

# CORPORATE NEWS

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Mr Rohit Gambhir, the Hardee's Kenya general manager. DINA NDIKA

## US burger chain Hardee's to open 10 Nairobi outlets

EXPANSION Firm opened its first shop in sub-Saharan Africa at the Jomo Kenyatta International Airport midlast month

BY DAVID HERBLING

American burger chain Hardee's has announced plans to open 10 additional restaurants in Nairobi, including an outlet at the upcoming Two Rivers mall in December.

Hardee's mid last month opened its first shop in sub-Saharan Africa at the Jomo Kenyatta International Airport.

CKE Restaurants Holdings, which owns the Hardee's brand, says Kenya offered a perfect entry point to the region underlined by its geographical position and projected increased consumer spending on food and drinks.

"The airport was ideal to begin with as travellers identify with the brand and there is ready traffic. But it is limiting," said Rohit Gambhir, general manager at Hardee's Kenya.

"We now want to be in a mall and in other places where we'll get to interact more with the locals and see what they want," Mr Gambhir, an ex-KFC executive, told the *Business Daily*.

He declined to disclose the amount invested in setting up the Nairobi unit.

The Hardee's JKIA outlet currently clocks between 200 and 250 guest checks daily, hospitality industry jingo for customer orders, some of which may be single or for groups. The Nairobi unit has

employed 45 workers. Mr Gambhir said, adding that it will hire a similar number for the Two Rivers outlet and other subsequent shops.

Hardee's, known for its char-broiled burgers, currently has 37 restaurants in Egypt and operates a total of 3,711 stores in 39 markets globally. California-based CKE Restaurants Holdings is



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ROHIT GAMBHIR, GENERAL MANAGER AT HARDEE'S KENYA

the owner of Carl's Jr brand, another burger chain, and acquired Hardee's in 1997. The 24-hour burger restaurant at JKIA has its menu priced in US dollars, with a daily applicable exchange rate to the local currency. It also serves fries, soft drinks, beers, ice cream, and hot beverages such as coffee and tea. Hardee's is eyeing a location within Nairobi's central business district for the third outlet planned to open in March next year. Its entry to Kenya comes at a time when foreign restaurants and hotel chains have been jostling to set up shop in Nairobi, with some of the latest entrants being Burger King and Kentucky-based Pizza Hut. Growth in households' disposable incomes, high economic growth,

and a young population will see Kenyans splurge more on food and beverages, says a study by consulting firm McKinsey.

Suzan General Trading Ltd, which runs duty free shopping complexes and mini-hotels at airports and sea ports and is owned by Dubai-based businessman Arif Hatiz, is the franchise owner of Hardee's in Kenya.

Mr Hatiz is currently in court battling Kenya Airports Authority over the agency's move to tender for the development and maintenance of duty-free shops at JKIA, after tycoon Kamlesh Pattani gave up his tenancy at the airport and withdrew court cases he had filed against the airfields' watchdog for demolishing his shops.

Hardee's said supply chain hurdles remain the biggest challenge in running a global chain in Kenya, as they have to source for inputs that meet international standards in terms of quality and safety.

Mr Gambhir said Hardee's is sourcing for vegetables locally but imports high-end Angus beef and bread from Egypt as it works with local firms Quality Meat Products and Ernsvally Bakery to meet set standards.

"It took us more than six months to figure out the supply chain and open this outlet. We're working with local firms to help them meet our requirements as a burger here should taste the same as in any other market," he said. [hazvid@ke.nationmedia.com](mailto:hazvid@ke.nationmedia.com)

## KQ contract workers to wait two weeks for pay demand response

BY MUTHOKI MUMO

Kenya Airways (KQ) contract staff who have been on a go-slow since Friday will have to wait two more weeks to get a response on their demands for improved pay and work conditions.

The employees resumed work yesterday evening pending the conclusion of negotiations with their employer.

The workers, hired through KQ contractor Career Directions, (CDL) had downed their tools demanding pay and benefits similar to those employed by staff who are directly employed by the airline.

"The agreement is that they give us and KQ a period of time to look at their demands. We will go back to them in two weeks to tell them what we're able to do," said Career Directions managing director Lucy Mmari in a telephone

### 500

The number of workers Kenya Airways has contracted through employment placement agency Career Directions Limited.

interview.

The national carrier has through Career Directions hired over 500 employees who serve as both ground and cabin crew. Reports indicate that as many as 230 of these employees had participated in the industrial action, frustrating operations of the carrier.

During the weekend the airline suffered cancelled and delayed flights. There were reports that KQ brought in cabin crew from Ghana and Thailand

to cover the shortfall. Ms Mmari however said that these were employees who had been en-route to Nairobi.

CDL has a presence in eight countries. The decision by the employees to go back to work is a reprieve for KQ which has suffered labour crisis in recent months.

On Monday the Kenya Airline Pilots Association (Kalpa) deflected a strike. State House intervened in the crisis promising to use the Treasury's shareholding of KQ to overhail top management. The government has 28.9 per cent stake in the carrier. Former Safaricom chief executive and KQ board member, Mr Michael Joseph, is set to take over as the airline's chairman at the end of the month from Dennis Awori. A board meeting slated for October 26 is expected to ratify his appointment.

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