

## Autoholics Ltd: Why we stand out in the car import business

One would be forgiven for dismissing the business of importing and selling new and used motor vehicles in Kenya as a “flooded” market. It is a perception even industry players say is “understandable” given the number of new car bazaars that seem to open every day. The players, however, say it is just that -a perception.

“Just about every business can be said to be flooded if one were to use the number of players in each one of them as a yardstick of how “flooded” it is,” says Timothy Nandokha, a director of Autoholics Limited, a Nairobi-based motor dealer.

Mr Nandokha and his business partners at Autoholics Limited-Linus Kipng’etich, a co-director, and Martin Cheruiyot, an associate director, import cars from the UK and Japan, mainly 4x4s, for their target market-

“We appreciate very much the selfless service we receive from ABC Bank, which has made the difference between us closing a deal and losing it.”

mainly professionals in various fields.

“We have recently ventured into smaller models to serve the 20-30 year olds’ market,” he says.

They also accept trade-ins from trusted clients after conducting due diligence on them to avoid issues such as dealing in stolen or transit vehicles.

He, however, admits that the ever growing number of dealers is a challenge to the industry with some of them undercutting prices and supplying inferior quality cars.

“This makes us appear expensive to the undiscerning customer despite buying high quality cars from the best suppliers in our source markets,” he says.

It is a challenge they have tried to overcome by continuously improving their customer service.

“We offer quality - before and after sales - service. We seek to forge long standing relations with our clients by being honest and supplying them with high quality vehicles,” he explains.

They also pride themselves for coming up with innovative value-added solutions by engaging their customers to understand their needs.

“For instance, we have just introduced a turn-by-turn voice guided navigation system for Kenya and the whole of East Africa through a strategic partner with the latest upgradeable street maps,” says Mr Nandokha.

This enables the motorist to mark his/her route using the Global Positioning System (GPS), a satellite navigation system that provides location and time information in all weather conditions.

Autoholics appreciates ABC Bank’s “top notch” and prompt services.

“We really value the selfless service we receive from ABC Bank, which has made the difference between us closing a deal and losing it.” says Mr Nandokha.



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## Welcome to 2013!

January is a time of reflection for the ABC family. As we look back on 2012, its highs and lows, our successes and failures, I am encouraged by the strides we have made in what we considered to be a transition year for the Bank. Some of the key highlights of 2012 include:

- The completion, launch and the start of implementation of our five year strategy, thereby laying a firm foundation for our planned growth. There were many discussions and heated debates during the strategy process, but I am happy to say that we forged a consensus with a shared vision for the future. The process demonstrated to me, how passionate Team ABC is to deliver ‘the extraordinary’ to our customers and other stakeholders.

- The roll out of our Change Management Program, Nyota Mpya, including the culture change training aspects of the program. The sheer enthusiasm with which this has been received in the organization has been very rewarding; even more rewarding is seeing the training translate into action among the staff.

- Intensive leadership training for our management team. This will be an ongoing process as we institute formal coaching and mentorship structures within our institution. This is in recognition of the need to equip our youthful leadership team with the skills to manage a growing organization in a rapidly changing industry.

- The launch of our upgraded Internet Banking and Mastercard debit card projects. These will be rolled out in the first half of 2013, and we thank our customers for their patience and continued loyalty to the Bank. We have many other projects in the pipeline, which we believe will be game changers for our customers, so watch this space!

- Significant growth in staff numbers, in branch network, and in total assets.

Our journey, to become the financial services provider of choice in the East African region is well underway, and we are indebted to our customers for their continued support to us.

While we know we have made progress in some areas, we also recognize that we still have some distance to cover in others. As we start the year, we are alive to the fact that we need to reach even higher expectations, and strive to do greater things for the larger ABC family - our customers, shareholders and the public. These are our priorities in the new year!

Your feedback is much appreciated, so please keep it coming - talk2us@abcthebank.com.

I wish you all a blessed year, and pray for peace and prosperity for our beloved country, Kenya.

Thank you.

Group Managing Director



Mr. Ashraf Savani, ABC Bank Group Chairman, addresses the Bank's staff during the launch of the Bank's Change Management programme, Nyota Mpya (Swahili for New Star), whose key pillar is customer centricity through efficient service delivery and tailor-made products. The event was held on September 15, 2012 at the Crowne Plaza, Nairobi.



The Westlands Branch team led by branch manager, Ms. Lydia Ngarama Mbiyu (2nd R), presents a cheque to Mr. Sam Mwangi (4th L), the head teacher of Sathya Sai School, Uthuru, which takes care of orphans and children from poor families. The donation, which the team made on September 21, 2012, will go towards sponsoring some of the children. As part of its corporate social responsibility programme, the Bank encourages its staff to assist the needy.



Mr. Raj Arora (R), ABC Bank Chief Operating Officer, interacts with Mr Ken Otachi (C) of First Rate Projects Ltd and Mr Pius Musembi of B. M. Mutie & Co. Advocates during an interactive outdoor cooking session, "Koroga", which the Bank organised for its corporate clients. The event was held on September 28, 2012. The Bank will be holding regular cocktails as part of its customer engagements initiatives.



Mr Deviinder Gupta (R), ABC Bank Group Chief Executive Officer, presents a certificate to one of the young athletes who took part in the 2012 Safaricom Baringo Half Marathon. The event which was co-sponsored by ABC Bank was held on November 4, 2012 in Kabarnet Town.

## 2013 is here – Here’s how to start saving!

ABC Vision’s Q & A with Amanda Corline, Head of Retail Banking

**Q: ABC Bank has different accounts for its customers - local and Diaspora. Is there any particular account you would recommend to a customer who wishes to save in 2013?**

**A:** We have suitable accounts depending on individual needs at different times. We have a wide range of everyday transactional accounts, savings accounts for both adults and children and accounts geared towards investments and high returns. For a customer who wishes to accumulate savings, our newly revamped Pure Savers account may be of interest. This account is fairly restrictive, providing you access to your funds only once a quarter, but rewarding you with up to 9.25% p.a. interest on saved funds.

**Q: Why do you recommend this particular account?**

**A:** This account would enable a customer to achieve his or her dreams and goals by encouraging disciplined saving. It actually gives returns comparable to fixed deposits, but with slightly more flexibility, in case of emergencies. Transferring funds into this account is easy and affordable. In addition, we have removed the points of ‘temptation’ - we do not provide an ATM card or cheque book on this account.

**Q: What are its key features?**

**A:** The minimum opening balance for this account is Kshs. 5,000. This is also the minimum interest earning balance. We recommend that customers who hold this account put in place standing orders from their existing current or transactional accounts to ensure the saving is as regular and as convenient as possible. There are no hidden charges to the account, and interest is calculated monthly but credited quarterly.

**Q: What does one need to open this account?**

**A:** It is simple to open a Pure Savers Account. All our existing customers need is a letter requesting the Bank to open the account and Kshs. 5,000 opening balance. For non - account holders, we require the opening balance, two passport-size photos and a copy of their national identity card or Passport, in addition to filling an account opening form. What’s more, clients can open this account from the comfort of their offices or homes! Just drop us a line and we will come to you.

Interested? [talk2us@abcthebank.com](mailto:talk2us@abcthebank.com)

## ABC Bank Group signs MoU with Investeq Capital Limited

ABC Bank Group and Investeq Capital Ltd have signed a new memorandum of understanding (MoU), increasing the Bank’s offerings to the mutual customers of the two financial institutions.

The two institutions have had a fruitful relationship since 2010, which has benefited hundreds of small and medium enterprises (SMEs) in Kenya.



Mr. Deviinder Gupta (L), ABC Group Chief Executive Officer (CEO), signs a memorandum of understanding (MoU) with Mr. Dan Awendo, CEO, Investeq Capital Ltd, on November 30, 2012

Under the initial MoU, the customers benefited from guarantees before the Bank increased its product offering by

introducing an Invoice Discounting facility last year. "We are taking our relationship to the next level," said Mr. Deviinder Gupta, ABC Group Chief Executive Officer (CEO), during the signing of the new agreement held on November 30, 2012 at the Bank's Koinange Branch.

Under the new deal, mutual customers will benefit from a wider range of the Bank’s financial solutions including personal loans, term loans and asset finance.

"We are glad to have a great partner in ABC Bank," said Mr. Dan Awendo, CEO, Investeq Capital Ltd, which has just re-branded, complete with a new logo and a change of name from InvesteQ Capital Limited.

Products covered under the new MoU include:

- Ø Bid bonds
- Ø Performance bonds
- Ø Bank Guarantees
- Ø Advance payment guarantees
- Ø Invoice/Cheque/Bill discounting
- Ø Overdrafts
- Ø Asset Finance
- Ø Term loans

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## We intend to offer our customers extra-ordinary service

Q&A with Mr. Geoffrey Nyambane, Chairman, Change Management Steering Committee (CMSC)

### Q: What is ABC Bank's change management programme about?

**A:** ABC Bank Change management is a revolutionary multi faceted change programme involving people, processes, procedures and technology. On September 15th 2012, we marked the start of the culture transformation aspects of the programme. Thereafter in October and November, we decided to take all our staff through an off site paradigm shift training programme for three days with a view to empowering them with life-changing skills. This will be followed up this year with several different activities to define, implement and institutionalize a new organizational culture for ABC Bank.

### Q: Why the life skills training for all staff?

**A:** Our staff learnt about how to manage different areas of their lives such as work, personal life and even financial well-being by identifying the critical areas of success, their purpose, change in organisations and understanding the ABC Bank Group corporate culture. The training was aimed at helping them to understand that change begins with oneself and each one has the power to explore their full potential with the right attitude.

The training was critical because change starts with the individual. We appreciate that the needs of our customers are changing every time and we, as a Group, want to be ahead of such changes by anticipating them and acting accordingly. We also know that it is through well-trained, fully empowered and happy staff that the Bank would rise to extra-ordinary heights by offering our customers extra-ordinary service. This is why we are focusing on empowering our staff by providing them with an all - round training programme.

If we have to achieve our objective of being an extra-ordinary financial institution, we have to empower our employees because they are our most valuable assets.

### Q: How will the change benefit the Group's customers?

**A:** Our customers will be at the centre of a 'new' ABC Bank where staff performance would be at its best as they offer customers extra -ordinary service. Because each individual understands the role they play and how it contributes to the performance of the entire organization across different objectives, the organization functions cohesively and seamlessly. The customer is the ultimate beneficiary.

Through this process, with the support of our customers and employees, we expect our performance to better that of our peers' and for this process we are benchmarking with the very best in the industry. With the right foundation the Bank will be poised for takeoff across the region and we will achieve the objectives of our five year strategy.

### Q: What are some of the specific changes we can expect from ABC Bank?

**A:** We will know we are successful when we drastically increase our customer satisfaction ratings across various parameters e.g. shortening our turn around times on key processes. Your feedback, taken during the customer satisfaction survey and other customer engagement forums earlier is our benchmark in determining this. The successful execution of and achievement of our year on year strategic goals will reaffirm our progress. As our customers and partners we look forward to celebrating our success with you!

#### Our Vision

Empowering you to achieve the extraordinary.

#### Our Mission

To nurture lasting relationships with all our stakeholders through innovative value adding financial solutions and services that help them realize their objectives.

#### Our Core Values

Customer Centricity  
We strive to be an understanding, friendly, flexible and reliable bank in meeting our customer needs.

#### Professionalism

We exhibit professional conduct and sound judgment in standards and service; we are objective and focused on issues.

#### Teamwork

We believe that the path to greatness is along with others.

#### Excellence

We pride ourselves in our relentless pursuit of excellence by improving the quality of everything we do.

#### Commitment

We are deeply committed to our customers, to each other and every community we serve.



## ABC Bank gives a facelift to Kamiti Primary School

**K**amiti Primary School, a public institution located within the Kamiti Maximum Prison-Nairobi, has a fresh coat of paint -thanks to ABC Bank Group.

The Group, through its Koinange Branch, bought paint, paid for and supervised the painting of the school, as part of its corporate social responsibility (CSR) programme.

Our branch decided to support the growth and development of education in the country through this initiative aimed at benefiting students, their teachers and the community at large," said Mr George Wanga, the Koinange Branch Manager. The school, which has a population of around 1,110 pupils-

comprising of warders' children from Kamiti Maximum Prison and others from outside-does not receive support from the correctional facility. Instead, it depends on the Ministry of Education under the Free Primary Education

"We cannot express our gratitude enough to ABC Bank for the good job they have done to us."

Education under the Free Primary Education



Mr George Wanga (3rd L), ABC Bank Koinange Branch Manager, staffers Mr Antony Kariuki (2nd R) and Mr. Rooney Mbani (R) with pupils of Kamiti Primary School "flags off" the painting of the school.

"We cannot express our gratitude enough to ABC Bank for the good job they have done to us," said Mr Joseph Mwangi, the school's head teacher.



## Introducing our General Manager, Group Business Development

We are pleased to introduce Mr. Peter Kinyanjui, who joined ABC Bank Group in October 2012 as General Manager, Group Business Development.

Mr. Kinyanjui holds a Bachelors of Science (HONS) in Business Administration, an MBA in Strategic Management and is also an Associate of the Chartered Institute of Bankers London and a Fellow of the Kenya Institute of Bankers. He is an experienced professional banker, with excellent team leadership, high level planning, organizational design and transformational skills.

He possesses a wealth of practical experience and skills in all aspects of banking and management, acquired during his rich banking career spreading over twenty five (25) years in various senior and Executive Management positions held at Family Bank, Industrial Development Bank (IDB), and Barclays Bank. He is well known for ground breaking initiatives in the Kenyan banking industry, and his joining presents ABC Bank Group the opportunity to optimally leverage our synergies across our various businesses-banking in Kenya and Uganda, insurance and capital markets.

Peter can be reached on (020) 4263 015 or [peter.kinyanjui@abcthebank.com](mailto:peter.kinyanjui@abcthebank.com)

## Young athletes benefit from ABC Bank's helping hand

ABC Bank Group sponsored the newly introduced short races in this year's edition of the annual Safaricom Baringo Half Marathon. The event was held on November 4, 2012 in Kabarnet Town. Mr Shamaz Savani, the Group Managing Director, said the Bank supports initiatives aimed at nurturing the talents of the youth. He singled out the talented youth in sports, which has proven to be a viable source of income for many sports people besides keeping them off vices, including crime.



Mr Shamaz Savani (L), ABC Group Managing Director, hands over branded t-shirts and caps to Mr Paul Tergat, the Safaricom Baringo Half Marathon founder as part of the Bank's sponsorship of the event. The handover ceremony was held at the Bank's Head office in Westlands.

"But majority of the youth are found in far-flung areas of this country thereby limiting their chances of displaying their talents to the country and the world at large. We want to unearth tomorrow's Tergat," Mr Savani said in reference to the event's founder, former world cross country champion, Mr. Paul Tergat. Mr Tergat, who also hails from Baringo County, said the event has not been appealing to some groups of people because it was limited to one category, 21km.

"It is, therefore, my greatest joy that we now have new shorter and fun races targeting the various ages from small children to the youth and professional athletes, thanks to ABC Bank," said Mr Tergat. The 2012 edition featured, for the first time, 1km and 2km fun run for children aged between seven and 14 years while old men and women ran 2km. The junior youth from 15 years and above tackled the open competitive 5km race. These races were sponsored by ABC Bank.

# NSE: Key factors to consider when investing

By ABC Capital Ltd

It is important for you, as an investor, to understand where your funds are being invested at the Nairobi Securities Exchange (NSE).

In the case of purchasing shares, it is worth remembering that you are buying a 'piece' of ownership of a company or enterprise whose shares you are investing in thereby transforming you into an owner of either its profit or losses.

Some qualities of a good share include:-

- frequent and good dividend payment
- a company managed efficiently, transparently and is accountable to shareholders
- shares are easy to buy and sell in the market

## Never ever lose big money in the stock market

Buying a share is easy, the difficulty is knowing when to sell. Experience has shown that very few people know when to sell because most are not entirely rational when it comes to investing in the stock market. To overcome this challenge, always remember that when you buy a stock, you buy it with the intention of selling it for a profit sometime in the future.

In order to sell successfully:-

First, you should put as much thought into planning your exit strategy as you put into the research that motivates you to buy the investment in the first place. Secondly, avoid emotion when making decisions. You must have a strategy that allows you to methodically cut your losses and let your winners ride.

## Buy momentum, sell higher.

The adage 'buy low, sell high' still holds true. However, an improved way of looking at it when deciding on a share/stock to buy is; buy when the momentum begins (when a stock price starts rising gradually over a period of time) and sell higher (a higher price than your buying price). This way, you do not just buy dreams, but a dream that is turning into reality. This is supported by market information about the individual company growth prospects and performance.

## Diversify

Always remember the saying 'never put your eggs in one basket'. Thus, your key to building a good investment portfolio is diversification-invest different amounts of

money in different companies spread over different sectors of the economy.

## Be disciplined

Truly, this is difficult advice to follow especially during market volatility and, therefore, requires that you have an investment strategy. An investment strategy would help guide you in making your investment decision since it acts as a tool to your financial discipline.

## Ask an expert

You are always better off seeking the advice of ABC Bank Group financial advisors-either ABC Capital or ABC Bank Custodial and Financial Services-to help you structure an investment portfolio plan that will suit your investment profile.

[talk2us@abcthebank.com](mailto:talk2us@abcthebank.com)

## Our Locations:-

### ABC Bank - Kenya

Head Office	ABC Bank House, Woodvale Grove, Westlands
Koinange Street Branch	Koinange Street, Nairobi
Westlands Branch	ABC Bank House, Woodvale Grove, Westlands
Libra House Branch	Libra House, Mombasa Road
Industrial Area Branch	ABC Bank Building, Dar es Salaam Road
Mombasa Branch	Shariff Nasser Investment Building, Moi Avenue
Nakuru Branch	Saifee House, Kenyatta Avenue, Nakuru
Eldoret Branch	Zul Arcade, Oginga Odinga Road, Eldoret
Meru Branch	Moi Avenue, Meru
Kisumu Branch	Jubilee House, Oginga Odinga Road, Kisumu
Lamu Branch	Sea front, Lamu

### ABC Capital Ltd.

5th Floor, IPS Building, Kimathi Street, Nairobi

### ABC Insurance Brokers Ltd.

3rd Floor, ABC Bank House, Woodvale Grove

### ABC Capital Bank Ltd. - Uganda

Pilkington Road Branch	Plot 4, Pilkington Road, Kampala
Luwum Street Branch	1st Floor, Avemar Shopping Center, Kampala

## For more information contact us



(020) 4263000



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