



ATS GROUP

MINING MARCHES
ON ITS STOMACH





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Allterrain Services (ATS) Group is a facility management company but that statement tells only half the story, if that: this is a company that fills its niche as a hand fills a glove – it has grown into its market and is identified with it

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ATS started life in 1996 by plugging a hole in the market. A Canadian minerals company working in Ghana and other African countries found it impossible to get the support it needed at its remote sites – like an army, an exploration company marches on its stomach. It hired an experienced facilities manager Jez Simms to meet its immediate needs, with such success that the unit quickly grew into an entity in its own right, taking its first outside contract in 1997. Next came a merger with Oasis Management also founded in 1997 as a hospitality company by Sanjay Narain and Martin Ryan which resulted in ATS Group being spun out as an independent company in 1998 under the management of its founders who are all still actively involved in the company.

Sanjay Narain is the CEO of the group and his vision has driven every stage of its development to a point where it has a presence in 14 African countries and more than 4,000 employees. “It has been a story of steady growth,” he says. “We have partnered with most of the big names as well as with junior mining companies on their projects, and in the last three years we have made significant inroads into the oil and gas sector.” Wherever there is a company that needs to outsource its non-core business ATS is ready to step in. Mineral production and exploration are highly specialised: so is feeding the workforce. ATS started as a foodservice organisation but quickly grew to provide other equally important facilities from accommodation management to leisure facilities management - even swimming pools. Non-food activities



Dining mess ready for service

now account for 40 percent of its turnover.

Every project starts with a small camp for a short term drilling campaign, but as we have frequently seen this can end up five or ten years later with a mine in production – employing many people and with a lot of infrastructure needed to support it. At one end ATS offers a simple deal whereby it supplies catering and perhaps staff for specific jobs like gardening or housekeeping. Year later it provides a complete service, operating the entire camp, maintaining buildings and infrastructure and effectively outsourcing all non-core activities for the customer.

This approach is at the heart of ATS’s Customers for Life approach. It has contracts today that date back to 1999 and has a client list that looks like a directory of Africa’s mining and O&G players. Majors such as AngloGold Ashanti, Barrick, First Quantum, Newmont; O&G sector specialists like Tullow Oil, ENI, Baker Hughes and British Gas; growing companies like Shanta Gold, Endeavour Mining and Newcrest; and service providers such as Lycopodium, Schlumberger, DRA and Geodrill: all these and many more place their trust in ATS for the very good reason that it allows them to outsource essential but non-core aspects of their business.

Global facilities management companies are waking up to the opportunities that Africa presents, Narain admits, but their origins are

in New York or London, a far cry from the untouched parts of Africa. “A few years ago there were only a couple of people tendering on jobs now it can be nine or ten,” says Narain. “But we welcome this because it confirms that our market is becoming established.” His USP is the way ATS understands the challenges, having operated in DRC, Côte d’Ivoire and other countries through troubled times. It understands how to work at a distance from urban centres: its longest current supply route is in Liberia, a 15-hour journey from

Monrovia! “When a project starts we are among the first people to get to the site, well before any construction starts, so we will normally be on site with the security crew, working out of tents without any facilities in place.”

Mining is the client base ATS really understands, and there’s plenty of room for growth within that sector, confirms Narain, though its skills are applicable in many other sectors. The company is putting a lot of effort into developing O&G clients, whether the work onshore or in the waters off West and East Africa: in these cases it handles the operational bases of the companies working at sea – for example at Ghana’s oil port

4,000
.....
ATS employees in Africa

Takoradi. “Our market is sub-Saharan Africa,” he says.

In 2014 he would like to see the work he does in East Africa expanding. Kenya, where the company opened last year, has many openings, and Tanzania is poised to hit

the big time in both minerals and offshore gas, and ATS is already working with Shanta Gold and, with British Gas, at the southern oil port of Mtwara. It has also just commenced its first significant contract in Mozambique. “We are also looking forward to getting back into Nigeria,” he says. The government there has focused all its attention on oil and neglected the mineral wealth in this huge country, but that will change over the coming five years.

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Community development

“EVERY TIME WE INVOLVE A LOCAL BUSINESS IN FOOD DISTRIBUTION IT CREATES THREE OR FOUR JOBS”

With a new partner in place, he hopes to set up a subsidiary in the course of 2014.

ATS’s modus operandi is to select a strong and engaged local partner in any country it enters, retaining a significant shareholding up to 50 percent. The model of partnership is at the heart of the ethos of this business, and that is why it places a huge emphasis on its community engagement.

Social responsibility runs in ATS’s veins – it depends on local suppliers and needs them to succeed. That is why it looks on them as

a part of its own business. “CSR is one of the mining industry’s highest priorities, and we can be right at the centre of the client’s strategy,” declares Sanjay Narain. ATS has a policy of local sourcing, and it uses a lot of food, 22 percent of which is bought from the community around the site – a spend it estimates at \$6 million a year. That in itself creates jobs, and as 90 percent of its direct employees come from the same community, the positive impact is huge. Whereas an NGO might fund a tomato

growing programme, ATS provides a market on the grower’s doorstep, and compels him to meet the highest food production standards – this is a challenge at first but in the end creates a sustainable business that can go on to sell its products in other local and even international markets.

“Every time we involve a local business in food distribution it creates three or four jobs,” Narain points out. A good example is Nana Bra’s mushroom farm close to Gold Fields’ Damang mine in Ghana. This business is the sole supplier of mushrooms to ATS in Ghana, with production of more than 2,000 bags per season. “We have community engagement officers looking for partners that have the entrepreneurial spark! We provide the market, training in best practice, financial advice and

the like. Some of these projects start with a turnover of a few hundred dollars but grow into \$150,000 businesses over time.”

This is happening across Africa wherever ATS is present. In Zambia, for example, James Bright Mubanga started out by supplying 2,000 doughnuts a week from his premises, a thatched hut. Now with ATS support his business is in a modern building with the capacity to produce and supply 10,000 doughnuts to ATS per week. Not only was Mr. Mubanga able to employ twelve young people from surrounding communities, who earn their livelihood from this business, but he’s now planning to extend production to other bakery products.

Last year Barrick awarded ATS a worldwide award for its community



Electrical maintenance

projects in Zambia where ATS Zambia is contracted at its Lumwana mine to provide industrial catering, events coordination, housekeeping, landscaping, accommodation management and facilities maintenance. Of 438 employees in Zambia 95 percent are Zambian nationals, says Narain.

Many of these will be new to the food industry, unfamiliar with sophisticated kitchen equipment let alone international standards of health, safety and hygiene. ATS is accredited to ISO 22000:2005 standard and was the first African catering company to gain ISO 22000:2005 certification, which ensures traceability in the foodchain. In 2013, ATS achieved OHSAS 18001 certification for its maintenance operations in Ghana.

ATS was the first Catering company in East, Central and West Africa to gain HACCP (Hazard Analysis Critical Control Points) certification in 2008. To reach and maintain these standards involves a great deal of training not only of ATS staff but of vendors as well. When it sets up a new project, of any scale, the company will hire or build a facility and set up a training school. "We have a whole range of training programmes, using the latest interactive video and DVD materials." Sanjay Narain says. This is managed through the Group's long term subsidiary Oasis Management, which specialises in training and compliance. **BE**

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