

## Company of the Month: The Firoka Group

Read the article below on the Firoka Group.

For many successful people in business, their first experience in the business world is playing the board game 'Monopoly'. Sometimes it is possible to win this game by developing houses and hotels in cheaper areas. The story of the Firoka Group is similar to a successful game of Monopoly.



The story of the Firoka group is, in many ways, an old-fashioned story. It is a 'rags to riches' story of a young dynamic and successful entrepreneur. It is a story of exile and adaptation to a new country. It is about the discovery and exploitation of a 'niche' market. It is about early success and overextension leading to disaster. It is a story of recovery and reconstruction. It is the story of a man who is only 46 years old but who has assets of over £100 million. He owns several London hotels, 2 golf courses, a large country estate in Oxfordshire and Oxford United Football Club. Firoz Kassam was born in Tanzania, West Africa in the 1950s. He was one of five children. His father had a small confectionery business. His mother died when he was still a child and he had to share responsibility for his younger brothers and sisters.

Firoz Kassam was part of the large Indian community in Africa. During the time when large parts of Africa were occupied by the British Empire, Indians were encouraged to migrate to Africa to form an 'educated middle class' of shopkeepers, engineers and doctors.

By the late 1960s, many newly independent African countries had begun to resent the fact that their commercial economies were dominated by Indians. Some countries, like Uganda, expelled their Indian residents forcing them to abandon their successful businesses and leave the country. Firoz Kassam was one of many who came to Britain.

Landing in Britain at the age of nineteen, he found his first job in an Indian take-away food shop in south London. There he washed plates and cooking utensils. By 1970, he had opened his own fish and chip shop in Brixton. The shop was successful and Firoz Kassam was able to borrow money to rent a building with twenty rooms in the Olympia district of London. Initially, he attempted to operate the building as a cheap 'bed and breakfast' hotel. This was unsuccessful, but fortunately the local authorities in London were looking for cheap accommodation in London for 'homeless' families. Firoz Kassam was able to supply this service.

Through the success of this 'bed and breakfast' hotel, Firoz Kassam was able to obtain further loans from banks to rent more properties and open more hotels. By the mid-1980s Firoz Kassam controlled eighteen cheap hotels in south London and he was planning to move up-market by constructing a luxury hotel.

The recession of the late 1980s hit Firoz Kassam badly. The banks repossessed many of his hotels and he had to abandon his plans for the luxury hotel. But his business was not totally destroyed and he was able to recover.

Through the 1990s his group of hotels developed and Firoz Kassam was constantly expanding. He bought an estate in Oxfordshire and converted it into a luxury country hotel and conference centre. Then in the late 1990s he bought control of Oxford United Football Club.

This club was previously owned by another 'rags to riches' immigrant, Robert Maxwell who had made his fortune through newspapers. It had been an important and successful club but was now, after the death of Robert Maxwell, in a poor condition with few valuable players and a small rundown stadium. Firoz Kassam arrived as a 'saviour' for the football club. In two years he found a new football ground and built a new stadium. He appointed new managers and found new players.

This has been a story of one man. The Firoka Group employs hundreds of people but it is controlled by a very small group of close senior staff. Firoz Kassam rarely delegates authority and makes all major decisions on his own. So far, this has been a very successful policy. Firoz Kassam is fourteenth on the list of the richest Asians in the world. But how long will he continue to be able to work in this way?

The game of Monopoly ends when one player controls all the money and assets on the board. The game of business does not end but continually develops.