

Our Mission is to be the leading organization for power generation, automotive and engine related products in East Africa.

Message from the Group Managing Director

Car & General: Our Strategic Objectives



Dear Members,

We closed our fiscal year 2009/10 in September. The results show that we fell short of budgeted turnover and profitability. This is a clear indication that we are in for challenging times. There is no doubt that competition is intensifying in all of our markets - if we do not rise to the challenge - the truth is someone else will!

Once again, we need to keep the following key success factors in mind as critical issues for the coming period:

1. We need to live our brand vision religiously - that is providing power for better living and making customers smile in every street, every town. Any opportunity we have to interact with a customer must leave a memorable experience.

We must also keep the marketing activity up in all places. Today, we are opening a number of C&G-owned sub-branches across the region. In Kenya, we have recently opened in Kitengela and Eldoret while Mwanza and Zanzibar have been opened in Tanzania. Uganda has opened the Ndeeba showroom in Kampala. We have also embarked on a rigorous after-market activity.

2. Disciplined people, disciplined thought and disciplined action - This is going to be our No. 1 priority. Strict discipline will ensure that we do things right first time - doing right thing, right now in other words, right thing, every minute, every day!

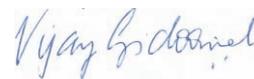
3. Effective communication - We need to ensure that we communicate effectively for the benefit of the organization.

Let me take this opportunity to congratulate C&G Kisumu for topping the 2010 Cargen Premier League at 63% and Tanzania for emerging as the most improved organization at 56%. We must target a minimum score of 70% in each organization. We must continue to improve organizational quality in order to capitalize on opportunities ahead. All our markets are growing and we are well placed to dominate.

Finally, we have a great opportunity for growth with us. We just need to remain focused and positive

Let's make it happen!

Thanks.




The Board, Management and of Staff of Car & General Group Extend Warm Christmas and New Year 2011 Greetings to All of You!

HIGHLIGHTS . . .

- GMD's Message
- Staff Interviews
- Corporate Chat
- Personal Reading
- Corporate Chat Extra
- Cargen Extra, Pictorial

Editor

Ndakala R Atanda

The Editorial Team wishes to encourage members of Car & General to send in contributions to Cargen Times. Send your comments, letters, pictures etc to raphael.atanda@cargen.com

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The First Line . . .

We are coming to the end of 2009/10 financial year.

It has been, needless to say, a very challenging year!

In spite of the challenges, we have made some good progress. Yet the bottom line is, we still have a long way to go.

It is also true that competition is intensifying in our markets. This means that we need to be more focused on doing the right thing for the business and the brand - every minute, every on in every street, every town.

As we approach the year 2011, let us put this at the back of our minds.

Lastly, we at the Cargen Times wish all of you a Merry Christmas and a Prosperous 2011. Let it come with greater successes for Car & General!

Raf.





Closed for Holidays

Car & General will officially close for Christmas and New Year holidays on Friday, December 24, 2010 and re-open on Monday, January 3, 2011. Enjoy carefully!

Karibu Car & General!

We welcome Patrick Ngetich (Management Trainee, Mombasa Trading), Kassim Tubwa (also of Mombasa) and Kenneth Rono (CPG, Mombasa). *Karibuni sana* and wish you a successful career at C&G.

Kwaheri

The following people left the service of Car & General in the past quarter:

Charles Watitwa (Tanzania), Peter Dealers and Gideon Kiprop (Mombasa), Prudence Maseki (Engineering, Nairobi) and Fred Kilatya (Kisumu).

New Borns

Faith Muinde was blessed with a bouncing baby girl. Faith works for our Mombasa Branch. Congratulations!

Training, Training, Training . . .

At Car & General, staff training and development is given serious attention. This is the only way people become competent not only in their various current positions but also for future openings. Just last quarter alone, the following in-house courses were conducted for various members of staff:

In October, Mike Holtham trained sales staff on selling skills and customer care. He also trained people on coaching and mentoring. In November, World Class Solutions Limited trained senior managers on how to secure the future today. This was a very interesting training about financial security. Sales executives were also taken through a sales and marketing course by Topmark Consultants in December 2010.

C&G Leads the Distributor Scorecard for Africa

Car & General came tops on Africa distributor scorecard Quarter 3, 2010. C&G led with 51% followed by Matforce of Senegal at 39%, SESCO of Libya at 31%, Cummins West Africa of Nigeria at 25, Cummins France of Algeria at 22% among others. The criteria include market share growth and DAOP achievement.

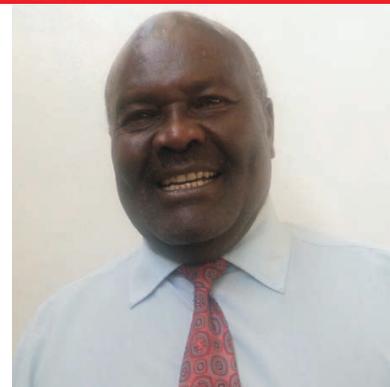
Pole, Perris

We regret to announce that Perris Wathira Murunga (Nairobi Trading) lost her beloved mother on December 9, 2010. May God give them strength to bear the loss. May her soul rest in eternal peace.

This Man Peter Mwaura



Interview by Faith Mumo



Cargen Times had an informative interview with Peter Mwaura the Sales Manager of Suzuki motorcycles at Car & General.

So, who is Peter Mwaura?

Peter Mwaura is a social and a very hard working man. You can also call me a hero because I have survived many 'fights' and I am still here!

When did you join C&G?

I joined Car and General in 1976. I saw a newspaper advert, applied, passed the interview and came in as a technical sales representative.

What did you do before joining C&G?

In 1969 I apprenticed at the City Council of Nairobi in the motor vehicle section for 3 years. I later moved to Gailey & Roberts Construction Equipment, a company that dealt with Caterpillar tractors and generators as a sales man, as the company grew I moved to the parts service exchange which was more like maintenance.

Tell me about C&G when you joined?

As mentioned earlier, I joined this organization in 1976. Compared to today, the company dealt with a wider range of products like domestic appliances, plastic products, gaskets, we even produced lawnmower decks, gumboots among other products. Re-tread was among the strongest divisions at Car & General but it was closed during the recession period in the early 90's.

What has changed?

Since then we have changed product lines. We found our niche and I must say we are more organized and have great guidance.

What is your most successful sales you have ever achieved?

The best will have to be the beginning of 2004 where we sold 1,182 TS 125 Suzuki motorcycles to the ministry of education.

Tell me about it and what you did to successfully achieve the sale?

(Shaking his head) Registration for all those units was a nightmare! We involved everybody to make sure the process was successful. We had people doing overnight shifts so that we could beat the deadline. We have had repeat orders but none has beaten that one...yet.

What do you like most about your job?

Hmmm, that would have to be being with my colleagues, I spend most of my time here.

If you were not working for Car and General, what would you be doing?

That's easy; I would be selling two wheelers and four wheelers! It's definitely my thing.

How do you unwind? What are some of your likes?

When I get time I tend to my cattle and my small shamba. I also like to hang with my family.

Parting words/advice?

We have brought this company this far, we can take it to greater heights with devotion, focus and hard work. Car and General is a good company to work for with plenty of opportunities.

Kisumu Leads the CPL Table

The Cargen Premier League had a dramatic end with Kisumu stealing the show at 63 points, followed closely by Tanzania at 56.

We must, however, target a minimum score of 70% in each organization. We must continue to improve our organizational quality in order to capitalize on opportunities ahead.

Organization	% Score	Code
Kisumu Trading	63	
C&G Tanzania	56	
Nairobi Trading	54	
Kibo Poultry	54	
CEI	53	
Shared Services	47	
C&G Engineering	44	
C&G Mombasa	38	
Nakuru Trading	36	
C&G Uganda	34	

What a Party at the Safari Park Hotel, Nairobi!

This year's Annual Reflections Meeting was held on Saturday, November 20 at the Safari Park Hotel, Nairobi. What a party!

The occasion was graced by the Group Managing Director's presentation, a quiz session and company awards to recognize long serving employees and exemplary performers. The occasion was also used to launch Car & General's 75 years celebrations.

All the music, the beer and the food! By the way, the Safari Cats were a real thrill. Thumbs up for the organizers for the good treat!

Car & General CSR Volunteers Set to Visit Nageya Home

The CSR Volunteers plan to visit Nageya Children's Home in Mathare 4A. They will donate foodstuffs such as rice, beans, sugar and maize flour, clothes and books among other items. Contributions can be sent through Faith Mumo and Maryanne Njeri. This is a kind call to all members of staff to contribute towards this noble cause. God blesses a giving hand.

Tanzania Crosses 500 TVS 3-Wheeler Sales Mark

Ms Taiba Abdalla Salehe is the 500th customer of TVS King three-wheeler in Tanzania! The keys to her green vehicle were handed over to her by the TVS team November 29, 2010. This marks the beginning of an interesting journey towards being the market leader of the three-wheeler market in Tanzania. We just need to sustain the momentum.

Well done Tanzania TVS team! We are looking forward to celebrate the 1000th unit soon! Let us remain focused.



Car & General Numbers

75

Number of years Car & General has been in existence since incorporation

10

Number of countries in Eastern Africa Car & General has representation in

575

Number of employees of Car & General across its subsidiaries

1.5m

Sponsorship amount in Kenya Shillings Car & General has spent on the eye care program in conjunction with the Lions Club

60

Years Car & General has been listed at the Nairobi Stock Exchange

17,550

Bikes sold by C&G in 2009/10

354m

Profit before tax for the 2009/10 fiscal year

4.7b

Car & General's turnover in KES in the fiscal year 2010

Cargen Briefs

Siebel Oracle Enquiry Management System For Tanzania and Uganda

After successful implementation of the Siebel enquiry management system for Kenya, the focus now moves to Tanzania and Uganda. This will be through by January. Siebel is an IT enquiry management system that ensures that the accurate enquiry reports are given, ensuring appropriate focus.

A Prestigious Award for CPG

Car & General, ones again, has bagged an award for CPG. This time for being the 2010 Outstanding Distributor for CPG.

The Award was received by the General Manager, B. S. Balaji in the UK.

Congratulations CPG team across the region for making us proud!

Aftermarket Business for Trading Established

Car & General has established aftermarket business for the Trading Division. It has been recognized that this business will be an important aspect for the Group's philosophy of every street, every town.

Paul Gitau has been appointed to head this important business.



Balaji, holding trophy, and flanked by C&G regional representatives. C&G received the Cummins outstanding distributor award 2010 for CPG.

Why CSR?

By Isaac Kituu



If we went to the Mau forest and planted a tree, would that add value to anyone? The answer to this question will depend on several other factors such as whether it was necessary to plant the tree there or elsewhere; whose responsibility is it and to whose benefit.

The above and many other questions arise when we offer ourselves to acts of philanthropy. The motivation behind CSR is the fact that we have grown and benefitted from the society and environment in which we live in. It is a fact that in the same society there those who are in real need of help. It is this group that we are called to extend a helping hand to. Giving back to the society is a refreshing exercise. It rids us of selfish tendencies and opens our eyes and hearts to appreciate what we have and may be taking for granted.

It is said charity starts at home. We should start from within; from our own families, work colleagues, our neighbours and the society at large. In every religion, members are called upon to charity (giving without expecting anything in return) activities to the needy. The Great Teacher taught; He who has two dresses should give one to a person who has none.

It could be by way of serving in a children's home, spending time with sick, giving material aid, providing professional assistance to a disadvantaged group or even by ensuring we maintain a clean and healthy environment. At the end of the day, we are not embracing CSR because others are, but because it is our responsibility.

Change, or Perish!

By Ndakala Atanda

Change is inevitable. Anthony Muh, Citigoup's head of investment in Asia said 'uncertainty is the only thing to be sure of' while General Eric Shinseki, former Chief of Staff, U.S. Army said 'if you don't like change, you're going to like irrelevance even less'. This simply means that change or perish!

But what is change? Change is to make different, cause to transform. It means becoming different in essence, losing one's or original nature. Change is the result of alteration or modification.

Change is necessary when all props and practices of the past no longer work. It pushes one to their best! Today, businesses are characterized by faster change than ever before. It is no secret that to thrive in this world we all need to embrace change.

It is said that a change is as good as a rest. This means that change is normally a good thing! Change refreshes and increases confidence. In fact, it is a real motivator, re-igniting passion and enthusiasm in the organization. People must be able to always anticipate change, adapt to change quickly, enjoy change and be ready to change quickly again.

Car & General Free Eye Clinic Held in Nakuru

Car & General Limited in conjunction with the Lions Club Nakuru organised a free eye clinic on October 16th at the Lions School Complex in Nakuru.

The medical camp was funded by Car & General at a cost of 250,000 shillings and was headed by the Company's General Manager, David Chesoni, Lion Purvi Shah, the President of Lions Club Nakuru and Lion Niru Shah.

David Chesoni said, "Recognising that a majority of the blind people live in areas where access to eye care is restricted, we embarked on annual 1.5 million shilling country wide eye project in 2008. Sight is vital for all activities and the programme gives treatment and guidance on the importance of eye care."

Vacancy: Project Manager, Cummins Power Generation

The above vacancy exists in Car & General, CPG, Nairobi. The successful candidate must have the following qualifications:

- Degree/Diploma in Mechanical/Electrical Engineering.
- Excellent inter-personal skills.
- 5 to 8 years experience in Sales and Marketing with a proven work record.
- ability to handle customer enquiries and needs independently.

If you fit the job, kindly write to the Rose Mutoko, Human Resources and Administration Manager by December 17, 2010.

Performance Appraisal Process was Successful

The Car & General performance process was concluded in November 2010. It was quite successful given the feedback received. A new form was in place this time round. Employees and their leaders drew new performance objectives for the following year. We are happy that every employee took the appraisal process seriously. It is through such performance reviews that clarity and alignment are achieved. This is the way towards making Car & General performance-driven.

Hall of Fame is Back . . . Stronger Than Ever Before!

From January 2011, Car & General will re-introduce the once famous Hall of Fame - the Car & General Mashujaa (Heroes). This time it will be points-based and the criteria and the points that will accrue will be communicated later. Rewards to be redeemed will also be communicated. Watch this space for your twelve 2011 heroes. This is open to all employees and is launched as part of the Groups 75 years celebrations.



Tanzania's Kibo Poultry Products Set to Expand

Car & General-owned Kibo Poultry Products Limited located at Moshi in Tanzania has been ear-marked for a tremendous expansion.

Land acquisitions for the expansion have already been finalised.

Watch this space!

TVS Juakali Technicians Training Going Well

Car & General's training programme for TVS juakali mechanics is moving on well. So far 1,000 technicians have been trained across Kenya.

"The objective is to ensure that our products have competitive service-men on every street, every town", says Sammy Sewerei, the Technical Trainer at C&G.



Chesoni Takes the MD's Employee of the Year Award

David Chesoni, General Manager - Car & General Trading (Kenya) is the 2010 winner of the Group Managing Director's Employee of the Year Award.

This was announced by the GMD, Vijay Gidoomal on Saturday, November 20 during the C&G's Annual Reflections Meeting at the Safari Park Hotel, Nairobi. The award recognizes an outstanding employee who is consistent with the company values and has given excellent service.

Other employees were also recognized for having have exhibited exemplary service. Tom Kimeu and Angela Mogusu of Shared Services, Isaac Maiko and Benjamin Okuku of Trading; and Nick Mbithuka and Patrick Mukoto of Engineering.

2010 Long Service Awards!

Car & General Kenya has recognized a number of employees who have given diligent continuous service to the company. Herebelow is the full list:

Five years - Ziphora Nyamai, David Mbithi, Abdon Gundo and Jacinta Mbeke (Engineering), Mathews Owiti and Dinah Awuondo (Shared Services), Loice Owino, John Nato, Ibrahim Kones and Fredrick Maina (Kisumu), Athanus Mutua, George Rubiri, Gerald Njoroge and Julius Mwanzi (Mombasa), Stephen Ochieng, anderw Mwariri, Cleon Oguya and Dennis Kaluku (Nakuru) and Joseph Muinde, Elijah Kioge, Peter Okumali and Patrick Kithinji (Nairobi Trading)

Ten years - Amon Hajula (Nairobi Trading), Simon Kibiro (Engineerig) and Omar Ngoloma (Mombasa).

Fifteen years - Gabriel Mwanzia (Nairobi Trading).



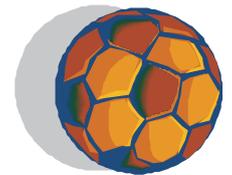
Twenty five years - Elizabeth Olwande and Joel Mukonyoro (Shared services), George Mvuko (Mombasa), Nelson Kamau (Nairobi Trading) and Francis Lumumba (Engineering).

Kisumu Crowned 2010 Cargen Premier Champs!



Car & General Kisumu have made history - they are the winners of the Cargen Premier League Trophy. At 63 points, they were closely followed by our Tanzanian outfit, the most improved organization in the Group at 56. Congratulations!

The PITCH



Who are the most disappointed soccer fans today? Not Gor Mahia for losing to Ulinzi even with a good show by their fans, not forgetting the ladies! Or is it the recent loss of Arsenal to Man-U? No! No! No! Harambee Stars run in Cecafa Tusker Senior Challenge Cup in Tanzania was a real disaster! Forget about the straight losses with no point; the indiscipline exhibited by the Stars could not make a winning team!

Promotions 2010!

The following people have been promoted: Erick Sangoro is now the Regional Service Manager - Cummins. George Rubiri becomes the Branch Manager for Mombasa, a position formerly held by Paul Gitau who now heads the Trading Aftermarket business in Nairobi.

More to come . . . watch this space!

Do You Know the C&G's Strategic Objectives?

Here they are, we urge that we internalize them.

1. To achieve our financial objectives
2. To be the No. 1 choice of customer
3. To be a great place to work
4. To be a regional organization
5. To be a good corporate citizen

Have a *strategic* quarter!

The Car & General Strengths

- A regional company - operational in 10 African markets
- Good reputation - quality, service, parts availability
- Competent people - availability of labour resources across the region
- Financially solid - operational excellence
- The ability to leverage regional resources
- A wide product range of potential critical mass
- Quoted on the stock exchange



1



3



4

1. Healthy employees, healthy performance - That's what C&G sports days are all about.
2. Guess who's taking the jig!
3. And this is how the coveted CPL Trophy was received in Kisumu. Jubilation!
4. Handover of the KES 250,000 cheque to the Lions Club for the Nakuru eye clinic.



2

DON'T QUOTE ME!

“If you want 1 year of prosperity, grow grain.
If you want 10 years of prosperity, grow trees.
If you want 100 years of prosperity, grow people.”

An Old Chinese Proverb

“The more you know about your customers, the better you are able to customize your services and create memorable experiences for them. The top reason your customers stop doing business with you is because they think you don't care about them.”

Vincent Oduor

In an article entitled Customer relationship – the high cost of complacency published by Marketing Africa magazine.

HUMOUR

A golfer stood over his tee shot for what seemed an eternity. Looking up, looking down, measuring the distance, figuring the wind direction and speed. Driving his partner nuts.

finally his exasperated partner says, “What’s taking so long? Hit the blasted ball!”

The guy answers, “My wife is up there watching me from the clubhouse. I want to make this a perfect shot.”

“Forget it, man, you’ll never hit her from here!”.

Re-printed from Management, December 08 - January 09.

Finally . . . The Last Line . . .
We are closing the first quarter of our fiscal year 2010/11. As was earlier stated, the current year is quite challenging. We, however, look forward to facing the challenge otherwise, as the GMD said, someone else will rise to the occasion.

Competitor activity is intensifying and in some cases, our market share is being challenged

It is true that we have a better understanding of our markets today. What we need now is strict discipline.

Discipline in the way we do our marketing activity, enquiry follow-up and management, and working capital management - sufficient stocks, no debts.

Let’s pull up our socks. We will make it! Raf.