



Spotlight on Success Stories

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One cannot deny that starting a business is indeed a journey, and the MIT Arab Business Plan Competition is definitely a milestone for every entrepreneur taking part in this journey. Nonetheless, though it is clearly delineated annually with a beginning and an end, a launching and a closing event, it is by no means the beginning of a business or its end. Businesses may have begun prior to the Competition and should most definitely continue after it. This newsletter sheds the light on 3 businesses that took part in the 2007-2008 and 2008-2009 Competitions and have had successful journeys since then. Other stories will be featured in upcoming issues.

EnglEasy



EnglEasy, one of the nine semi-finalist teams in the 2008-2009 Competition, is a company that aims to teach children the English language. What sets EnglEasy apart, however, is the fact that it teaches through web-based interactive games and homework. When asked where the idea came from, AbdulAziz Ahmed Al-Sulaim, the Chief Executive Officer, states: "It came from addressing a problem with my younger brother staying motivated to learn English. The mission is to improve learning through play."

Though the core of the concept is essentially the same, there have been some changes since the business plan that was developed for the Competition. Al-Sulaim states: "Our market has shifted a little bit because we had a very difficult time finding partners in the Middle East. We are now targeting the U.S. and South America for our first launch and have generated strong interest among schools willing to pilot classes with us." Another change from the original business plan is the new emphasis on incorporating mobile devices. In this regard, Al-Sulaim says: "We are working on the same project but putting more emphasis on mobile device learning, as this is a growing and accessible market."

Furthermore, the Competition itself is said to have played an integral role in the actual pursuing of the business, in spite of not placing among the finalists. According to Al-Sulaim, "the MIT Arab Business Plan Competition gave us validation that this could be a viable business."

Not only that, but Al-Sulaim believes that the Competition was helpful in teaching their team invaluable skills. He states: "We were able to take what we learned from the Competition to apply it towards another competition in the U.S. We were the winners of Startup Weekend San Francisco."

He advises new teams taking part in this year's Competition to, first and foremost, be realistic in their business plans. Al-Sulaim states: "Often times it is easy to be too optimistic about your assumptions or about your ambitions. Start small, prove your concept in stages, and constantly improve."

Currently, EnglEasy is working towards building a working prototype with a targeted initial release at the beginning of October 2010.

Rice Straw Fertilizer Company



Rice Straw Fertilizer Company (RSF), which was awarded second place in the 2008-2009 Competition, addresses a prominently devastating environmental phenomenon in Egypt. The yearly rice straw burning in the Delta area and Greater Cairo results in a "black cloud" episode that fills the air with suffocating smoke. What RSF aims to do is convert the rice straw to high quality compost. In addition to this, it does so at economic rates, thereby transforming a negative phenomenon into a useful resource.

When asked about where the idea for the business came from, Ibrahim Youssef states: "It is based on a problem in Egypt that we felt the urgency in finding a solution for. We thought why don't we use this agricultural waste for something?"

The company is currently getting its feet off the ground. Financing has been found and the company is currently undergoing the needed legal proceedings to officially become a company in Egypt. Youssef claims that they will initially enact a pilot project next harvest season "to determine the input to output ratio."

When asked why they chose to enter the Competition, Youssef delineates three ideas. He states: "First, We wanted to test the idea. We thought that the Competition was a good environment to see where the idea would stand compared to other businesses. Second, the networking that the MIT Enterprise Forum combines you with is very good. The name itself gives you credibility and lets you meet with investors. Third, there is the money. We got a sum of money that we are using for initial costs. We are paying for the legal and accounting costs using the money we won."

Furthermore, Youssef highlights the importance of business that is socially friendly and not only generates profit. On this matter he says: "We need something related to social entrepreneurship, besides the profit, and something related to the environment. We should target projects towards marginalized populations given the economic situation."

365



Having placed in the semi-finals of the 2007-2008 Competition, Fruit House is an innovative restaurant concept that specializes in everything that concerns fruit. The premise lies on the realization that people do in fact like eating fruits, but they rarely have the social setting to do this in. However, this particular project has yet to be launched, seeing as Ralph Khairallah and his team have decided to shift their current attention to another project that does not stray too far away from the initial vision, as it is also a restaurant.

Market analysis made him believe that opening a general purpose restaurant in Lebanon was a safer option, and this led to the opening of 365, which is situated in ABC Dbayeh, a large department store in Lebanon. The object of this restaurant was to incorporate elements of the "Restaurant De L'ABC" that had its glory days in the 90's, with more current elements to make it more viable in today's market. According to Khairallah, he wanted to "uplift the image of the restaurant, take the good things, and make them modern." He pitched the idea, and it was accepted as it seemed to fit with the general revamping that ABC Dbayeh was planning at the time. Furthermore, he has kept some facets of the original Fruit House idea in 365 by incorporating a wide assortment of fresh fruit cocktails into the menu of the latter. However, he has not abandoned the idea of Fruit House as a restaurant on its own and is seriously considering pursuing it in the future.

The Competition itself played an integral role in launching the second project. Khairallah states: "Going through the process of creating a concept helped me a lot and gave me the motivation to go ahead and start something." He added: "The Competition was fun, and I love doing business plans and presentations." In addition to this, he claims that through the Competition he was able to meet a decision-maker in ABC Dbayeh, whom he later pitched his idea to.

Funding-wise, Khairallah states: "I had some savings and sold my furniture and everything in Dubai. I also have my partners and the Angel investors who were encouraging me."

Khairallah believes that: "Even if you were a finalist and got the funding, most of the work that needs to be done will have to be done by you, as an entrepreneur. You should make the most out of the Competition and work hard. Don't expect miracles."

Launching Ceremony: New Date

Please note that the Launching Ceremony of the 4th MIT Arab Business Plan Competition has been rescheduled for Sunday, October 17, 2010 instead of October 11th – as mentioned in previous issue.