



STARTUP PANORAMA

EDITION 6.0
Cultural Diversity

دبي للمشاريع الناشئة

DUBAI STARTUP HUB

AN INITIATIVE OF DUBAI CHAMBER OF COMMERCE & INDUSTRY

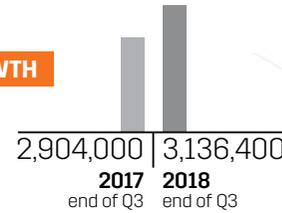


CURRENT POPULATION

 ~ 3.2 million

ANNUAL POPULATION GROWTH

~ 7.7%



PROJECTED POPULATION GROWTH

~ 5 million
by the year 2027



Other

15.0%

Filipino

6.1%

Egyptian

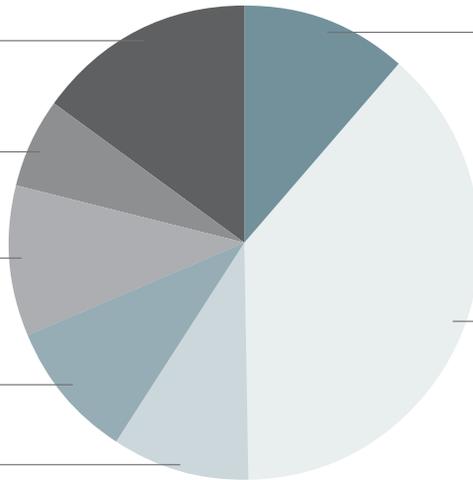
10.2%

Bangladeshi

9.5%

Pakistani

9.4%



Emirati

11.6%

Indian

38.2%

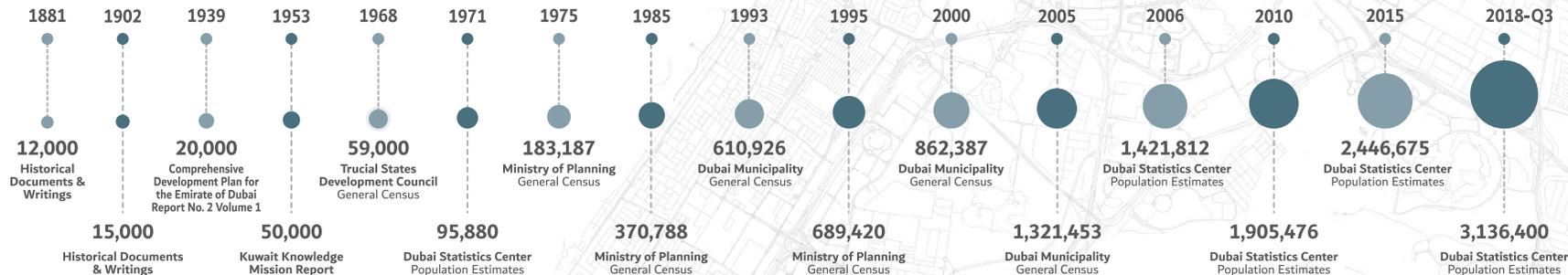
According to the World Migration Report 2015, Dubai has the **highest foreign-born population in major cities globally** with more than 80 per cent of the Emirate comprising of residents from other countries.

POPULATION AGE

66.45%

of Dubai's population is between the age of 22 and 44

DUBAI POPULATION THROUGH HISTORY SINCE 1881



CULTURAL DIVERSITY IN BUILDING A STARTUP

Meeting a fellow entrepreneur from a different country, culture or background, is inevitable here in the UAE.

With more than 200 nationalities living in the Emirates, there's no shortage of diversity in the entrepreneurial ecosystem, along with a healthy curiosity and openness to listening to new ideas, learning from each other's experiences, and collaborating on projects. This model of tolerance is simply ingrained in the culture, heritage, and traditions of the UAE.

And therefore, another interesting natural byproduct of the multicultural diversity, perhaps more unique to Dubai than many other cosmopolitan cities, is the spontaneous coming together of co-founders from different cultures, that includes merging with local culture to gain a better understanding of context and special nuances of doing business in the region. meekd, Project Chaiwala and Pure Harvest are just a few examples of the many startups in the Emirates with diverse founding teams.

Co-founders of homegrown global search engine meekd.com - Emirati Muhammad AlDarrai and Indian expat Sameer Nath - say they believe what lays the ground to make forming multi-cultural partnerships easiest in the UAE is that it is an environment that just lets people be themselves. "In the UAE we don't pressure people to become more like us and adopt our ways and work ethics," AlDarrai explains. **"People here work in a tolerant environment where they retain their**

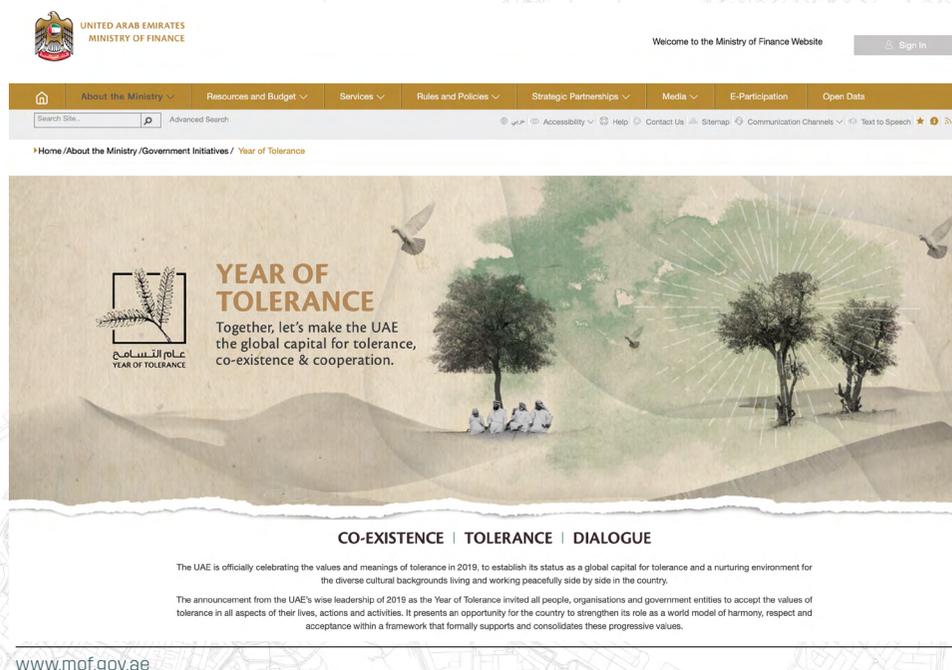
cultural identities and all of us learn from each other."

Meanwhile, Indian expat Justin Joseph, who co-founded tea concept Project Chaiwala with UAE national Ahmad Kazim, insists that entrepreneurs in the Emirates have an extra edge when looking for a co-founder that better positions startups to access and cater to wider target markets. In their case, the business idea was a merging of two cultures - the ritual of karak tea that arrived in the UAE with the Indian diaspora.

"Having an Emirati co-founder brings you much deeper ties and perspectives into cultural, legal, and political 'non-market' forces affecting business in the Gulf region," adds Robert Kupstas, co-founder and technologist at Pure Harvest - a agro-tech startup the Lithuanian-American expat co-founded with UAE national Mahmoud Adi and American expat Sky Kurtz.

"I think that the general reaction [to our multi-cultural partnership] has been one in which people have been impressed by the strength of the team," Adi adds.

As the UAE officially marks 2019 as the Year of Tolerance -celebrating the values and meanings of tolerance and a nurturing environment for the diverse cultural backgrounds living and working peacefully side by side in the country- it also presents an opportunity for entrepreneurs in the country to grow a business that leads the way as a role model in cultural tolerance for companies across the world. And ultimately proving that harmony, respect, acceptance and economic progress all go hand-in-hand.



PURE HARVEST

Stories of Stanford University alumni coming together to innovate and create some of the world's most celebrated companies aren't new.

From HP's Bill Hewlett and Dave Packard in the mid-30s, to Google's Larry Page and Sergey Brin, and Instagram's Kevin Systrom and Mike Krieger, the sunny campus in California, in close proximity to Silicon Valley, is not just well known for producing wildly successful entrepreneurs, but also for being the place these famous co-founders met.

So, it's no surprise that Stanford graduates Mahmoud Adi, Sky Kurtz and Robert Kupstas met through the university's alumni network too. But what's unique is that the three met in the UAE. The trio says they instantly bonded over the "pain of relying on high-priced, imported fruits and vegetables for consumption," and therefore, went on to found Pure Harvest.

Launched in 2016, Pure Harvest Smart Farms is a regional innovator in sustainable agriculture focused on the production of greenhouse fruits and vegetables in the challenging Gulf climate using world-leading Dutch greenhouse growing technologies. Pure Harvest specializes in vine vegetable crops like tomatoes, cucumbers and strawberries.

"Our team had an immediate personal chemistry -all of us young, ambitious, socially conscious professionals with an entrepreneurial bent- and we had personally

lived the problem of food import dependence in the Gulf Arab region," says Sky Kurtz, co-founder and CEO of Pure Harvest.

Robert Kupstas, co-founder and technologist, adds that his clean-tech and policy-consulting background is backed perfectly by Kurtz's rich skill-set in deal structuring, valuation and financial engineering, along with Director and fellow co-founder Adi's business acumen and financial skills as well as his deep network within the UAE and wider Gulf region.

"Having a co-founder from a different culture can be quite powerful and value-adding because this individual is likely to bring a fresh, original perspective to the project," Kupstas continues.

Adi, also currently a technology investor with Mubadala Investment Company in Abu Dhabi and CEO of Hub71, points out that the partnership is mutually supportive and beneficial. **"Working with expat co-founders energizes one's business by bringing fresh perspectives and, in some cases, new insight into business model innovations, and professional best practices,"** he says.

"I think that the general reaction [to our multicultural partnership] has been one in which people have been impressed by the strength of the team."

"There is sometimes a stereotype that Emiratis are not as hard working perhaps as their expat counterparts," Kurtz



Pure Harvest team. Left to right: Robert Kupstas, co-founder and Technologist, Sky Kurtz, co-founder & CEO, and Mahmoud Adi, co-founder & Board Member

adds. "I can truthfully say, having worked with Mahmoud [Adi], this is absolutely not the case. He has stuck with us through highs and lows, and continues to go above and beyond in ensuring our venture is a success."

Pure Harvest has raised approximately US\$7 million so far, the proceeds of which have been used to acquire a farm, fund feasibility costs and construct a pilot 7,000 square meter growing facility on its farm in Nahel, UAE. The company now plans to raise Series A funding to increase facility size and begin growing other crops, as well as to expand into Saudi Arabia.

PROJECT CHAIWALA

Two consultants with a love for the UAE's famous karak chai (strong tea), who ditched their high-flying careers at a Big 4 firm to turn tea entrepreneurs, is how Project Chaiwala came into being, with the name of the enterprise a nod to the Hindi word, chaiwala, meaning "tea boy."

Founded by Emirati Ahmad Kazim and long-time Indian expat Justin Joseph, the homegrown F&B concept started out as pop-ups at events, and now has a permanent location within Cinema Akil at Alserkal Avenue in Dubai. The all-day chai diner serves ethically-sourced organic variations of the traditional Indian brew of loose black tea with cardamom and evaporated milk, which arrived in the Emirates along with the Indian emigrants in the 1960s. Much like the Arabic qahwa (coffee) ritual, the Indian tea tradition blended perfectly with the local population—both collective cultures that ritually gather to unwind, share happenings, or discuss business over tea or coffee.

"We always aspired to have our own business so we used to keep discussing different business ideas and opportunities," Joseph recalls. "Ironically this used to take place over a cup of tea or during camping trips to the desert with some tea in hand. One day we mused the idea of creating a brand that delivered high quality karak and product extensions."

"The whole thing came together during our trip to Darjeeling, India," Kazim adds. "We spent a fair amount of time in the tea estates. We'd get our knowledge and education on tea during the day strolling the beautiful tea gardens and spend evenings gathering our thoughts and conceptualizing it on paper."

Having a co-founder with a "direct connection" to where the startup's concept is based from was "definitely complimentary," Kazim says. "Having [an understanding of] both cultures as co-founders helped us put all the essentials in the concept together. Both of us [having been] brought up in Dubai with different perspectives helped us in understanding our approach in conceptualizing Project Chaiwala."

With more than 200 nationalities living in the UAE, Joseph says he believes entrepreneurs have an edge when searching for a co-founder. **"Due to the diversity of demographics in the region, having a multicultural business relationship means you have two solutions to every one problem, which is driven by our different perspectives, background and expertise,"** he explains. In case of Project Chaiwala, he says, the startup is better positioned to access and cater to a wider target market. "Because now you have an understanding of the other side, which means we are better able to create products that bring value to our customers."

Joseph adds that customers at Project Chaiwala are often shocked to see both founders in chaiwala uniforms, and serving customers from behind the counter. "[They are] even more surprised to see us working with our staff in the kitchen," he says.

But that's exactly the sort of work ethic that had him convinced about a partnership with Kazim.

Meanwhile, Kazim shares that two have a "very agile" working process.



Project Chaiwala founders Amad Kazim and Justin Joseph

"One important characteristic that both of us share is adaptability to change and not getting stuck in founder's syndrome by being [too] fixated on our ideas," he says. "By understanding our strengths, we trust one another in taking independent decisions when it comes to deliverables." Ultimately, the founders says, their idea is to build up the homegrown UAE brand to proudly export to other countries. "We will be looking to bring on strategic partners and raise funding to help us achieve that goal by the end of the year," Joseph says.

Of course, he insists, sitting down together for karak together remains at the center of all their business decisions.

And Kazim adds: "Where else would we get great ideas from?"

MEEKD

If you work in the UAE, the odds of your lunch buddy being from a different culture are pretty high – and if you're both aspiring entrepreneurs with a passion for technology and a problem you want to solve, then it's only a matter of time before you take the leap into the world of startups. Many debates and discussions in the break room later, Muhannad AlDarrai and Sameer Nath, colleagues at a bank in Dubai, decided to do exactly that. The Emirati-Indian team co-founded meekd.com, a global online search engine that specializes in Internet-based search services with a focus on no sponsored or paid-for search results. Instead, the homegrown algorithm allows its user-community to control the page ranking of individual search results. "I 'connected' with Sameer the first time I met him," says AlDarrai. "Both of us are tech savvy and share the same interests, which are technology and entrepreneurship." The two would meet during their lunch hour and ended up regularly debating on issues in the tech world, including problems with search engines including tracking and privacy issues. "It was during these debates that I realized how well we connect and comprehend each other," Nath says. "We noticed [that to] search for MENA-related information, using a typical search engine, the average user has to sieve through a series of webpages to find and compile the specific piece of information they're looking for. On top of that, search result pages are riddled with 'paid-for' results and listings that are sponsored." AlDarrai adds: "On the side of the businesses and web-

developers who are hoping to attract users to their site, there is more pain around the constantly changing page ranking algorithms (SEO) and ever increasing presence of sponsored or paid ranking."

With a shared passion to ensure that sponsored results and paid-content are not prioritized and not ranked above real organic search results, AlDarrai took charge of operating strategy and UI design, while Nath brought in his expertise in artificial intelligence programming.

Having a co-founder with a different outlook than many colleagues from his own culture also made it easier to take on the behemoth task of building an search engine algorithm with a model that contradicts the likes of Google, Nath says. "Diversity of cultural background means we often have opposing viewpoints, which is exactly what we need to have a well thought-out, well-debate strategy in business," AlDarrai explains. "In the UAE we don't pressure people to become more like us and adopt our ways and work ethics. People here work in a tolerant environment where they retain their cultural identities, and all of us learn from each other."

Nath adds: **"The UAE provides an almost unique environment where one not only finds the most diverse workforce but [one] that is not compelled to conform or gel into the proverbial cultural melting pot.** I've worked in the US and Canada, and the diversity there is mostly expected to become more American or more 'Western', effectively becoming less diverse in thinking and working styles."



meekd founders Sameer Nath and Muhannad AlDarrai

meekd.com, which officially launched on February 1, 2019, under its Dubai-based parent company AlphaNumeric Tech, currently handles more than 200,000 searches per day and has become the highest ranked startup of the UAE as reported by Alexa's Global Web Ranking.

"We've handled over 8 Million searches since launch," AlDarrai says. "We believe that the ranking of the online search results should not be controlled by corporations and cryptic algorithms. We work together on this everyday, literally! We have one desk with two chairs. We start our coding work everyday at 8am and keep coding till 5pm. Sometimes we call each other late at night when either one of us has a eureka moment."

The company is currently looking to raise funds to upgrade its IT infrastructure and acquire talent to cope with continued user growth.

Meanwhile, as they continue to lunch together, the partnership has also brought out some stereotype humor, AlDarrai shares. "It was funny to find out that Sameer hates almost all Indian food and I enjoy spicy Indian food."