprises
- 10 The State Council, The People's Republic of China, China to create 1m innovative SMEs by 2025

# PRODUCTIVITY GAP



**SMEs are generally less efficient than large businesses. Productivity - output per unit of input - tends to be lower. It is estimated the productivity gap between large companies and SMEs can vary by a factor of two or more.**

This gap also fluctuates between countries. For example, data for the market sector of the economy - that is, excluding public administration, health, education and property - indicate output per hour worked in the UK is almost 40% below that in the US. And while the gap narrowed by a small amount after 1979, it has widened again since 1995.

The gap with major European economies is also striking. Despite some improvement since the early 1990s, output per hour worked in the UK's market economy is around 20% below that of France and Germany. The UK is in the middle range of EU countries, with productivity levels comparable to Sweden, Finland and Spain. Closing SME productivity gaps is possible and could have a dramatic impact. McKinsey estimates halving the productivity gap between SMEs and large companies could add US\$15 trillion to global GDP.

Today, governments worldwide are focusing on the fact that if they are to deliver growth, they need to help SMEs bridge the productivity divide. In 2021, and part of the 14<sup>th</sup> Five-Year Plan (2021-25) the Chinese government launched a plan to cultivate one million innovative SMEs by 2025 boosting productivity by 18%. The plan includes incubating 100,000 specialized SMEs and 10,000 "little giants", high-end small tech enterprises in early-stage development.



## Talking Point 3

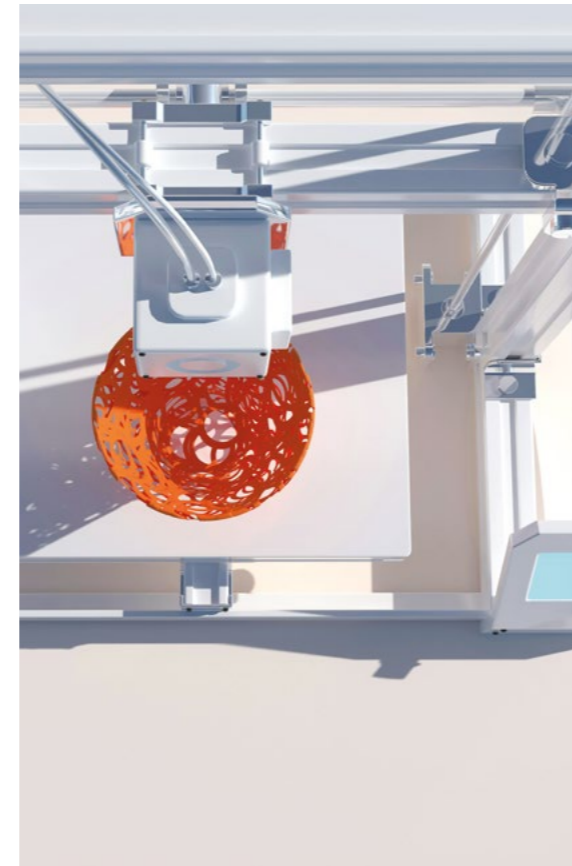
# EQUAL TERMS

Another disadvantage SMEs face is lack of scale. In most economies, they rarely advertise or recruit at a national level. The majority are embedded in the local economy and often see little advantage in expanding beyond current markets.



This is particularly true in the services sector, which can be difficult to scale, given that growth often depends on hiring more personnel while maintaining the same level of skill and service.

With 32,085 employees, the majority of Omani SMEs are small-businesses – firms with 11 to 50 employees – who between them fulfil functions that in large companies are performed by dedicated specialists.<sup>11</sup> For example, IT, tax and regulatory compliance, sales and marketing, project management and administrative support are just some of the functions that distract SME staff from their core business. However, advances in technology are beginning to offer SMEs a way to overcome these scale disadvantages.

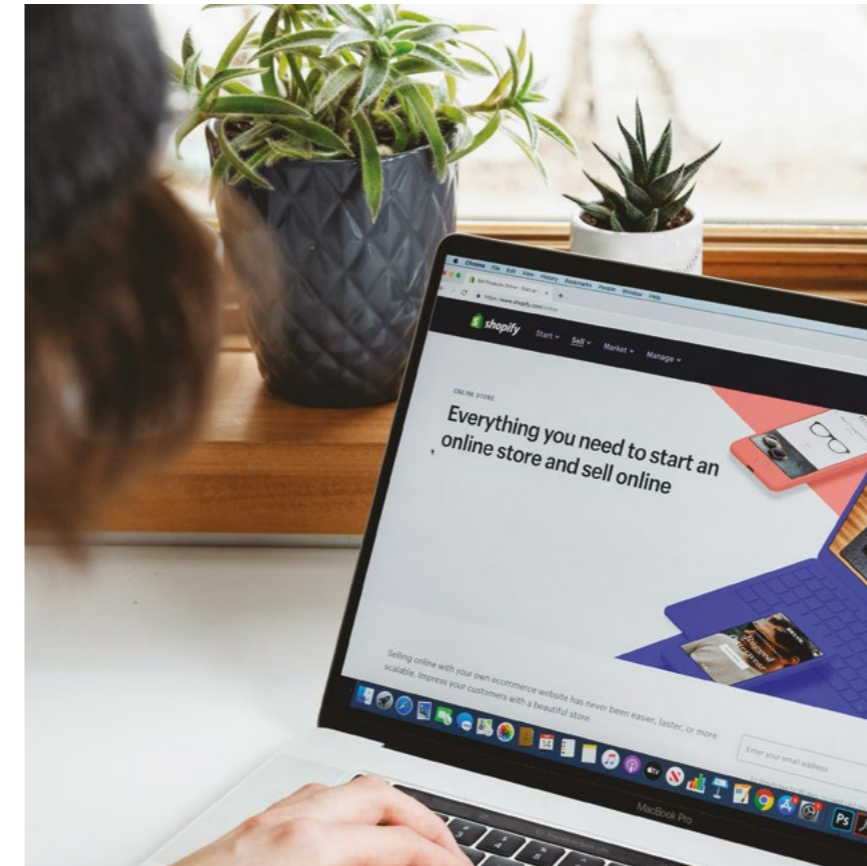


## Additive Manufacturing

A shortage of spare parts triggered by supply-chain disruption during the COVID-19 pandemic was in many instances bridged by SMEs with industrial 3D printers that could produce substitutes using high-strength composites. The flexibility offered by 3D printing – additive manufacturing (AM) – is now viewed by many governments as a way of closing the productivity gap between SMEs and larger firms. In the US, the Biden Administration's AM Forward initiative is targeted at strengthening the AM capabilities of SMEs, which account for 99% of US manufacturing enterprises.<sup>12</sup>

## Footnotes

- 11 NCSI Monthly Statistical Bulletin, April 2024
- 12 The White House, Using Additive Manufacturing to Improve Supply Chain Resilience and Bolster Small & Mid-Size Firms
- 13 Ibid
- 14 Amazon, Small Businesses Selling on Amazon Have Created 250,000 Jobs in the UK to Date
- 15 Emarketer, Worldwide Ecommerce Sales to Break \$6 trillion, Make Up a Fifth of Total Retail Sales



## Barriers

While AM has significant benefits, there are several reasons US-based SME manufacturers are not adopting such new technologies. First, they lack a clear demand signal from customers who are unwilling to make advance commitments to buy products from companies that invest in the equipment. This can make investment in 3D-printers risky, developing the ability to print parts in metal is expensive and could amount to expenses much greater than suppliers' normal annual investment budgets. Second, due to the lack of a clear demand signal, many SME manufacturers find they cannot access affordable finance that would support these investments. Finally, SMEs may lack the knowledge required to use new technologies, like 3D-printers, or train their staff appropriately.

Overcoming barriers to technology adoption by SMEs would have a significant effect. As mentioned, American SMEs account for 99% of US manufacturing businesses and provide more than 5 million US jobs. However, American SME manufacturers have often fallen behind larger firms in tech investment, in part because of demand, financing and knowledge challenges. The result is that the largest manufacturers' labour productivity is 58% higher than their SME counterparts – a significant part of this gap is explained by SMEs lack of technology adoption.<sup>13</sup>

## E-commerce

E-commerce is allowing SMEs to do things that were once the province of much larger companies. The ability to export used to require an international sales department and expensive advertising campaigns. However, a recent Amazon UK SME Impact Report highlights how British SMEs selling on Amazon have created 250,000 jobs across the UK to date. Many small business owners have been able to adapt to recent challenges and thrive online for the first time. Over 15,000 UK SMEs selling on Amazon surpassed US\$125,000 in sales in 2021 and over 700 reached sales of US\$1.2 million or more for the first time.<sup>14</sup>

More than half of all physical product sales on the Amazon store in the UK are from independent selling partners, most are SMEs. Over 85,000 UK SMEs now sell on Amazon – up more than 25% year-on-year. These businesses reached hundreds of millions of customers around the world in 2021 – more than half of UK-based sellers exported to another country. They also sold more than 950 million products on Amazon, up from 750 million the year before, the equivalent to over 1,750 products a minute on average.

With traditional in-store shopping becoming less of a feature of our everyday life and consumers shopping cross-borders in search of bargains, e-commerce continues to grow. It is estimated almost three-quarters (71%) of millennials and 60% of Gen Z in Belgium, France, the Netherlands, Portugal, Spain and UK shop cross-border several times a year. In fact, it is predicted worldwide retail e-commerce sales will make up a fifth (20.1%) of all retail sales in 2024, totalling US\$6.3 trillion.<sup>15</sup> This consumer trend creates huge opportunities for Omani SMEs and many are adapting effectively by configuring their inventory and websites to capture international sales.



**A recent Amazon UK SME Impact Report highlights how British SMEs selling on Amazon have created 250,000 jobs across the UK to date.**

## Talking Point 4

# ADOPTING AI

The new generation of AI systems can affect and benefit SMEs in two ways - altering their business environment, or enabling them to change business practices and increase productivity and outreach.

Today, the main business applications of AI relate to automation, image/face recognition, natural language processing, data analytics and decision making, the latter including enhanced information management and predictive capacity.<sup>16</sup>

Although automation often has a negative connotation, it can be a boon for SMEs, reducing the need to hire staff with niche technical skills and knowledge. For example, AI can perform predictive analytics of big datasets that helps SMEs understand their market. It can view product images and write descriptions on them. It can respond to queries via chatbots and even

recommend products and services to customers. Data-entry tasks can be automated, reducing the workload for SMEs, allowing staff to focus on their core business.

According to Goldman Sachs Research, breakthroughs in AI have the potential to bring about sweeping changes to the global economy. As tools using advances in natural language processing work their way into SMEs and society, they could drive a 7% - or almost US\$7 trillion - increase in global GDP and lift productivity growth by 1.5 percentage points over a 10-year period.<sup>17</sup>

“In order to achieve a meaningful global societal and environmental impact, it is imperative that we actively engage with small and mid-sized companies.”

Julia Devos, Head, New Champions' Community, World Economic Forum



## Footnotes

- 16 OECD, Artificial Intelligence: Changing Landscape for SMEs  
 17 Goldman Sachs, Generative AI Could Raise Global GDP by 7%  
 18 Ibid  
 19 ZDNET, AI Threatens 7,800 Jobs as IBM Pauses Hiring  
 20 MIT News, Most Work is New Work, Long-term Study of U.S. Census Data Shows

## AI Exposed

Analyzing databases detailing the task content of over 900 occupations, Goldman's economists estimate roughly two-thirds of US occupations are exposed to some degree of automation by AI. They further estimate that, of those occupations exposed, a quarter to as much as half of their workload could be replaced. But not all that automated work will translate into layoffs. Although the impact of AI on the labour market is likely to be significant, most jobs and industries are only partially exposed to automation and are more likely to be complemented rather than substituted by AI.<sup>18</sup>

Some large corporates are already operating on the assumption AI will reduce the need for staff. For example, IBM has paused hiring for those roles it deems could be replaced by AI, particularly back-office or non-customer-facing roles - these account for about 26,000 employees, of which 30% (or 7,800) could be fully automated by AI. This would amount to about 3% of the total IBM workforce.<sup>19</sup>

## Shrinking Corporates

If Goldman's forecasts are accurate, one consequence is that some larger companies could shrink and become SMEs. Conversely, displaced workers may well end up starting their own ventures or working for others. Interestingly, many of the great inventions of the last 200 years were designed specifically to replace labour. The tractor was built to replace animal and human muscle power with internal combustion power. The assembly line was designed to replace slow artisanal labour with machine precision. And all these technologies have worked - an enormous amount of human labour and expertise was displaced. MIT economist, David Autor found that 60% of today's workers are employed in occupations that did not exist in 1940. This implies that more than 85% of employment growth over the last 80 years is explained by the technology-driven creation of new positions.

It is hard to escape the fact that important as they currently are, SMEs are going to become even more so in the years ahead. While economies of scale continue to give large businesses an advantage, scale is not what it once was and nimbler, smart Omani SMEs that tap into and leverage the latest tech developments may find they can compete in ways that until now were impossible.<sup>20</sup>

## Engines of Growth

### Diversification

SMEs operate in multiple sectors across Oman, contributing to economic diversification, helping the economy withstand economic shocks and reduce dependence on a single industry.

### Exports

Many Omani SMEs engage in international trade, contributing to non-oil export revenue by acting as suppliers or subcontractors to larger companies, playing a role in global supply chains.

### Impact

Omani SMEs are often more connected to their local communities and are more likely to engage in socially responsible practices, including initiatives such as promoting sustainable business practices and contributing to community development through job creation.

### Adaptable

Due to their size, Omani SMEs can adapt rapidly to changes in the business environment. This flexibility allows them to respond to market demands and technological advancements effectively in today's fast-moving world.

### GDP

Collectively, Omani SMEs contribute 12.9% to GDP. Their cumulative impact on economic output is substantial, even if individual SMEs may have relatively smaller turnovers.

### Suppliers

SMEs often serve as suppliers to larger companies, contributing to supplier diversity. This diversification helps reduce risk for larger companies and fosters a more resilient and competitive business ecosystem.

The contributions of SMEs to Oman's economy are multifaceted and their importance going forward will lie in their ability to bring diversity, agility and vitality to Oman's business ecosystem.

## Talking Point 5

Pioneered in Littleton, Colorado in 1987 and based on David Birch's research at MIT the concept of Economic Gardening recognizes that small businesses create most of the new jobs in local economies.<sup>21</sup>

# ECONOMIC GARDENING

### Footnotes

- 21 David Birch, The Job Generation Process, MIT Program on Neighbourhood and Regional Change  
22 Myra Moss, Economic Gardening: Changing Community Culture to Grow Entrepreneurs

While providing skill training for individual entrepreneurs is an important component of Economic Gardening, it is only part of the picture. If Omani SMEs are to have the best chance to grow and thrive, being part of a community culture that understands, values, supports and celebrates entrepreneurship is also key.

## Community Backing

Communities are often unaware of the depth and breadth of the local entrepreneur base and its contribution to the economy. And they might not understand the support they can provide and the importance of a supportive culture. "Culture is a mindset built on commonly held and shared beliefs...about starting, owning encouraging and supporting our own companies and entrepreneurs. It is a way of thinking that drives a group to act."<sup>22</sup> The actions of the public sector and residents demonstrating their support for entrepreneurship are at the heart of this mindset.

There are various aspects to entrepreneur friendly communities and a range of organizations and individuals need to contribute toward its creation. It is not just the responsibility of government. Indeed, cultural change is broad in its scope and goes beyond government authorities to less formal social networks embedded in the community. However, community leaders – private and public – can be change masters by championing initiatives and attitudes that support entrepreneurs and the growth of SMEs.

Talking Point 5 - Economic Gardening

# 1 RISK

At the most basic level, entrepreneurial communities embrace a mindset that tolerates risk and does not see trying and failing at business as a character flaw. It supports and encourages individuals who are willing to try time and again before reaching success.



# 2 FUNDING

It is important to offer SMEs a range of financing options in recognition of their particular needs. Building partnerships between private and public financing sources to reduce and share risk and provide incentive financing, shows support for SMEs.

# 3 CONSUMER SUPPORT

Supportive communities run buy local campaigns, encouraging residents to support and patronize local businesses and services first.

**“Economic developers spend all their time hunting for companies in other communities, when instead they should stay at home and help their local companies grow. They should do less “economic hunting” and more “economic gardening.”**

**Phil Burgess**  
President & Senior Fellow, Center for the New West



# 4 CELEBRATE SUCCESES

Organizations such as the Ministry of Commerce, Industry & Investment Promotion; SME Development Authority; Development Bank; Oman Chamber of Commerce & Industry; OPAZ; and OMRAN Group to name just a few recognize, promote and champion the successes of Omani entrepreneurs and SMEs.

# 5 GOVERNMENT LEADS

Government officials set the tone of appreciation for local SMEs. They ensure red tape is cut and approval processes are streamlined.



# 6 NETWORKS

SMEs benefit greatly from opportunities to network with peers. Facilitating the creation of an SME network provides businesses with a supportive and strategically beneficial environment.

# 7 INFRASTRUCTURE

SMEs need access to markets and resources. Internet capacity is a critical component of an entrepreneurial friendly community.



Incubators and maker spaces provide SMEs with access to tools, equipment and other technology needed to test and launch new products and ideas.

# 8 SUPPORT SERVICES

Talking Point 6

The term Economic Gardening was coined by Phil Burgess of the Centre for the New West who made the observation that communities should do less economic hunting - recruiting companies from other towns - and stay home and focus on growing local companies - Economic Gardening.



Footnotes

- 23 Edward Lowe Foundation, Not All Entrepreneurs Are Alike: The 4 Phases of Second Stage
- 24 Anne Kary, Springboard for Mid-tier Companies to Grow Exports, Star, March 2021
- 25 Opening remarks for Minister Chan Chun Sing, Press Conference for Sectoral Company Visit to AEM Singapore Ministry of Trade & Industry, Singapore, September 2020
- 26 High Impact Firms: Accelerating Canadian Competitiveness, BDC, May 2015
- 27 Mid-tier Companies Development Programme (MTCDP), Malaysia External Trade Development Corporation, December 2021

Littleton adopted Economic Gardening in 1987 as an innovative response to a significant economic downturn the city faced due to the relocation of a major employer. The background to this adoption was the closure and move of the Martin Marietta aerospace company which resulted in the loss of thousands of jobs, severely impacting the local economy and community.

Since the founding of the first Economic Gardening program, 800+ communities across the US and around the world have contacted Littleton to discuss implementing similar programs.

The Basics

Economic Gardening focuses on helping Stage II SMEs grow in a community. In other words, instead of using incentives to keep or lure large companies in a community - “retention and attraction” – programs look to “grow” the community’s smaller firms by providing them with the strategic and technical expertise they would otherwise not be able to access. Stage II companies are not common - typically 10 to 15% of all businesses - yet they create more jobs than companies in any other stage, about 35 to 45% of all new jobs.<sup>23</sup>

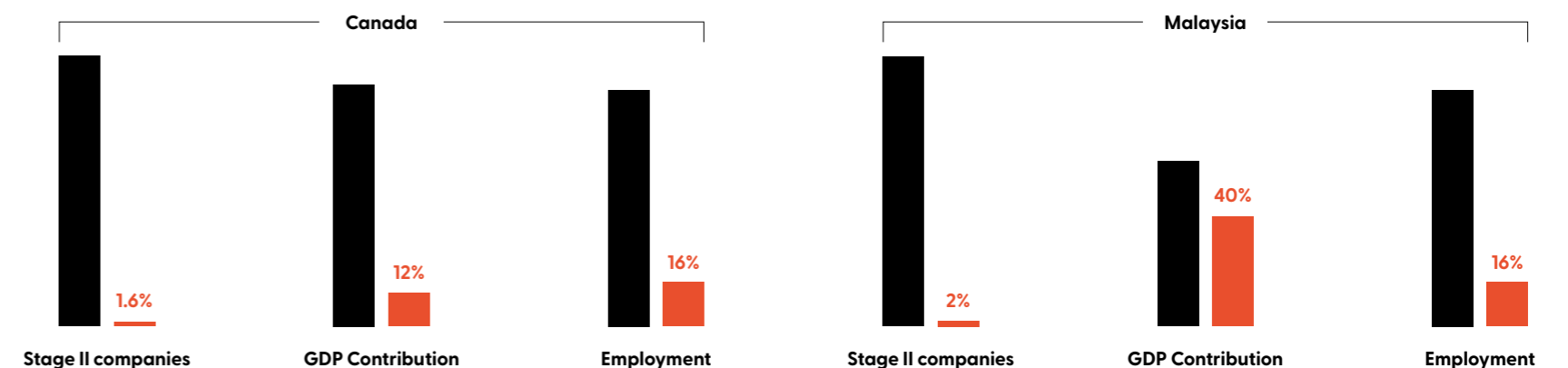
**Stage II SMEs have proof of market - US\$1 million in sales - and have 10 or more people on the payroll. Beyond the survival stage, they are focused on growing.**

Malaysia

It is important to mention that Economic Gardening programs go beyond offering financial advice to providing advisory, transformation, capability-building and networking opportunities to help Stage II SMEs tackle challenges and achieve their goals. Such an approach has proven to be an effective way for governments to assist Stage II SMEs. For example, a program in Malaysia has helped facilitate an export increase of US\$1.1 billion across 275 companies.<sup>24</sup> And the participants in a program in Singapore expect to achieve 20% Y-o-Y growth over the next three years.<sup>25</sup>

Stage II Impact

Stage II SMEs have a demonstrated track record of success, including an ability and willingness to grow and a strong financial history, making them more likely to be able to implement advisory support. In Canada, for example, Stage II companies constitute 1.6% of all firms, yet contribute 12% of GDP, 16% of employment, account for 11% of exporters and 17% of export value.<sup>26</sup> While Stage II companies in Malaysia represent 2% of all firms are key economic players - contributing about 40% of the country’s GDP and employing more than 16% of the workforce.<sup>27</sup> By targeting such companies, Economic Gardening programs around the world have had a significant impact on both city and national economies.



## Talking Point 6 - Fertile Ground



### Channel Support

To ensure support goes to SMEs with the highest potential, governments employ stringent selection processes that test for potential, scrutinizing quantitative data about the business, its history, as well as qualitative criteria such as the scale of ambition and the presence of growth mindsets. For example, Singapore's Scale-up SG helps selected Stage II SMEs scale to become major employers and leaders in their field. The selection criteria for the program includes the company having a strong track record, leadership with real ambitions and a clear growth strategy, high potential for economic spin-offs, such as creating job opportunities and bandwidth to dedicate significant management time and resources to accelerate growth.<sup>28</sup>

To attract Stage II SMEs, existing Economic Gardening programs have found they need to be able to understand each company's unique needs and address them on a case-by-case basis. Rather than taking a cookie-cutter approach, program representatives connect with companies, build relationships with them to ensure the program is a good fit, understand their starting point and explain how the program will benefit them. Such tailored outreach has been found to be particularly relevant for ensuring inclusion of women-led SMEs.<sup>29</sup>

**Economic Gardening programs have found they need to be able to understand each company's unique needs and address them on a case-by-case basis.**

### Tailored Programs

While SMEs might be similar in scale, they span nearly all sectors and vary in capabilities, challenges and objectives - requiring different kinds of support. However, SMEs are not always well equipped to identify the type of support they need. A report from the UK found SMEs use about 20 different sources to find the right program and 72% of them research for at least 30 hours a week for three weeks before deciding to join.<sup>30</sup> Research reveals the most effective programs tailor support to companies' specific needs by doing two things:

First, they limit their scope by targeting specific groups of SMEs that have shared objectives. These objectives often relate to the challenges businesses face, including internationalization and digitalization. For example, Malaysia's Mid-Tier Companies Development Program (MTCDP) focuses on Stage II companies in the manufacturing and service industries aiming to grow exports of goods and services.<sup>31</sup> While Singapore's Industry 4.0 Human Capital Initiative (IHCI) program targets manufacturing companies that are looking to digitalize their operations so focuses on relevant Industry 4.0 applications.<sup>32</sup>

#### Footnotes

- |    |  |    |   |
|----|--|----|---|
| 28 | Sale-up SG, Enterprise Singapore, 2021                                   | 33 | Program Phases & Timelines, Mid-tier Companies Development Programme, December 2021 |
| 29 | Accelerating SME Recovery, 30 March 2021                                 | 34 | Sale-up SG Programme Structure for Inaugural-run, Scale-up SG 2019                  |
| 30 | Ibid   | 35 | High Impact Firms, May 2015   |
| 31 | MTCDP Application Criteria, Mid-tier Companies Development Program, 2021 | 36 | Scale-up SG Fact Sheet, Ministry of Trade & Industry, Singapore, 2019               |
| 32 | What is IHCI Industry 4.0, Human Capital Initiative, 2021                | 37 | MTCDP Application Criteria, December 2021   |

**Economic Gardening is framed as a long-term, strategic approach to economic development, distinct from quick fixes or temporary solutions.**

Second, they recognize not all SMEs - even those within the same industry - have the same needs. So, they employ a range of interventions for these companies to choose from and support them in navigating the options to create a program that best suits their needs.

MTCDP, for example, begins with a diagnostic phase to identify companies' most acute needs and relevant interventions. This process comprises a survey that helps reveal export challenges Malaysian SMEs face, interviews with top management and a diagnostic clinic during which interventions are ultimately chosen.<sup>33</sup> Scale-up SG likewise begins with a strategize phase where companies work to align on priorities and develop and commit to a roadmap for growth and targets.<sup>34</sup>

In Canada, the Growth Driver Program run by the Business Development Bank of Canada provides selected companies with formal management training, peer-to-peer networking and other tailored non-financial services. A small team of highly experienced advisors works with firms to assess their needs and identify solutions to challenges, including planning a multiyear growth outlook and preparing a management plan as well as providing targeted support for CEOs and leadership teams.<sup>35</sup>



### Commitment

Economic Gardening programs typically involve a blend of strategic advisory, delivery and capability-building support. Translating this support into results requires a high level of commitment from SMEs. Programs can use a number of tactics to encourage companies to commit not just to completing the program but to implementing what they learn and making new strategic moves. For example, Scale-up SG requires participating SMEs to pay 20 to 30% of program costs.<sup>36</sup> Malaysia's MTCDP similarly requires participants to cover certain costs, such as travel expenses. The program also expects CEOs and senior management to commit to the program for one day per month over the course of nine months.<sup>37</sup>

### Long-term

Economic Gardening is framed as a long-term, strategic approach to economic development, distinct from quick fixes or temporary solutions. It is likened to a lifestyle change, requiring time to build the necessary infrastructure and achieve a scale of operation that makes a meaningful impact on the economy.



*Talking Point 6 - Fertile Ground*



**THERE IS NO DOUBT ABOUT THE IMPORTANCE OF URBAN ECOSYSTEMS IN UNLOCKING THE POTENTIAL OF STAGE II OMANI SMES AS DRIVERS OF ECONOMIC GROWTH AND RESILIENCE.**

Talking Point 7

# GARDENING TOOLS

A typical Economic Gardening program provides training and support in five key areas:



## Core Strategy

Does the business compete by having a better product, or the lowest price? Management must focus either on cost reduction or continually creating new products - the strategy differs significantly between each approach.

## Market Dynamics





Where is the market ripe, growing, being disrupted or not consolidated? What is the number and nature of competitors? What is the company's business model?

## Innovation

All businesses must innovate to compete. Where does the company's innovation occur - by bringing new products to market or innovating in internal processes to drive costs down?

## Temperament

Understanding staff personality traits can be hugely valuable and could hold the key to taking Stage II SMEs to the next level.

<b>Dominance</b>	 Falcon	Commanding individuals motivated by authority, competition and success who are self-confident, direct and forceful by nature.
<b>Influence</b>	 Cockatoo	Energised, pioneering and affirmative individuals motivated by social recognition and strong relationships.
<b>Steadiness</b>	 Dove	Supportive, stable and collaborative individuals who are patient, calm and possess excellent listening and team skills.
<b>Conscientiousness</b>	 Owl	Quiet and reserved individuals focused on accuracy who are motivated by an opportunity to use expertise or gain knowledge.

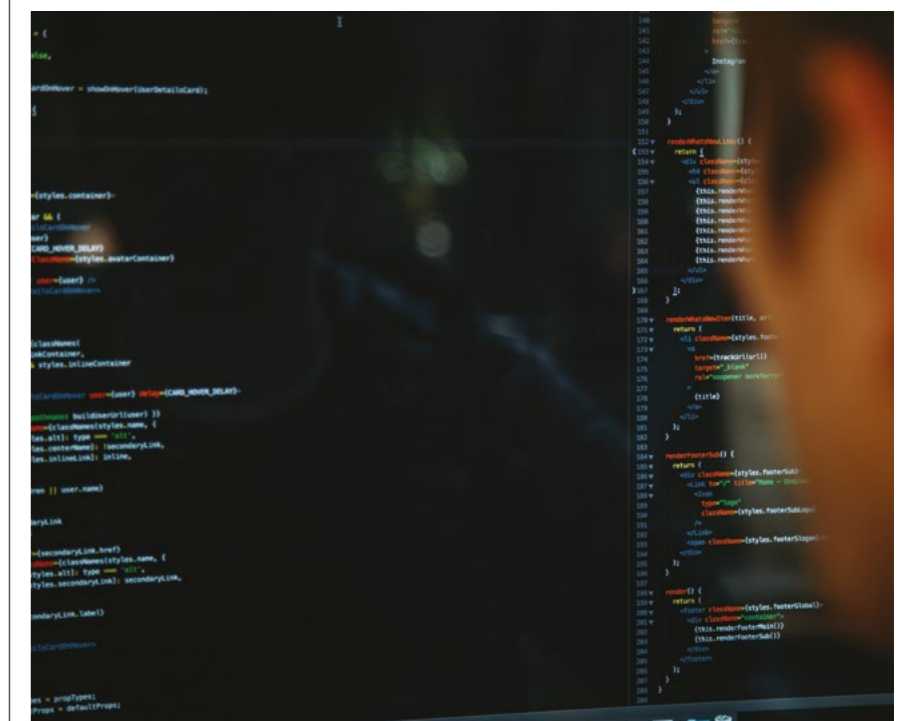
These temperament preferences affect team members' ability to do certain kinds of jobs.

## Qualified Leads

To produce new wealth and jobs, SMEs must sell more. Key to spotting sales opportunities is identifying where change is disrupting the established relationships between buyers and vendors. Once the company's growth challenge(s) has been identified, Economic Gardening advisors use research techniques to uncover strategic information that suggest solutions. This includes:

- Identifying new markets, industry trends and competitive intelligence
- Mapping geographic areas for qualified sales leads
- Raising visibility in search engine results and increase website traffic
- Leveraging social media to better connect with customers

This approach gives participating SMEs access to sophisticated corporate-level tools they generally cannot afford or may not know about - giving them strategic information to solve problems and identify new opportunities.



## Talking Point 7 - Gardening Tools

### Just-in-Time

In addition to its unique toolkit, Economic Gardening is structured to accommodate an entrepreneur's tight work schedule. Depending on the approach, most engagements last just a few weeks or months. CEOs typically spend eight to 12 hours communicating with advisors who then spend additional time behind the scenes working on company issues.

**CEOs typically spend eight to 12 hours communicating with advisors who then spend additional time behind the scenes working on company issues.**

Communications are conducted via phone and online, so CEOs do not have to leave their offices to participate. This is critical for Stage II firms, which already have products, services and customers in place. Second-stagers move quickly and do not have time or patience to get involved in lengthy programs that take time to produce results. They need just-in-time solutions.

### Networking

Programs often sync with CEO peer mentoring groups. Leaders of Stage II SMEs face new challenges along with rapid growth. Struggles with personnel decisions and shaping company culture are two common examples. Peer mentoring provides owners an opportunity to share experiences and learn from peers faced with similar challenges.

### Entrepreneurial Advisors

It is important to point out that the effectiveness of any Economic Gardening program is heavily reliant on a skilled, elite group of advisors who work iteratively with Stage II SME CEOs to implement growth strategies. This specialized group is expected to embody the same entrepreneurial spirit as the SMEs they support, fostering an environment of innovation and strategic development.



# WHAT ECONOMIC GARDENING ISN'T

Economic Gardening is not a consulting gig – advisors work hand-in-hand with SME CEOs and management to not just identify issues facing the client company, but to also implement and work through a solution. In contrast to a data dump consultants might provide – advisors spend time explaining the purpose and application of the information provided. In Economic Gardening, companies get assistance that is strategic, not operational.

## Talking Point 8



**Economic Gardening accelerated market expansion efforts for Waitr Inc., a software company originally based in Lake Charles, Louisiana. Waitr, helped restaurants provide delivery services through an app and was present in three markets when it entered Louisiana's state-wide Economic Gardening program mid-2016. Management had a list of target cities it was considering but wanted to get more information before taking the plunge.<sup>38</sup>**

## Footnotes

38 Louisiana Economic Development, LED Seeks Growth-Oriented Firms for Economic Gardening Initiative

39 Ibid

Using sophisticated GIS mapping tools, Economic Gardening researchers first identified 222 cities in 12 states that met Waitr's population requirements, then overlaid the location of competitors on those target cities and ranked them according to desirable consumer demographics and psychographic data. This involved appending massive amounts of data to maps along with enhancements like colour-coding so they could be read easily. Although the research confirmed some cities Waitr was already considering, it also produced a number of surprises.



Leveraging the data, Waitr opened 13 new markets within six months of completing its Economic Gardening engagement. The program saved Waitr time and money, resulting in stronger markets. In fact, when Waitr compared its first three markets to new ones selected from the Economic Gardening data, analytics showed the new ones grew 400% faster. In brief, Economic Gardening changed the company's market expansion efforts from a guessing game to having clarity where there was a high likelihood of success.<sup>39</sup>

## Gardening Tips

**Volatile Markets:** Seek markets and customers undergoing change. These shifts often create motivation for new product adoption, making them prime targets for sales growth.

**Competitive Advantage:** Strengthen areas where you have a competitive edge, whether it is a unique product feature, superior customer service, or advanced technology. Consistently innovate and improve these areas to maintain your lead over competitors.

**Market Development:** Target new markets or demographic groups that are currently underserved by your offerings. This could involve international expansion or diversifying the target audience to include different age groups, professions or lifestyles.

**New Products:** Develop and launch new products or services that meet the evolving needs of your customers. This can help capture additional market share from existing customers and attract new ones.

**Marketing Strategies:** Differentiate your marketing approach to make your value proposition more attractive. Consider unique advertising strategies or promotional tactics that set you apart in a crowded market.

**Strategic Partnerships:** Forge strategic partnerships with businesses that share the same target market but offer complementary services. This can provide a steady stream of mutually beneficial customer referrals and expand your market presence.

**Customer Acquisition:** Increase investment in marketing and sales to attract new customers. This includes expanding sales team, increasing ad budgets or utilizing advanced sales training programs to enhance performance.

**Internal Optimization:** Streamline internal processes to increase efficiency and reduce costs. This might include automating functions, optimizing supply chains, or improving operational workflows to support scalability.

**Revenue Growth:** Implement strategies to increase overall revenue, such as optimizing pricing strategies, enhancing customer service to boost retention and explore new sales channels.

**Data Analytics:** Utilize data analytics to gain insights into customer behaviour, market trends and operational efficiencies. This can inform strategic decisions and help anticipate market shifts before they occur.

**Acquisitions:** Plan and execute a series of small acquisitions to quickly gain new capabilities, enter new markets or eliminate competition. This strategy should be guided by a clear blueprint of acquisition goals.

Talking Point 9

# SUCCESS STORIES

## Littleton Colorado

Over a 20-year period, Littleton experienced a doubling of its job base from 15,000 to 30,000 without the city recruiting a single company or offering incentives. This growth occurred while the city's population increased by only 23%, indicating job growth was not merely a result of population growth but of successful economic nurturing. The model's success in Littleton has been celebrated and recognized with three national awards, including the International Economic Development Council's Entrepreneurship Award and finalist in Harvard's Innovation in Government Award Program. Littleton's successful implementation of Economic Gardening has since inspired other cities and communities to adopt similar strategies, highlighting the potential of focusing on internal resources and entrepreneurial growth as a means to sustainable economic development.

## Pueblo County Colorado

Another Colorado community, adopted a similar approach, implementing a hybrid Economic Gardening program that led to a visible transformation in its economy and community over 10 years. This program, drawing inspiration from Littleton's model, utilized GIS as a core component, aiding businesses in identifying new markets and becoming more competitive. The strategy not only focused on sustainable job growth but also aimed at providing technical assistance to Stage II SMEs. On a US-wide note, it is worth noting that over the past 25 years, small businesses have been responsible for generating nearly 13 million net new American jobs. This accounts for approximately two-thirds of all new jobs added to the economy during this period.<sup>40</sup> Pueblo county's efforts in this direction were aimed at increasing job creation and business development by focusing on companies already located within the community, marking a shift from trying to attract external businesses to nurturing local growth.

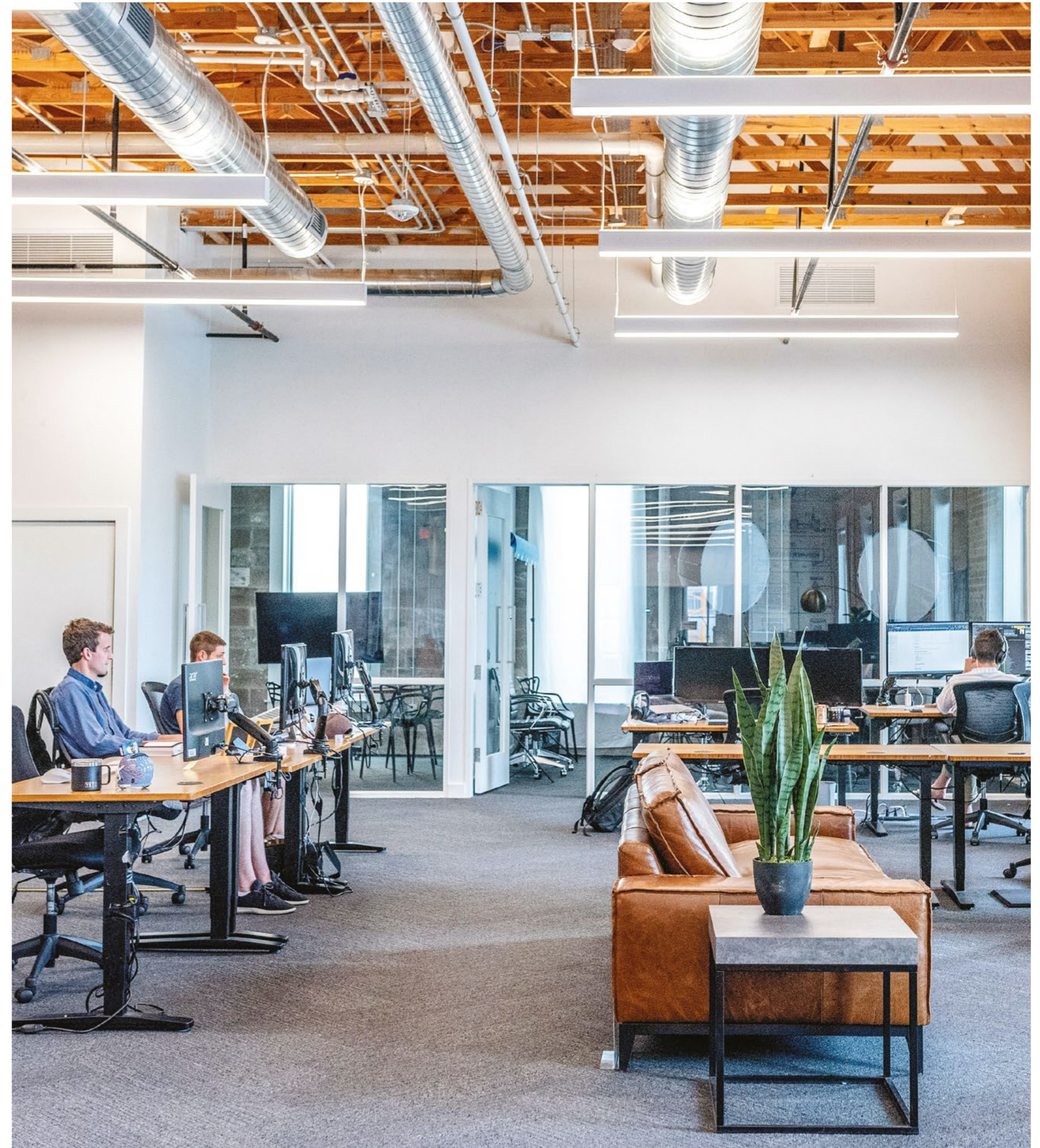


## Advantage Valley West Virginia

In March 2024, Advantage Valley, a regional marketing and strategic initiative organization serving the Charleston-Huntington, West Virginia area launched an Economic Gardening program designed to provide sophisticated technical assistance to local companies poised for growth. Its goal is to identify and offer 45 businesses in Boone, Cabell, Clay, Kanawha, Putnam, Lincoln, Mason, Jackson and Wayne Counties with 6 - 100 employees, annual revenue of between US\$650,000 and US\$50 million that sell outside West Virginia a research-based program designed to help them expand market share, grow their business and hire new employees. Advantage Valley offers the program free-of-charge to selected companies through a partnership with the National Centre for Economic Gardening (NCEG). to nurturing local growth.<sup>41</sup>

Footnotes

- 40 U.S. Small Business Administration Office of Advocacy
- 41 Advantage Valley, Economic Gardening



Talking Point 9 - Success Stories

Program Details

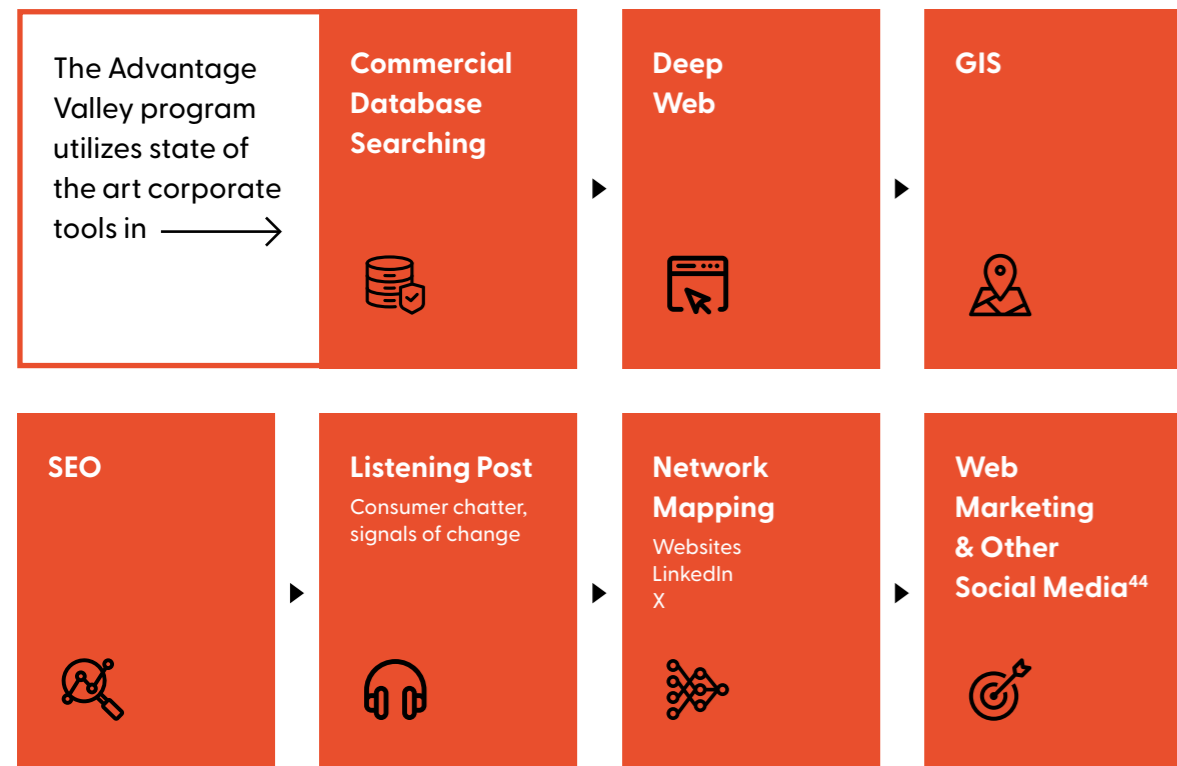


Companies receive 36 hours of services from a team of NCEG advisors. This team consists of seasoned researchers that leverage sophisticated corporate databases, GIS systems, SEO and web marketing tools that provide participating CEOs with information, data and conclusions about key issues for each individual company. Following the 36 hours of research with the NCEG's advisors, companies are eligible to receive up to US\$5,000 in technical assistance to implement the recommendations received from the NCEG team.<sup>42</sup>

What Participants Get

- Participating CEOs devote 8 - 12 hours over a four to six-week period.
- Access to a free temporary team assigned to the company to research business information that helps the company's leadership team make strategic decisions to grow the business.
- Four phone calls throughout the course of the program to determine what decisions management are planning to make and what information they need to make those decisions.
- A finished product of research results and data about markets, competitors, industry trends and qualified sales leads.
- US\$5,000 in technical assistance to help implement the recommendations received from the NCEG team.<sup>43</sup>

Program Deliverables



The NCEG's advisors help companies achieve their business goals by

- Identifying qualified leads by sorting contents of extensive databases
- Mapping geographic areas using GIS software to facilitate targeted marketing efforts
- Reviewing core strategies related to commodity and/or niche markets
- Examining social media utilization to connect with customers
- Placing the company website in front of more customers using search engine optimization
- Analyzing employee temperament to build a strong management team<sup>45</sup>

Footnotes  
42 Ibid  
43 Ibid  
44 Ibid  
45 Ibid

**The Proof is in the Pudding**

**Michigan**  
Of the 51 participants in the first cohort, 32 SMEs responded to a survey reporting they had created 121 full-time jobs and 16 part-time jobs within 12 months of their Economic Gardening engagement. A second class of participants included 90 companies; 60 of these responded to a survey, reporting they expected to create 289 full-time jobs and 25 part-time jobs.

**Minnesota**  
Minnesota's Hennepin, Carver, Anoka, Ramsey and Scott counties - during the pilot phase of this five-county regional Economic Gardening program, participants reported a 26% increase in full-time jobs and 19% increase in revenue. During the second year, revenue increase was about the same (17%) but there was a 36% increase in full-time jobs.

**New York**  
Ninety-three companies participated in a nine-county Economic Gardening program run by Greater Rochester Enterprise. Over a three-year period, participating Stage II SMEs collectively increased their revenues by US\$142 million and created 685 new jobs - reflecting the program's cost-per-job of about US\$582. This is a remarkable return by any economic development measure. In fact, it is probably a better return on investment than almost any economic development incentive package in the US.

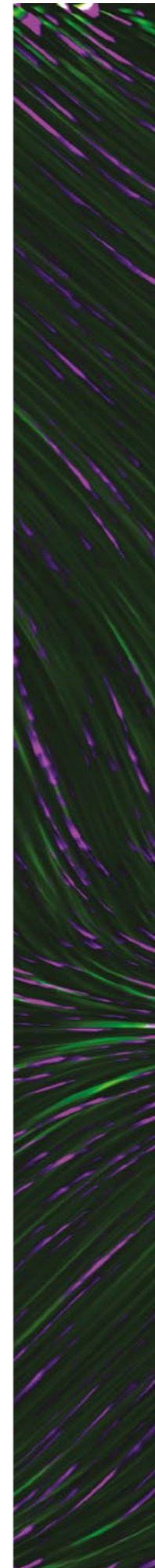
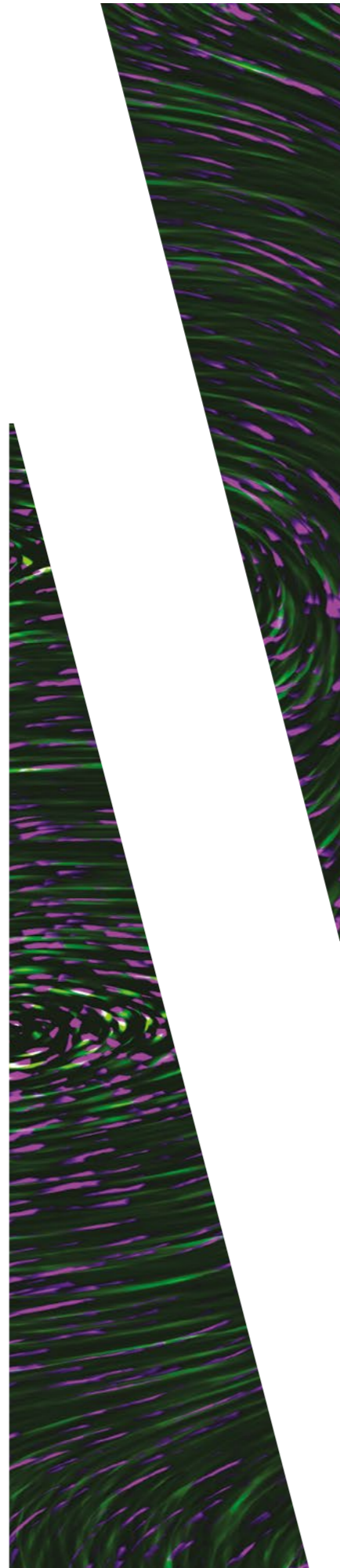
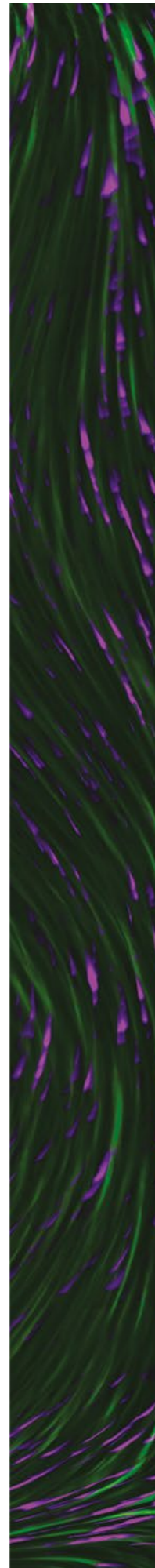
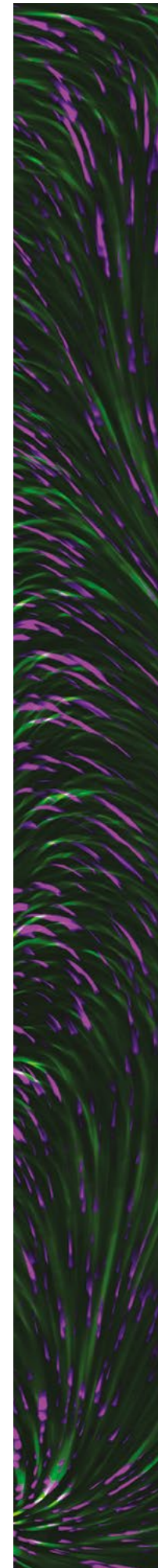
**Kansas**  
In Kansas, 58 companies have participated in the Network Kansas Economic Gardening project - increasing their net employment by 344 full-time positions and 88 part-time positions - an average annual growth rate of 11%. In addition, participating Stage II SMEs increased annual revenues by US\$55 million - an average annual growth rate of 23%. In contrast, other Stage II SMEs in Kansas reported a 6% average annual increase in jobs and a 4% average annual increase in revenues for the same period.

**Louisiana**  
The 195 companies in the Louisiana Economic Development Economic Gardening program have created 1,952 new full-time jobs with a US\$338 million increase in gross annual revenue and a return on investment of US\$9.19 for every US\$1 invested.

**Florida**  
Launched in 2009, GrowFL was the first US state-wide Economic Gardening network. Participating GrowFL companies created 10,942 net new jobs - 4,067 direct new jobs and 6,875 indirect new jobs. Participant SMEs also increased state and local tax revenues by more than US\$81 million - above and beyond the cost of the program - and net return on investment translated into US\$9.10 for every dollar of funding.

## Talking Point 10

## DIG



### Getting People on Board

Dialogue with senior government officials and stakeholders is crucial. This involves presenting the Economic Gardening concept, addressing concerns and illustrating potential benefits for communities. The aim is to foster a sense of ownership and commitment among those in governance and influential positions, ensuring their active participation and support for the initiative. This first step prevents future resistance and facilitates smoother implementation.

### Identify Community Assets

A comprehensive asset inventory is key. This includes human capital - skills, expertise - organizations - economic development bodies, educational institutions - and amenities - cultural, recreational - that can contribute to the program. Identifying these assets involves engaging with a wide array of community members and organizations to ensure a diverse and inclusive list that can leverage strengths from across the community. This step is about understanding and harnessing what is already present in the community to support and grow Stage II SMEs.

### Collaboration

Collaboration is essential for success. This step involves bringing together different stakeholders identified as resource partners to form a steering committee. The committee's role is to define goals, assign responsibilities and ensure each partner is committed and contributes to the project. Establishing clear communication and collaboration mechanisms among partners ensures the project's alignment with community needs and leverages the strengths of each partner for the program's success.



## Talking Point 10 - Dig In

### Who's Working on What?

Establishing a clear operating framework is important for coordinating efforts among various partners involved in the Economic Gardening program. This involves outlining decision-making processes, funding mechanisms, roles and responsibilities, resource contributions and methods for tracking and evaluating the program's effectiveness. A well-defined operating agreement helps prevent misunderstandings, ensures accountability and sets the foundation for a sustainable program.

### Who's the Target Audience?

Identifying which local Stage II SMEs to support is a strategic decision that impacts the program's effectiveness. This involves analysing the local business landscape to identify businesses with growth potential that align with the program's goals. Factors to consider include:

- Firmly established - in business for one to three years.
- Have financial statements that include P&L and cash flow numbers.
- Have a clearly defined market.
- Demonstrate revenue growth over time - even if the company has not yet reached the break-even point.
- Clearly intend to grow - as expressed in the desire to hire employees, expand operations or market area or seek capital investment.
- Have a product or service that is scalable and preferably unique - i.e., cannot be easily imitated.
- Have a potential or actual market outside the local market.

The focus is on selecting businesses that can benefit most from the program and have the potential to contribute significantly to the local economy.



*Footnotes*

46 Seven Steps to Developing an Economic Gardening Implementation Strategy, International City/County Management Association

**The challenge is to build a system that is responsive to the needs of growth-oriented Stage II SMEs and capable of providing the specialized support they require for expansion.**

### Line-up Your Services

Implementing an effective delivery system for services involves creating a network of support tailored to the needs of the targeted businesses. This includes:

Identifying and training business advisors	Linking businesses with technical and financial resources	Ensuring access to essential services like market research
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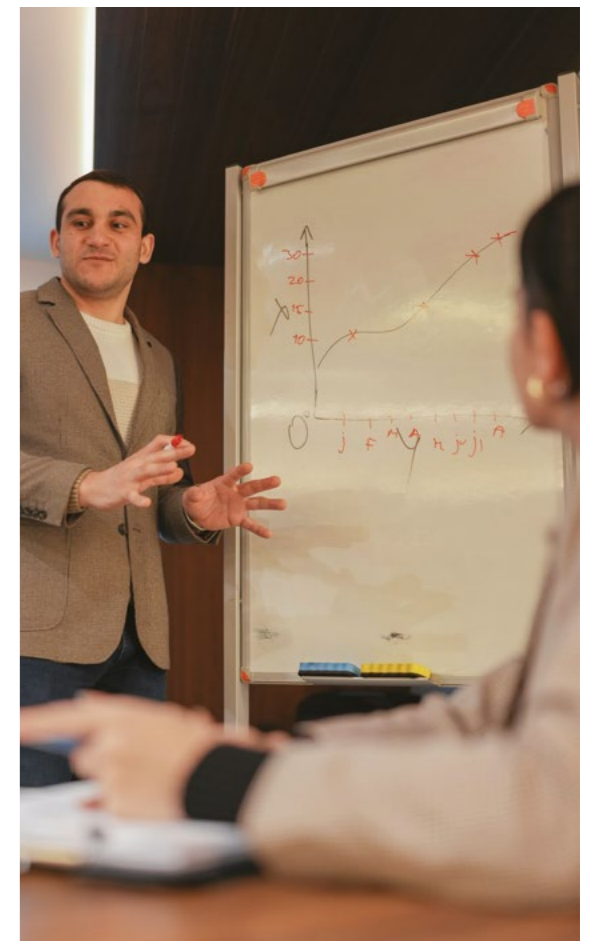
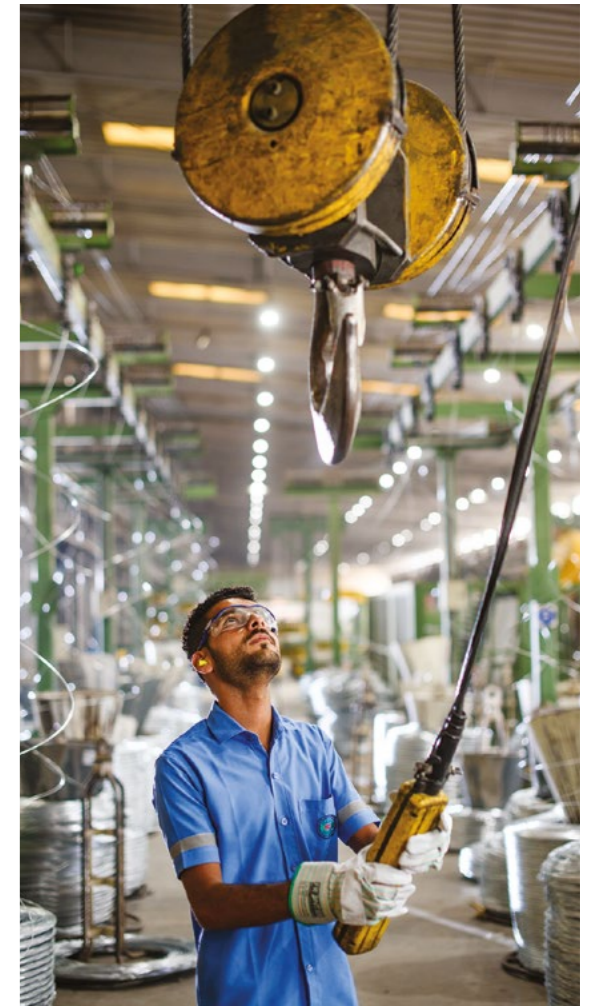
The challenge is to build a system that is responsive to the needs of growth-oriented Stage II SMEs and capable of providing the specialized support they require for expansion.

### Clear Communication & Community Support

Community collaboration sits at the heart of the program's sustainability and impact. This involves engaging in public outreach to raise awareness of the program, its goals and benefits. Utilizing local media, hosting public events and leveraging testimonials from supported SMEs can help build a positive public perception. Regular updates and transparent reporting on the program's progress also fosters trust and buy-in from the community, ensuring ongoing support for the initiative.<sup>46</sup>

### Silver Bullet?

Any Economic Gardening program should be rooted in a long-term strategy based on a community's strengths and weaknesses. While Economic Gardening is an appealing idea, as with any economic development tool, it is not a silver bullet. It is important for government to understand that it is not a quick answer to a plant relocating. It is not a fad diet it is a lifestyle change. We cannot expect silver bullet solutions to sudden economic woes. Economic Gardening takes time to put into place and time to reach a critical mass of growing Stage II SMEs.



## Q&amp;A



**HUSSAIN AL LAWATI**  
CEO  
Development Bank

# TEJARAH TALKING

## Tell us about Development Bank.

We are the leader in financing projects that add value to national development, funding projects that generate quality job opportunities and rewarding careers for our ambitious youth. Lending over US\$61 million to small and medium-sized enterprises (SMEs) in 2023, the Bank has an impactful portfolio of products for micro-businesses, SMEs and major ventures. We work across sectors – manufacturing, logistics, mining and tourism to name just a few. Established back in 1977, it has been our honour since then to be an engine of growth for businesses across Oman, helping entrepreneurs achieve their ambitions, supporting them as they take their operations on and up, contributing to the social and economic development of our nation as we have done so.

## What exactly is Economic Gardening?

Basically, it is something that started in 1987 in Littleton, Colorado and is a concept introduced by Chris Gibbons. The core idea is simple yet powerful: instead of hunting externally for large businesses to attract to the area, why not support growth from within? The strategy itself focuses on so-called second stage companies – those SMEs with 10 to 99 employees and at least US\$1 million in annual revenue. It emphasizes strategic business intelligence, like market research and competitive analysis, aiding these businesses to scale and grow.

## For you, what makes Economic Gardening particularly important today?

I think it all boils down to the fact that Economic Gardening provides the resources second stage companies need, particularly access to critical competitive intelligence and market data – allowing them to optimize their growth potential without the substantial overhead of developing these capabilities in-house. It is an approach that has been shown to not only retain businesses but also enhance job creation and economic resilience within communities.

## What about its impact?

The results have been impressive. Take the GrowFL program in Florida. It has enjoyed substantial success since its 2009 launch. In just four years it had already helped participating companies create 13,000 jobs and generate over US\$1.14 billion in sales revenue for the state economy. This resulted in a return of more than US\$9 for every dollar invested in the program, demonstrating a high impact on job creation and economic growth.

Similarly, the Network Kansas Economic Gardening project also reported positive outcomes with 58 companies increasing their net employment by 344 full-time staff and 88 part-time positions. On top of this, these companies increased their annual revenues by US\$55 million. That is an average annual growth rate of 23% for revenue and 11% for employment, significantly higher than other second stage companies in the state that reported a 6% average annual increase in jobs and a 4% increase in revenues during the same period. This kind of data underscores not just the direct benefits in job creation but also the broader economic multiplier effects Economic Gardening has on local second stage companies. I am excited to think how it could help Omani companies and the part Development Bank could play in this.



## Q&amp;A

### Does Economic Gardening enjoy greater success in certain areas? What is it that makes the difference?

Absolutely. I think it is fair to say community culture clearly influences economic vitality. According to a recent Global Entrepreneurship Monitor report, countries with higher tolerance for risk have entrepreneurial activity rates up to 5% higher than the average. A supportive entrepreneurial culture is built on shared values that celebrate risk-taking, innovation and mutual support among local businesses. This cultural framework not only supports existing entrepreneurs but also inspires others to venture into business. It is about creating a community ethos where failure is seen as a step towards success and where achievements are publicly celebrated, enhancing motivation and community pride. We have a great entrepreneurial spirit here in Oman and there is strong government support for business – things that bode well for Economic Gardening initiatives here.

### You mention government support for business, tell us more about this and how it can make a difference for second stage companies.

The public sector plays a crucial role, it cannot be understated. It sets the tone for the entrepreneurial climate by facilitating a regulatory environment that minimizes red tape and accelerates processes such as foreign investment, licences and approvals. From the Ministry of Commerce, Industry & Investment Promotion, the Invest Oman Lounge, Special Economic Zone at Duqm, to Madayn, OMRAN and Salalah Free Zone we have organizations right across Oman offering a highly successful 'one-stop-shop' approach to streamlining business procedures, making it easier for new businesses to get off the ground quickly and efficiently. And this approach is paying dividends, in 2023 we saw an 8.7% increase in the number of active enterprises in country with micro-businesses up 7.4% and small business up 18.7%.



### What about Development Bank? How does it support second-stage companies?

I am glad you raised this. Development Bank is so often associated with start-ups but we are here to support companies of all sizes through every stage of their evolution. I think it is important to say we recognize a one-size-fits-all approach does not work and understand that second stage companies have their own very specific needs, challenges and, indeed, opportunities – all influenced by factors like their industry, market conditions and growth trajectory.

Our staff devote time and attention to really understanding these specifics. This is not just about offering financial products it is about crafting solutions that align with their business strategies and cash flow needs. For instance, we might provide customized financing options that match their project timelines or advisory services that help them navigate new market expansions.

By focusing on these tailored solutions, we build stronger relationships with our second stage clients, positioning the bank not just as a financier but as a strategic partner in their growth – becoming a team, if you will. The trust we develop is fundamental, as they often rely on our support for their operations and expansion plans. Ultimately, our goal is to grow alongside these companies, evolving the services we offer them as they expand their businesses.



### Can you give us some specifics?

No problem. Let us look at last year. We approved 376 loans to companies that can be classified as 'second stage', totalling US\$61.1 million marking a 75% increase on 2022. These were very much focused on sectors key to diversifying Oman's economy. For example, manufacturing, tourism, agriculture, fisheries, logistics and mining. Of these, SME manufacturers received the most substantial support with US\$14.2 million distributed over 76 loans – a rise of 33% on 2022 – all aimed at boosting local production, creating in-country value and helping reduce imports. That is significant support by any measure.

I should add that Development Bank does not work alone in supporting the ambitions of Omani businesses. We are part of an ecosystem of government organizations that works closely together to this end. Our shared goal? Help realize the economic goals set out in Oman Vision 2040, which focus not just on growth, but on sustainable and inclusive progress.

I have to say Development Bank is proud that our support for these ambitious, growing companies is helping them fulfil their potential. And as we do so, we are proud to be contributing to the diversification of Oman's economy.

### Final word?

If you are an Omani company looking to take your business to the next level, come tell us what you have in mind and let us see how we can get 'economic gardening' and grow together.

## Q&amp;A

**SHAYAN SUMAR**

co-founder & director operations  
apex transgulf manufacturing llc

# TEJARAH TALKING

## SECOND STAGE INSIGHT

### Tell us about Apex Transgulf Manufacturing.

APEX is an FDA registered manufacturer and convertor of polyethylene packaging based out of Salalah Free Zone (SFZ). It was founded in 2015 and is a family-owned foreign investment. Our products consist of Class I and Class II medical devices along with food and beverage, industrial and retail packaging. APEX sources the majority of its raw materials from Oman's OQ, transforms them into value-added products which then are exported to the US, Europe and the Middle East. In fact, our Made in Oman healthcare products are used in over 35,000 hospitals, care homes and clinics across the world while our industrial packaging, specialty films, printed packaging and sustainable food and beverage retail packaging are used both locally and across the Middle East by companies who rely on this packaging to keep their products safe and fresh during transport, catch the eye of the consumer and as a medium to create brand identity.

Proudly an Omani company, APEX is fully aligned with the country's strategic goals. For instance, after the signing of the US-Oman Free Trade Agreement, we targeted the US market which now stands as one of our greatest trading partners. More recently, after the announcement of the Oman-Saudi road link, APEX increased its footprint in the Saudi market, taking advantage of the shortened lead time. And understanding the importance to Oman of creating in-country value, we have ramped up our purchase of local raw materials, transforming them into value-added products which are exported to generate foreign exchange for the country.

Our greatest asset is our people, who in turn give us the ability to turn ideas into reality. We spend heavily on R&D and often think of ourselves as an engineering company as opposed to a manufacturer. Our growth is directly linked to our ability to successfully develop new products which are in line with our customers' requirements and our people are the engines behind this goal.

### What would you say are the main advantages of Oman as a manufacturing base?

I think access is the key word here. First off, there is the access to world-class infrastructure - airports, seaports and road connectivity. Next, there is the access to locally available raw materials and then there is the accessibility to government organisations. Combined, these help companies set-up, scale and grow.

We decided to locate on SFZ because, strategically speaking, its connectivity via the Salalah Port is an incredible advantage for the markets we service. We enjoy excellent lead times to both our export and import markets, favourable land rentals and availability of skilled labour as well as utilities which are connected to our doorstep. We are inspired by SFZ's vision and proud to be a part of their growing healthcare cluster. The professionalism of their team and their One-Stop-Shop solution for investors creates ease in our day-to-day business and allows us to focus on our growth initiatives. I have to say that SFZ has been a true partner in our success.



### What part does sustainability play in your business strategy?

Creating sustainable products is of paramount importance and our sector is at the forefront of this revolution. Globally today, there is a thought that packaging needs to be produced in a closed loop system whereby it can be recycled an endless number of times. By using advanced technology, a circular economy within the packaging industry is no longer a dream but a reality that both producers and the planet are benefitting from. Through investing in the latest recycling technologies, we have made great strides in achieving the goals which are not only helping our planet but continue to grow our business.

### Current trends in your industry?

The latest trend is to achieve more with less in a sustainable manner. This means those that can successfully down-gauge products to make them lighter and more cost effective, yet ensure that they continue to provide the same levels of safety, will be the market leaders of tomorrow. This is what we strive to achieve every day.

### What is next for APEX?

In an ever-competitive world and with us servicing export markets, it is incredibly important to keep our costs down while providing a value-added product to customers. Over the next three years, we have plans for the backward integration of manufacturing processes which will allow us to further strengthen our foundations and remain competitive.

*Tejarah Talks are held at Oman Convention & Exhibition Centre*



**THANK YOU**  
TO OUR PANELISTS & ALL  
THOSE WHO ATTENDED

1. HE Pankaj Khimji
2. Full house
3. Masoud Al Rawahi
4. Q&A
5. Hussain Al Lawati



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