BY NABELAH FREDERICKS

SINCE re-opening its doors for applications for finance two months ago, the National Empowerment Fund (NEF) has already received 85 requests from black entrepreneurs looking to get a slice of the R950 million available in funding.

The financier, which ran short of funds last year, was thrown a life-line earlier this year after being forced to put a temporary moratorium on applications and postpone the opening of a Northern Cape office.

In addition to the new applications, NEF spokesperson Emmanuel Mohlamme says the fund has also received 462 new enquiries.

“We have witnessed an alarming response from potential entrepreneurs which confirms the need for development funding for black entrepreneurs,” says Mohlamme.

The enquiries and applications have come mainly from small businesses requesting start-up funding and expansion finance.

The applications are at present in various stages of approval, with some in pre-screening, while others are still undergoing analysis and due diligence.

“Although we have received proposals and requests for funding since the moratorium was lifted, there have been no disbursements post the moratorium,” says Mohlamme.

He assures business owners that the funding criteria and application process will remain unchanged and that the NEF is looking to increase the number of applications that land on its desk.

Capitalised by the government in 2005 to the tune of R2.4 billion, the fund was established to provide finance to viable black business owners that promote economic growth.

Recently-appointed acting chairmain of the NEF’s board of trustees Rakesh Garach says the agency was compelled to put a hold on applications while negotiations were under way with the Department of Trade and Industry (DTI) and the National Treasury.

“Now that we are confident and certain that new capital is on the horizon, the NEF is comfortable to re-open funding for new transactions,” says Garach.

Despite being endorsed by President Jacob Zuma at the opening of Parliament in February – when he said that the NEF would continue to provide finance to black-owned businesses – no allocation was made to the agency in this year’s budget. This led to uncertainty over future funding, which prevented new deals from being written.

The situation now looks to be on the mend. Mohlamme says the agency would be making another application for further capitalisation when applications for the Medium-Term Expenditure Framework (MTEF) open later this year.

The MTEF is a rolling three-year period which the government uses to budget for the country’s needs.

“The R950 million currently available represents the balance of the DTI approved facilities that are yet to be disbursed. The board is confident that the liquidity requirements of the NEF are close to being addressed,” says Mohlamme.

Other than the NEF’s application for recapitalisation through the MTEF, the agency is also exploring other means to capitalise the fund. Following the disbursement of the last of the initial capital of R2.4 billion in 2010, the NEF had been financing itself through proceeds derived from dividends and interest from investments as well as the proceeds of a sale in 2007 through the Asonge Share Scheme, the NEF’s holding in the MTN Group.

Business owners can apply for finance at the NEF’s nine offices.

• Visit www.nefcorp.co.za for more information.
Focusing on success is the cure

BY NABELEH FREDERICKS

HIGHLIGHTING the successes of entrepreneurs rather than their failures alone, will help change the perception of entrepreneurship and could encourage more young people to start their own businesses.

So says Christo Botes, executive director at Business Partners and spokesperson for the Business Partners’ Entrepreneur of the Year awards.

His comments come in the wake of the Youth National and Provincial Labour Market report released in May by Statistics SA which revealed that of the country’s 5.4 million young people between the ages of 20 and 24 years old, only 9.8% are expected to obtain a tertiary qualification.

“Young people see success as being a doctor or a lawyer. They see entrepreneurship as selling goods on a pavement. They don’t think (that) being an entrepreneur is a career option, rather a last resort when they can’t find a job,” says Botes.

He says businesses started as a last resort are usually survivalist businesses and normally don’t create many jobs. Such business owners often simply resell existing products and make very little profit.

Asked whether he believed that entrepreneurship could be taught, he responded by saying that it couldn’t really be taught.

“But young people should be exposed to it in schools. You teach entrepreneurship as potential entrepreneurs, in that you equip the youth with the right skills and knowledge to start a business and perceive there to be good opportunities in the market to exploit.”

It is crucial, he says, for South Africa to bridge the gap between the entrepreneurial aspirations of youth and the reality of establishing a business.

“Intentional entrepreneurs are an important stage in the entrepreneurial pipeline as a strong association exists between entrepreneurial intentions and actual entrepreneurial behaviour, and highlights why it is necessary to equip the youth with the right tools and knowledge to embark on an entrepreneurial venture,” he says.

He adds that many young people think that entrepreneurship is all about innovation, but that this is not always the case.

“If you start a business and contribute a service that is needed and it does not have to be an innovative business.”

Young people, he says, also need to know that starting a business in the retail or hospitality sector has low setup costs, it is also saturated.

“Everyone wants to sell food or buy goods and sell them (it). Has become overtraded,” says Botes.

However, he believes there’s a scarcity of services on offer in the manufacturing and service industries and despite their higher setup costs he believes young entrepreneurs should rather consider entering these two sectors. But he emphasises that entrepreneurs should only consider these two sectors after conducting thorough research and after having acquired the necessary skills.

BY VUYO MABANDLA

YERSEN Pillay describes his time so far as the national executive committee chairperson of the National Youth Development Agency (NYDA) as a “privilege”.

“IT’S not surprising considering that his role is to help run some of the country’s biggest youth entrepreneurship projects.

Since his appointment last year, the agency has invested R25 million in grant funds to youth-owned enterprises.

The NYDA Grant Programme invests between R1 000 and R10 000 in qualifying youth-owned co-operatives and businesses.

And the grants are distributed through the agency’s various national branch offices. As of last year the agency has disbursed 657 support grants.

The agency also provides useful information and access to existing government development programmes.

This is Pillay’s second year as the agency’s national board administrator and he co-manages the organisation’s multi-million rand development programmes.

He grew up in Lusaka South, Johannesburg but moved to Cape Town where he went on to study for a degree in Social Science at the University of Cape Town (UCT). After he graduated, Pillay worked as the university’s student development officer before he moved to work for the government.

While studying at UCT, Pillay realised he had a passion for youth development when he joined the Young Communist League, serving as its then national treasurer, before becoming its chairperson.

“Since then I have always been preoccupied with the development of our country and society at large,” he says.

His experience in research and management of student affairs at UCT helps him to liaise better with private and government organisations on directing the agency’s national policies and strategies on youth development. In 2012, he served as the agency’s national deputy chairperson before being appointed to his current position.

He plans to assist more young people through initiatives run by the agency’s programmes.

“Our youth need to be more involved in service, sport and recreation in order to become healthy, valued, contributing members of society,” he explains.

This year Pillay co-manages the R10 million Solomon Mahlangu scholarship fund which facilitates bursaries to youth living in rural areas.

“The scholarship has assisted over 250 learners during 2014 alone. On the other hand the grant programme provides both non-financial and financial support to survivalist and start-up businesses,” says Pillay.

The NYDA recently partnered with the Industrial Development Corporation (IDC) and the Small Enterprise Development Agency to provide over R2.7 billion in funding for youth entrepreneurs through loan finance and bursaries.

Pillay believes the move will help him direct the agency’s goal of creating at least five million jobs for youth in a period of 20 years.

Develop skills with simulation

BY ROBIN STEAD

If you were asked to list the key skills needed for a young person to become established in business, what would your top five be?

Personally, I would select literacy, numeracy, communication, computer skills and business or entrepreneurship skills. In using the term skills I am deliberately focusing on practical application rather than head knowledge.

If young people are to be equipped to become entrepreneurs, to enter the world of business and to run sustainable enterprises, we need to improve the effectiveness with which business skills are taught in schools.

It is suggested that computer technology can be an effective tool to fast-track business skills development.

“We tend to think that computers are good at handling numbers – managing online exams, printing reports or communicating results.”

While this may be true, in the last ten years a sleeping giant has arisen with the potential to transform business skills development.

Computer games have moved from Tic-Tac-Toe in the 1980s, through Pac-Man in the 1980s, to vast and complex multi-player games, involving hundreds of thousands of participants from around the world.

At the heart of every game lie two elements – a simulated environment (which may be portrayed quite simply, or with powerful realism) and the game itself (which sets the rules).

The scale of the PC gaming market estimates are that it will rake in over R100 billion this year,” tells us that the gaming world has created a powerful model. Imagine if this model could be tapped to drive skills development?

Although simulation-based training has been around since 2000, its use has largely been restricted to the simulation of computer processes.

However, in recent years, simulations have been developed, allowing the individual to compete online in running a virtual small business. This model introduces the potential for simulating the same kind of games that players experience the business as if it were their own, at a level that is relevant to them.

Imagining the potential implications of this could have young people sharpening their entrepreneurial skills in a simulated environment!

• Robin Stead is the managing director of SkillSim.
Entrepreneur takes on bank

**By Nabelah Fredericks**

LOSING his 67-year-old printing business did not stop a Gauteng business owner from fighting the proverbial Goliath in the form of Sasfin Bank, step-by-step.

Damon Greville lost his business in 2012 after the bank forced its closure and sold off all its assets.

He decided to move on, but when he received a summons last year stating that the bank was planning to foreclose on his home, he instead chose to fight back and is now representing himself in court.

Greville bagged his biggest victory to date when the judge referred his case to trial last month, after the businessman’s defended himself against the case presented by the bank.

The businessman alleges that the bank had securitised his loan and therefore had no legal right to collect on the debt.

Securitisation is a process where illiquid assets such as cashflow or contract rights (for example, loan agreements) are sold to third-party investors. In this process the bank loses all title and right to the loan.

He further alleges that Sasfin now owes him R600 000 and are trying to foreclose on his house for outstanding debt they claim amounts to R333 000.

“I heard about securitisation a few years prior to losing my business and asked Sasfin whether my loan was securitised and after going back and forth with them I was told that it was not,” he says.

However, when he requested a reconciliation of accounts to determine whether there were any monies due to him, no information was forthcoming.

Eventually, in court documents lodged by the bank he says he saw that his certificate of balance held the name of a securitisation company, and not the bank, as the creditor.

Greville started his love affair with the printing industry when he was around 18 years old. He says the bank sold off his assets for around R8 million.

Greville started his law firm in the 1980s and eventually merged with Advance Printing Company in 1984, which had been established since 1945.

In 1994 the shareholders retired and Greville bought a majority shareholding and took over the business.

The business then took off and grew so much that, when the premises the business was renting was put up for sale in 2008, Greville decided to buy the property.

A R1.5 million loan was granted on condition that he sign his plant and machinery over as security.

“I thought it would make better sense to sign the property as security, but they said they believed it would be easier to get their money back by selling off the machinery instead of the property in the event,” he says.

He added that at the time he took the loan, he had no debt, apart from monthly creditors, over a million in the bank and the business was growing.

However, things took a turn for the worse when in 2011 he lost his overdraft with his bank because lending criteria were being tightened.

Sasfin then foreclosed and sold off his plant and machinery, as well as the building they had financed.

“When they sold off my assets, I lost my business and had to retrench 24 employees who I was unable to pay out,” he says.

One of my employees had been with the business for 60 years at that stage,” he says.

He says when all this is over, he might start a business again.

Despite his victory he says he wouldn’t advise the average person with no legal background to represent themselves in a court of law.

“It’s been a difficult two years. I have spent most of my time researching case law and statutory law, having some help from my son, brother and a friend who are all lawyers,” says Greville.

In response to Greville’s allegations, Sasfin’s communications manager Cathryn Pearlman responded saying the matter was still sub-judice.

She further added that the South Gauteng High Court did not rule in Greville’s favour or make a ruling against Sasfin.

“Sasfin never securitised the loan which Greville guaranteed nor did it liquidate his company. Sasfin will pursue its claims for recovery of its debt in the South Gauteng High court in the normal course,” says Pearlman.

A trial date has yet to be set for the matter to appear in court.

Save your biz by knowing your rights

**By Nabelah Fredericks**

LATELY emails have been doing the rounds advising consumers to check with their credit providers whether their debt has been securitised or not.

It was thanks to a similar email which he received about two years ago, that Johannesburg businessman Damon Greville was able to score a small victory in the South Gauteng High Court.

This, after he allegedly discovered that despite his loan was securitised, litigation papers sent to him were in the name of the credit provider instead of the securitisation company.

The securitisation of debt was also cited as one of contributing factors to the 2008 Global Financial Crisis.

So, what is securitisation and what do you, as the consumer, need to know about it?

Small Business Connect spoke to law firm ENSAfrica’s executive of banking and finance, Professor Angela Itzikowitz.

“Itsezications happens when a credit provider – bank or non-bank – bundles some of its loans together and then sells it to a special purpose vehicle (SPV),” says Itzikowitz.

A SPV in layman’s terms is basically a securitisation company and is just a shell used to buy loans by geo-locating investors to fund the sale of these loans.

On the flip side, the credit provider is able to get readily available cash and transfer the risk by selling the debt.

“It is also standard practice for the credit provider to sign an agreement with the SPV to collect the debt as the agent on behalf of the SPV once the debt has been sold.

Despite this it will still be “business as usual” for the debtor, who will continue making the repayment as stipulated by the loan agreement.

If the bank does not request a trial date, I will go to the court and request one myself,” says Greville, who plans to recover the money he lost as a result of the bank’s actions.

He says the bank sold off his assets for about R500 000 of which his initial purchase price was around R8 million.

“Sasfin Bank owes me R600 000 and are now trying to foreclose on my house”

Damon Greville stands outside the South Gauteng High Court where he plans to take on Sasfin Bank.

In terms of South African law, there is no requirement for the credit provider to notify the debtor of the sale,” says Itzikowitz.

Despite this and though it’s not obligatory, most loan agreements contain a “cession clause” which advises the debtor that the debt could possibly be sold.

“But where a debtor requests information on whether a loan has been securitised, it is the debtor’s right to be provided with this information,” she says.

Itzikowitz advises business owners not to be concerned should their loan be securitised as this is standard industry practice.

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For better sense to sign the property as security, but they said they believed it would be easier to get their money back by selling off the machinery instead of the property in the event.

I was not able to make the payments.

Never did I ever think that this would be the case,” he says.

He added that at the time he took the loan, he had no debt, apart from monthly creditors, over a million in the bank and the business was growing.

However, things took a turn for the worse when in 2011 he lost his overdraft with his bank because lending criteria were being tightened.

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New malls force closure of many smaller shops

BY MAX MATAVIRE

SMALL township businesses in the Eastern Cape that have long been serving communities are crying foul over the introduction of shopping malls and foreign traders on their trading turf. Spaza and small corner shop owners say the big retailers who come as anchor tenants at malls in townships have taken business away from them. They say they are too small to compete with the likes of Spar, Shoprite, OK, Checkers and Pick’n Pay.

Zolile Vanani, one such small business owner who for the past 23 years has been running a trading store in New Brighton, Port Elizabeth, says his business is struggling. “In came big retail businesses and foreign-owned spaza shops who have taken advantage of the lucrative and thriving township market,” Vanani says.

He says big shopping malls are springing up in the townships every day and are taking away business from “the small guys.”

“Somali or Ethiopian spaza shop at every corner in the townships.” Vanani says there is now a “Somali or Ethiopian spaza shop at every corner in the townships”. He admits that the foreign spaza shop owners sell their wares at cheaper prices than the locals.

Abdul Mohammed, a Somali spaza shop owner operating in Zwide, says although the foreign traders sympathised with the sentiments of the local business owners, the solution was for them to share business ideas and educate one another, rather than to attack and loot their shops.

“We operate as a group or co-operatives and this helps when we order stock as we get huge discounts. We pool our resources together, go buy stock in bulk and then we share equally among us. This helps so much and we are prepared to share such ideas with the local small business owners,” says Mohammed while packing his wares onto his shelves.

Foreign small business owners are also known to give credit to township residents, and sometimes even to give customers items like bread and milk for free if they do not have enough money.

Port Elizabeth Black Business Forum president Litemba Singaphi, said the advent of democracy has still to benefit black businesses. “It is sad that for black business people, especially small business, there is no good story to tell,” says Singaphi, also a young businessman who has led numerous protest marches in support of the rights of small businesses.

However Mohammed says in Motherwell, a township in Port Elizabeth, foreign traders have set up 280 shops creating a considerable number of jobs. “Our shops get looted every time, but the next day we go back to work and start from scratch,” he says.

Andile Ben-Marwei, a local estate agent, also expressed concern at what he called the “worrying mushrooming” of shopping malls in townships leaving no room for small black businesses to grow.

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**TV ad inspires ‘boerie empire’**

**BY YOLANDE STANDER**

THE big, big dreamer behind the Vuyo’s restaurant brand is on a roll, building his boerie empire and assisting entrepreneurs with similar aspirations.

About five years ago, when former information technology business owner Miles Kubheka caught a glimpse of the infamous Hansa Pilsner television advert – about a character called Vuyo who went from street vendor to boerewors mogul – his life suddenly changed course.

The fictional Vuyo’s story inspired Kubheka that, after establishing that Vuyo did not exist, he knew that he could become the real-life version of the jet-setting character with humble roots.

The reality was, however, far more difficult than a few handshakes here and there leading to a yacht, a private airplane and a trip to space.

“I experienced my first stumbling block right from the get-go. It actually took me two years just to get the trademark registered, much longer than expected,” says Kubheka.

But, the rest is history, and, in December 2012, he opened his first restaurant in Braamfontein along with a few mobile vending units across the rest of the country.

He has also kept customers lining up for Vuyo’s meals with his authentic South African menu – about a character called Vuyo – after seeing the ad on TV.

From humble boerewors rolls to centre stage on the menu, it now also includes other traditional food "vetkoek" to "potjiekoek".

"It was the most incredible feeling handing over that first cart," Kubheka said.

"Although the boerewors roll is still the item of choice at our mobile units because it is easy to eat on the run, potjiekoens have actually become the favourite at our restaurant."

It is, however, not only Vuyo’s menu that has grown, but since opening two years ago turnover has increased by about 22% month-on-month.

While he started out with only five employees he now has a staff complement of 20.

His success has not stopped him from continuing to dream big. Plans are in the pipeline to open a restaurant in Bloemfontein come next month and another in Roodebank, Johannesburg in the near future.

"Our business model is however very different to what it was when we started. About 70% of the business is now ‘pop-up’. The reason we are going this route is that pop-up restaurants, like food trucks, are a global trend these days."

That steak costs so much more because the restaurant has major overheads, while a food cart doesn’t and you can pass on the savings to the customer."

For Kubheka it is not only about realising his own dreams, but about helping entrepreneurs on their business journeys.

A year ago he partnered with Spar and started rolling out Vuyo’s branded food carts, giving others an opportunity to sell boerewors in front of the retailer’s stores.

"Imagine that by becoming a franchisee is that you need anything from R400 000 to R5 000 000 upfront, which makes it almost impossible for most entrepreneurs to achieve.

We have therefore decided to provide the franchisee with all he or she needs to start. Once they are up and running, the cart actually pays for itself.

"It is not just any cart either, it is a state-of-the-art branded unit made from stainless steel with all the bells and whistles from the necessary grills, a pull-out cabinet and sink to a battery panel and a plug point for the cash register – or in this case an iPad."

Vuyo’s also provides the necessary training to increase the chances of success as well as ensure food quality. Kubheka hopes that over the next five years, more than 300 Vuyo’s food carts will open across the country.

While his Vuyo’s journey has had several highlights, nothing has been more rewarding for the 38-year-old businessman, than empowering others.

"It was the most incredible feeling handing over that first cart. It brought me to tears, knowing that it has changed someone’s life."

• Visit www.vuypo.co.za for more information.

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**Local woman is finalist in global competition**

**BY DANIEL BUGAN**

WELKOM-BASED businesswoman Renay Van Der Berg stands the chance to clinch the ultimate prize in an international competition that recognises women who excel in entrepreneurship, after recently being nominated as one of 10 finalists.

The competition is an instamte of Empretec, a UN Conference on Trade and Development (Unctad) entrepreneurship development programme.

The programme helps women in 40 countries to turn their weaknesses into strengths through setting goals, seeking opportunities and taking risks.

Those women entrepreneurs who have participated in the programme and who have founded successful firms, created jobs, inspired others and improved the quality of life of their local communities, are eligible to enter the bi-annual Empretec Women in Business Awards.

South Africa’s hope rests with Van der Berg, who owns ProComm, a company that provides communication and entrepreneurial solutions for emerging businesses.

The finalist says she is motivated for emerging businesses, that recognises women who excel in entrepreneurship, after entering a competition is a learning curve and a way to measure it against the performance of other businesses, "points out Van der Berg.

However she does concede that there are some benefits to be had should she emerge victorious.

"(Winning) will certainly add value to ProComm’s position as an influential, credible, professional business and perhaps also draw more clients,” says Van der Berg.

She feels that it was her consistent and continuous support of emerging businesses over a 30-year period which led the judges to notice her.

Her company outsources services to young entrepreneurs so that they can get their own businesses. It also provides free mentorship on an annual basis to different organisations.

Come 15 October, Van der Berg will know whether she is one of the top three finalists when the announcement will be made at a ceremony in Geneva, Switzerland.

Prizes include travel grants, technical support to improve their businesses and exposure to international markets through trade fairs.

The Small Enterprise Development Agency (Seda), which hosts the Empretec programme in South Africa, nominated Van der Berg for the award. Since 2010, 650 participants across the country have benefitted from the Empretec programme.

• Contact Louis Nhlapo, lnhlapo@seda.org.za for more information.
Durban chamber offers mentorship for women entrepreneurs

BY DANIEL BUGAN

BONGIWE Gumede is closer to getting finance for her tourism business after she secured a spot in a pilot mentorship programme for KwaZulu-Natal entrepreneurs.

The mentorship programme, which provides rural and peri-urban woman entrepreneurs in KwaZulu-Natal with business support, is an initiative of the Durban Chamber of Commerce and Industry.

The chamber hopes that the programme will help more small businesses to successfully supply the government and private companies.

Gumede, owner of Emathawa Trading, a company that provides car rental and shuttle service, says she started in the programme in May and is already well on her way to developing a business plan thanks to the mentorship she has received so far.

She says that she has also received training on how to prepare a budget with respect to cashflow projections, credit control and stock control.

After the completion of her business plan, mentors will show her how to present the plan to financiers and which institutions to approach.

The programme, which runs until November, also includes financial management, marketing and costing training. Entrepreneurs will have the opportunity to participate in on-site visits to big businesses which will enhance their business readiness and equip them to become better suppliers to their various financial institutions to be analysed and monitored.

“At the end of the six-month programme we would like to see entrepreneurs in a position to receive finance for their respective businesses and to create stable business entities that will grow and create employment,” says Cole.

Participants will be assisted by mentors who will help them to present their business plans to banks and development finance institutions.

The programme, which is open to more than 4 000 women entrepreneurs who meet the criteria, will be targeting provinces like KwaZulu-Natal and the Eastern Cape.

The training, delivered by PriceWaterhouseCoopers, is provided free of charge to all women entrepreneurs who meet their criteria.

After the completion of the pilot project the chamber hopes to take similar programmes to other centres in KwaZulu-Natal.

• Contact Rokeya Valli on vallir@durbanchamber.co.za

Wi-Fi Taxi project launches first phase in Gauteng

BY VUYO MABANDLA

IN A FIRST for the minibus taxi industry, commuters will be able to get access to free wi-fi as part of a new initiative by the South African National Taxi Association (Santaco).

Launched last month Wi-Taxi is already available in Gauteng and Santaco plans to introduce the initiative to more regions by the end of this year.

The initiative is in response to the government’s call to improve the industry, by modernising it.

Bandwidth services for the project are being provided by Telkom in partnership with brand management company Teleure.

Wi-Taxi chief executive Brian Mdluli says each commuter will be allowed 50MB of data free per day to use within a range of over 1 000 access points, any time they commute on a taxi.

“We are very excited about the initiative. The aim is to deliver the project to a national target of about 15 million commuters. This puts entrepreneurs in the taxi industry in an advantageous position to grow their businesses,” says Mdluli.

Taxis would be fitted with access point devices for commuters to connect to.

Once they have connected their mobile devices to a taxi’s Wi-Fi system, passengers can use the internet in any rank or taxi they use for commuting.

When their quota of free 50 MB is used up, a message is sent to the user’s mobile device.

By sending the message, commuters will be given the option to buy more data.

Passengers are provided with secure usernames and passwords to protect their information and help them stay connected.

Mdluli says that there has been a positive response from taxi owners and workers with regards to this.

“We have had excellent support from the taxi industry. The project helps bring convenience to both the industry and its customers,” he says.

The project is expected to reach more than 50 Gauteng taxi ranks within the next six months and Mdluli expects the number of Wi-Taxi access points to increase to more than 4 000 in various parts of the country by 2017.

In Cape Town Lennons Misolo, chairman of the Congress for Democratic Taxi Association in Khayelitsha says taxi owners are excited by the project.

“We have already been notified by Santaco and commuters here have been asking us about it. I am very excited to see the almost obvious increase in the number of commuters we will soon be getting in the long run,” he says.

The association’s president Philip Taabosch says the first phase in Gauteng will take about six months to be rolled out.

The second phase will see the installation of between 4 000 and 5 000 Wi-Fi access points per month.

On expanding the project, Mdluli says, Santaco will also be targeting provinces like the Western Cape and the Eastern Cape.

“Key public transport routes such as those in Mitchell’s Plain, Bellville and Khayelitsha and Cape Town will benefit from the roll-out,” he says.

He hopes that the initiative will create “viable” economic growth within these regions and adds that Santaco is open to suggestions on where to take the project to next.

The taxi council expects the entire project to be completed within the next three years.

• Go to www.witaxi.co.za for more information.
KZN women honoured

BY VUYO MABANDLA

WOMEN were recognised for their contribution to the economy at this year’s annual Regional Business Achiever Awards held in KwaZulu-Natal in May.

The gala evening, hosted by the Business Women’s Association of South Africa (Bwasa) at the Durban International Convention Centre, recognised women’s achievements and contributions across various sectors.

Bwasa is a national platform that aims to provide support and inspiration for women in all walks of business life.

The KwaZulu-Natal event forms part of the association’s annual regional awards held across all provinces.

To be considered for nomination, a candidate must be endorsed by her business peers, before being invited for a judging panel’s assessment.

In Durban, some 500 delegates, including finalists, government and business representatives as well as keynote speaker and author and entrepreneur Felicia Mabuza, attended the event.

Past award winners have included Eskom’s former human resources manager Dawn Makhobo and the late Maponya Group director Marina Maponya.

Finalists are chosen in categories like corporate, social entrepreneur, emerging entrepreneur, professional and women in government.

“The judging panel includes members of a number of leading business institutions and they assess exemplary leadership, inspiration and problem-solving skills in all the nominees,” explains Catherine Smith, Bwasa KwaZulu-Natal provincial co-ordinator.

Emerging entrepreneur category finalist Brenda Scheepers is one such woman. Her project management business Angel Projects, which she co-founded with Werda Grunewald in 2010, helps connects corporates with non-profit organisation to start social development projects.

Says Scheepers: “My business has benefitted greatly from the exposure offered through the awards. We plan to get more corporate companies involved in our certified projects and expand throughout the country.”

The highest honour for the evening was awarded to Judge Leona Theron who served as a judge in the Supreme Court of Appeal in Bloemfontein. At the age of 32 in 1999, Theron became the first black woman to be appointed judge in the KwaZulu-Natal – becoming the youngest judge in the country. Transnet Pipeline’s chief executive Sheria Pillay clinched the Business Executive of the Year award.

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With Microsoft you can grow your business.
Speedy resolutions with STI ombudsman

BY VUYO MABANDLA

SINCE Dennis Jooste took over the management of the short-term insurance (STI) ombud’s office less than three years ago, it has received and resolved thousands of complaints by consumers.

Last year was the office’s busiest period with over 9 000 complaints lodged and resolved. This is based on figures in the recently-published annual short-term insurance ombud’s report.

The report says these disputes occurred between aggrieved policy-holders and insurance or financial services companies. Since the office was first established in 1989, it has successfully intervened in numerous small claims disputes involving products such as short-term insurance and loans.

The report reveals that the ombud finalised 30 450 formal disputes between Jooste’s appointment in 2011 and 2013 – out of which 9 368 were complaints filed last year alone.

The rand value for settled disputes in favour of consumers was R118 million – which is about R500 000 more than the R113 million finalised in 2012.

“The amount recovered refers to payments made to the policy-holders as a result of our involvement,” says Jooste.

Jooste supervises a team of senior and assistant ombudsmen who facilitate accessible, informal and speedy resolution processes to people who have disputes with the companies they are insured with.

His office assesses complaints involving house, car, livestock and business insurance claims from various policyholders.

Complaints vary from late settlements on submitted claims, “unfair” interest charges on loans and suspected fraud.

To lodge a complaint, consumers can download and submit the ombud’s online application form or call the toll-free number. Important documents, for example policy schedules and letters of rejection from the service provider must be included in the application form.

“On receipt of a complaint, the case gets registered with our office. The complaint is then forwarded to the insurance company for a response,” says John van Rensburg, assistant ombudsman.

The insurance company’s response is then sent to the complainant for consideration and is then returned to the ombud’s office with his or her comments.

Once the cause of the disagreement is determined by the ombud, an investigation into the dispute begins.

The cost-free process takes between three to four months to complete.

Van Rensburg says his office liaises constantly with both insurance and loan companies and their clients to ensure that “impartial” outcomes are reached.

“Ombudsman Jooste receives excellent co-operation from consumers. This is illustrated by the fact (that) he made only two formal rulings against insurance companies during 2013, to which those insurers complied with,” he says.

Previously, final decisions by the office were binding to all insurance companies, but not to consumers. However, in December 2013, the office launched an appeal mechanism that will allow insurers to appeal as well.

Go to www.osti.co.za for more information.
The discipline of creating a ‘World Class Company’


THOSE just published books that recently landed on my desk all seemed rather esoteric, so I chose to go back to my bookshelf in search of a title to introduce to the Small Business Connect community this month.

Perhaps not by chance, my eye fell on Michael Gerber’s name. Was he not the entrepreneurial business coach whose work changed my thinking on the real job of a business owner?

Did he not teach me about being obsessed with creating a perfectly functioning business?

Indeed! Michael Gerber is arguably The most influential business coach of the past 30 years.

And be sure if shifted my thinking with his short, but deeply impactful observation that the job of the entrepreneur is to “work on your business, not in it”.

I must repeat what he says because it is so profound.

The job of the entrepreneur is to work on, improving his or her business, not in the making of its product or service.

Gerber has promoted this thinking for over 40 years.

He has done this through his consultancy business in California and through the various books he has published.

One of which, the best known is “The E-Myth – Why Most Business Doesn’t Work and What To Do About It”, which he first published in the 80s.

WORK ON YOUR BUSINESS

The assertion that you should be working on and not in your business implies that the outcome of your labour should be a well functioning business that will thrive even if you are not present.

If you are involved in making the product or service offered to your customers, you are working in your business. Gerber’s point is that you should see the whole business as your product and that your task is to work on making this a “world-class company”.

As he aptly puts it in “E-Myth Mastery”, “knowing how to do the work of a business has nothing to do with building a business that works.”

But before I get to talking about the “mastery” included in the title of the book I am reviewing here, let’s pause for a moment at the idea underlying his use of the concept “e-myth”.

The “e” in “e-myth” of course refers to “entrepreneurship” and the myth Gerber talks about is the notion that all business owners want to create a fabulously innovative and creative business.

This myth, he says, leads many entrepreneurs down a road of disaster. Rather, he says, most business owners just want to have a smooth running organisation that delivers value to its customers and makes good money in the process.

If they could choose, they would opt for a “turn-key” solution, very much like owning a branch of a franchise where the perfect system has already been designed.

PASSION AND PURPOSE

In his earlier books, of which many are aimed at specific industries, Gerber offered a very convincing argument for refraining from working in your business and starting to work on it. But then, after the turn of the century, he published “E-Myth Revisited” and shortly after “E-Myth Mastery”, where he identified a huge shortcoming in his previous solution.

“Through conversations with a client that followed the “e-myth principles”, Gerber explained that an important element needed to be added to offer entrepreneurial meaning. This, he said, is to understand the driving force behind the entrepreneur...

the passion or deeper purpose that gives meaning to what you do as an entrepreneur.

Which brings us to the book I am reviewing here – “E-Myth Mastery”.

In this book Gerber maintains a solid focus on the nitty-gritty of running your own business, but combines the practical leadership requirements needed to run a “world-class company” with the deeper motivation of the entrepreneur. He explains this deeper motivation as the “passion or purpose” of the entrepreneur and the willingness to explore self-improvement. You need to practice to get better, he says, since there is a direct link between the willingness of the entrepreneur to keep improving him- or herself and the success of the business.

The lack of vision he says is what creates “a cloud of mistrusted activity”, adding that in order for your business to change, “you have to change first”.

“E-Myth Mastery” is based on the development programme Gerber offers businesses owners who sign up for his support. It is a solid book – but what can you expect to find in its more than 400 pages?

The book is divided into two sections; first one offering insights into issues around passion, purpose, practice, self-improvement and vision, and then, in the second section moving on to the detail of leading a world-class company through seven essential disciplines.

These disciplines, each covered in a self-contained chapter, are: the discipline of the entrepreneur, of the marketing leader, of the finance leader, of the management leader, of the client fulfillment leader, of the lead conversion leader, and the discipline of the lead generation leader.

If you own and manage your own business you are sure to benefit from clarifying your vision, showing willingness to change and vision achieving your goals by applying the seven disciplines to your business.

Get hold of this book. Learn from a master. Then go create a world-class company!

Michael E. Gerber

“Go create a world-class company! This event is in response to a chance to voice their grievances and address key challenges when they met recently with local government officials and business advisers at the Micro Enterprise Summit held in the city.

Event provides support to informal traders

BY VUYO MABANDLA

MORE than 200 Cape Town informal traders were given a chance to voice their grievances and address key challenges when they met recently with local government officials and business advisers at the Micro Enterprise Summit held in the city.

The event, held in June, is the second of its kind hosted by the City of Cape Town and aims to address the shortcomings experienced by local informal traders.

Thembinkosi Siganda, director of economic development at the city, says the day-long gathering aimed to give informal traders, such as spaza shop and road-side stall owners, a chance to liaison with formal businesses and support agencies.

“This event is in response to the challenges and concerns of informal business owners in and around Cape Town. In all, it’s time to receive suggestions from representatives from business development organisations such as The Business Place, the South African Institute for Entrepreneurial Development and the Small Enterprise Development Agency (Seda).

The informal traders were also given free business advice by business advisers.

Mansenburg-based trader Shamela Abdol, who sells locally-made socks, says she has struggled to grow her business after being evicted from her business premises three years ago.

“I am blacklisted and unable to grow my business. This event has allowed me to pose questions to business advisers who can show me how to get over this obstacle,” she says.

Abdol says she wants to expand her business to include cleaning and painting services.

She says she plans to approach some of the business support agencies that she was exposed to at the summit.

Shamela Abdol

the entrepreneurs themselves on how to remove red tape,” says Siganda.

Discussions included issues relating to company registration, approval for trading of specific products or services and other existing regulatory measures.

Exhibitions and lectures on informal trading opportunities were held throughout the event.

The event featured talks by representatives from business development organisations such as The Business Place, the South African Institute for Entrepreneurial Development and the Small Enterprise Development Agency (Seda).

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Shamela Abdol
How do you know whether your business is viable or not?

BY GOBANI NDABENI

MARKET VIABILITY

On assessing market viability one looks at the industry and market conditions at present, the growth potential and the level of competition.

Also very important is the entrepreneur must be able to identify, by name, who the customers will be, how many quantities of the product or service will they order, at what price and how frequent the orders will be made.

This must be supported by evidence and if it is not available then it will be tough to convince another person that the product or service will sell.

TECHNICAL VIABILITY

On technical viability the assessment is on how intricate the process of producing a product or service is, how easily available are the raw materials and machinery (where applicable) and where they are going to be sourced from, at what prices, the technology to be used whether is new or obsolete and its lifespan, the expertise available in terms of production and servicing machinery, if raw materials and machinery will be imported.

The more technical the business is, the more difficult it will be to prove viability.

When assessing organizational viability one looks at the way the business will be organized in terms of premises, departments, management and key employees to confirm that the business concept will be implemented with success.

Bad choice of location and premises will always affect the viability of the business. Organizing the business around the owner is a recipe for disaster since if you take him or her out of the equation the whole thing will collapse.

FINANCIAL VIABILITY

The financial viability assessment brings all the above elements together and translate these into figures.

This is where the final decision is made. Is the startup capital required ridiculously high, is the entrepreneur able to make a significant contribution in terms of own cash and collateral in order to lower the gearing and get finance at a cheaper rate, can the business afford to repay the loan, are the sales as verified going to be sufficient to cover all the costs and produce profit, are the exchange rates going to have a negative impact on the production costs and pricing of the product/s, are the salaries of employees going to be too high for the business to afford and is the business going to have enough cash reserves to carry it through bad times?

These are the kind of questions will give an indication of whether the business will be viable or not. Cutting corners will not make a business viable.

If your feasibility study and business plan have been done right for your business concept, you should know whether a NO response received from a financier is genuine or not.

Whoever gave you the idea that it is easy to start a business might have misguided you since it can be a complex process depending on the nature of the business. On the other hand, for an existing business it is easier to determine whether the business is viable or not, since the facts are there.

Don’t just hang in there with some hope that something big will come up and turn the business around. Make sure that your business is viable.

Get skilled workers through local employment initiative

BY NABELAH FREDERICKS

BUSINESS owners can now tap into a source of skilled young employees after a local youth employment accelerator earlier this year launched a tailor-made solution for small business owners.

The company, Harambee, initially focused on placing large groups of unemployed youth with big businesses after providing these youth with skills such as computer literacy. Young people trained and placed by Harambee are also known as “Harambees”.

However, Leora Rajak who, developed the small and medium enterprises (SME) programme for Harambee, says the company later opted to broaden its focus because small businesses create the highest number of jobs.

“Since first piloting the programme last year, we’ve learnt that the needs of small businesses are very different from the corporates we usually place Harambees with and (we) have been addressing those challenges through offering these business owners solutions,” says Rajak.

For example, small business owners are less likely to have proper hiring processes in place because they don’t spend on recruitment and often employ family and friends.

Added to this small business owners often don’t plan ahead and many a time only realise they have a vacancy at the last minute.

Rajak says as a result Harambee has opted to offer

interview process which can be done at the Harambee offices,” says Rajak.

Harambees being trained at one of the local Harambee offices.

Harambee has opted to offer business owners skilled staff with the possibility of handling such functions as legal or human resources solutions for those business owners who do not have the capacity to do so.

“We also assist small business owners in drawing up a job description as in many cases one does not exist. Should business owners require, Harambee also sets up and assists with the
The Business Place, an innovative leader in the enterprise development arena, registered professional accountants and tax practitioners, has fused its respective service areas of expertise to bring about The Business Place's accounting, tax and advisory service offering. This premier agency can meet all your accounting needs, whether you are a small, medium or large business.

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Humans want a personal experience

We have become so accustomed to interacting with machines to complete many of our daily tasks, withdrawing money at the bank, paying bills, buying things online, paying fines, following the interactive voice responses of call centres, visiting live chat services for help online, and frequenting the self-service check-in at airports, to name a few.

These interactions come with some benefits, most notably speed and convenience.

However, from a customer experience perspective, they often lack the human touch or the ability to solve a customer query should it be slightly out of the ordinary.

But, with significant improvements in artificial intelligence (AI), it is possible this distinction may soon disappear, ushering in an era of (somewhat) human, yet extremely efficient customer service.

It is some way off before most small businesses start utilising AI services to look after customers, but it is worth considering a few customer service tips for making use of current technology.

Respond quickly to all email requests, complaints or enquiries as soon as possible. Customers expect a polite and detailed response without having to wait.

Customers will use social media channels to communicate with you and your business.

Make sure you are prepared to respond to their request in good time. Social media has set expectations of immediate feedback and should you leave a customer waiting for a response, it can lead to significant negative reputational loss online.

Many customers like to choose the channel with which they want to communicate with you, be it telephone, email or live chat. If you provide live chat, make sure that someone with excellent communication skills and product knowledge is able to effectively answer all customers’ questions.

There are few things more frustrating than waiting in an endless telephone queue or being pushed from option to option on interactive voice responses on a telephone.

No matter how many times the voice tells you your call is important, the experience for the customer is poor.

Make the process of getting through to the right person as smooth and painless as possible.

The important thing to remember is regardless of the technology, humans want to be dealt with as individuals and given a professional and memorable experience of doing business with your company.

Paul Hobden is head of small business at MWEB. Go to www.mweb.co.za for more information.
**TECH**

**SMALL BUSINESS CONNECT**

Make your tweet heard

**BY DANIEL BUGAN**

**BUSINESS** owners are now able to portray, create and advertise campaigns without breaking the bank.

This, thanks to a new advertising platform for small businesses launched by Twitter in May.

Twitter’s small and medium enterprise (SME) advertising platform allows businesses to engage with existing customers and to reach new audiences by creating, managing and reviewing their own advertising campaigns.

Barry Collins, director of small business at Twitter, says business owners who advertise on their platform only pay if Twitter users retweet or reply to their promoted products or click on a link in a promoted tweet.

Collins points out that the cost of an advertising campaign depends on how users engage with the advertiser’s content and how an advertiser chooses to run specific campaigns.

"You can set your own budgets. There are no set costs. You can spend as much or as little as you can and you can stop and start your advertising campaign at any time." 

Collins recommends that business owners make an effort to refine their advertising campaigns based on the responses they get via the analytics reports generated on the platform.

"The analytics report provides insight into what works and doesn’t work for your target audience, and you can then tweak your campaigns accordingly, as much as you like. There is no minimum spend, so business owners can try things out to their hearts content."

He says with more than 500 million tweets a day and 255 million active users on Twitter, small businesses stand a good chance of connecting with new people who want to hear from them and who can spread the word about their business to others.

Collins says about 13,000 people have followed the related Twitter handle @TwitterSA_SME since the platform was launched in South Africa.

So what makes Twitter so sure that the SME advertising platform, already in use in Israel, US, Canada, UK, Ireland and Japan, will be embraced by South African small businesses?

Collins says Twitter’s research shows that there is a high level of digital marketing, innovation and creativity among small businesses in South Africa which indicates that the advertising platform will be useful.

"South African Twitter users are also highly mobile, mostly accessing Twitter via their smartphones on the go. This is ideal as Twitter itself is a mobile-first company, and its platform and advertising services have been built for mobile.

He says the advertising platform is very easy to use and that business owners can set up an account in just a few minutes. Twitter also runs a series of seminars and videos on its webpage that break things down into bite-sized chunks and talk one through both the service and the advertising platform.

Online and social media marketing specialist Leon Marinus agrees and says business owners should have a clear strategy in place before they commit to an advertising platform such as Twitter’s one for small businesses.

"Marinus, whose company Atka SA provides social media marketing solutions for small businesses, says business owners must be cautious whether they want brand exposure or if they want to generate new business leads when considering an online advertising platform.

"Also you need to know who your target market is and on which social media platform you would want to target them because each social platform has a different audience and targets people differently.

"Then you need to work out how you are going to track and measure your results from your campaign. If you can put this in place then you can easily launch a pretty successful online campaign."

Marinus also advises business owners to make sure that the content they publish is relevant and that their users are able to engage with it.

"If your content is good you will get more hits but if you do not have quality and engaging content you will go unnoticed."

He says the advantage of social media advertising is that business owners can target potential customers more directly. They also have a much larger potential audience than is the case when placing advertising with conventional print or broadcast media. It also comes at a much lower cost. Marinus warns however that business owners should be careful of the content they release in their advertising campaigns as it could either boost or damage the reputation of their business.

He says business owners need to understand that marketing online is a full-time job.

Marinus suggests that in order to run more effective advertising campaigns business owners should consider employing someone with the appropriate knowledge and expertise or an agency that knows the online marketing industry.

• Go to adstwitter.com for a Twitter account or info@atkasa.com to contact Atka SA.

Start bookmarking online and create your own library

**BY MARCEL OUDJEANS**

**WITH** an abundance of useful and interesting articles to be found online, it can be very easy to forget where you found a webpage that you want to read again.

When we only had books, “bookmarking” was a fairly simple process: you’d fold over the page corner, place a piece of paper or card between the pages, or you could stick a tag on the page edge.

However, saving pages online can be more complicated, so here are some tips to make bookmarking easier and more useful.

**BOOKMARKING FACILITY**

Most internet browsers offer a bookmarking facility.

I recommend you avoid using this function as the bookmarks are saved on your computer. If your computer gets destroyed, lost or stolen, you will lose all your bookmarks (unless you do regular backups). Go ahead and bookmark the websites you use on a daily basis, but don’t rely on your browser’s bookmarking facility.

**DIIGO**

Diigo (www.diigo.com) is an online service that calls itself “a multi-tool for knowledge management”. You can save, annotate and share pages to your online library, along with any notes, comments or tags you would like to add. You can also save your bookmarks into lists, or create a network of people who share common bookmarks (like your business team). Diigo offers a premium service that will help you find a bookmark with its search facility. So even if you can only remember a keyword or two from the page, Diigo will help you find the relevant bookmark.

You can access your bookmarks from any online browser, or mobile device using the app (iOS or Android) because Diigo saves your bookmarks online. Both free and premium versions are available.

**POCKET**

Using www.getpocket.com is another way to “save” webpages to your “pocket”. It’s most commonly used when people want to save an article, email, video or other content to “read it later”, most likely on a mobile device (iOS or Android). For example, if you saved this article to your “pocket”, and allowed your app to synchronise, you’d be able to read it offline at your convenience. Typically it would save a “text only” version of the article, so that you get the content without the surrounding website content or images. Pocket has recently released a premium version which permanently saves articles so that they’re accessible even if the original page is deleted, adds a search function to find keywords or tags in older articles you’ve saved and it can suggest tags to make organising your information even easier. Both free and premium versions are available.

Bookmarking and the ability to save webpages and articles is an important skill to learn and use regularly. Creating and maintaining your own personal online library will help you manage the information you want to keep and remember.

Marcel Oudjeans is an entertainer, motivational speaker and soft skills trainer. Go to www.workplaylife.co.za for more information.
Start your website business

BY PAUL CRANKSHAW

ALMOST one billion – in fact, 975 million and counting. That’s how many websites exist on the internet today.

And this is why designing websites can only be a growth prospect for a new business, if you’re good at it.

But remember that designing websites is really about design, not just the mechanics of using a program to plonk text and images around the screen.

Anyone can learn the software to produce a website, just like you can learn Microsoft Word or Powerpoint. Design, on the other hand, needs flair and creativity.

Don’t lose heart, though, if you are not very artistic. You can work in partnership with a creative person who can do the more creative side, and you can then apply it to the website that you are building.

As a website designer the work you do will include graphic design, building internet databases and creating interactive sites.

You start by assessing what your customer wants to achieve with their website, then you work with them to plan, create, test and launch the site.

You will usually also help them maintain, update and improve the site once it is up and running.

So you ideally need a good combination of creative flair and technical ability in using web-design software.

You will use this talent to come up with practical designs that get people’s attention while communicating the client’s message to the targeted audience.

This usually requires some good training in graphic design skills and typography.

Here are some places that offer courses in web design.

The University of South Africa’s School of Computing offers a correspondent course in web design. This course will teach you about all the important online tools and how to design and publish your own multimedia web pages.

New Horizons (www.newh.co.za) offers web design courses, including HTML, MS FrontPage, Dreamweaver, Flash, PHP and MySQL. You can study at a computer learning centre or online in your own time.

Intec (www.intec.edu.za) offers an 18-month Introduction to Website Design course by correspondence, as well as more advanced courses in website design.

As important as your technical skills, good communication skills are also essential.

You must be able to listen and understand your clients, to determine exactly what their ideas are and what they want their website to do.

At the same time, you need to communicate your ideas clearly to clients so that they understand your suggestions and design options.

This will help you to sell yourself, your service and your ideas.

To get your business off to a good start, find yourself a niche where you can focus on a smaller target group of customers. For instance, find customers in your local area first, where they are easier to visit and to talk to.

If you only have basic web-designing skills to start with, you probably can only do projects for clients who are new to the internet and have quite low budgets.

Those could be small businesses, churches, schools, sports clubs, youth groups or non-governmental organisations in your area.

Once you are more established, you can think of looking for customers from other areas – and offering to develop their existing sites, update old designs and add in new features that suit their changing needs (Flash demos, blogs, databases and product catalogues, for instance).

The information and communications technology (ICT) sector is very competitive, and so is design, so you need an interest in the latest trends and you can never stop learning and updating your skills.

• Paul Crankshaw is head of Cobweb Information South Africa and specialises in information on support services that assist small business. Go to www.cobwebinfo.co.za for more information.

Trade Opportunities Centre

The Department of Trade and Industry (the dti) through the Trade Opportunities Centre (TOC), assists South African companies across sectors to identify international business opportunities. The TOC is responsible for matching South African exporters with international buyers seeking to purchase goods and services.

The TOC offers the following services:

• Match-Making - the matching of international business opportunities to export-ready South African enterprises; and

• Trade Lead Bulletins - the weekly publishing and distribution of international business opportunities to South African enterprises.

To subscribe to the dti Trade Lead Bulletin

e-mail: tradeleadbulletin@thedti.gov.za

For more information, contact:
Percy Ngobeli, Tel: (012) 394 5792 or e-mail: PNgobeli@thedti.gov.za or
Martha Mahlangu, Tel: (012) 394 1179 or e-mail: Martham@thedti.gov.za
Business development must replace strict regulation

BY VUYO MABANDLA

BUSINESS registration and basic support processes by governments need to be sped up so that entrepreneurs have more time to grow their businesses.

This was the call made by Solly Fourie, head of the Western Cape Department of Economic Development and Tourism.

Fourie says the recently-established Ministry for Small Business Development should work to address existing red tape challenges in the business sector.

As the main guest speaker at the HookUp Dinner Cape Town held at the Centre for the Book last month, Fourie shared insight on issues such as how startups can make use of business support structures in place to help them grow.

The regular networking session, started by entrepreneur Selebogo Motlefe and supported by South African Breweries, holds regular discussions and on-the-spot pitching sessions for youth-owned businesses.

Aspiring and established business owners attended the session hoping to receive and share tips on the latest business trends from both the private sector and the government. Fourie says the department struggled to support those businesses that were not registered.

“The new ministry must address matters effectively at a national level. It must influence regulatory process to support the already notable rise in the number of new enterprises in the country,” he says.

He believes that this can only be achieved if both big and small businesses also play a collaborative role in the economy.

He says problems around compliance are some of the issues that the ministry should attend to.

“We need to speed up processes. For example, the amount of paperwork involved and response periods by government departments must be reduced. We as a department have managed to launch various programmes that address funding, market and procurement challenges for service providers in the province. This needs to be taken to a much larger scale,” he says.

He says the department will soon meet with small business development minister Lindiwe Zulu to discuss these matters.

“We are likely to discuss issues such as how to create more supplier development opportunities through the incubation of small enterprises in poor communities. Entrepreneur Buhlebenkosi Moko, who runs fashion stable Dalavega Creations from his home, says when he started his business, he struggled to obtain incubation space as he was still in the process of registering his business.

“I had not yet received my business registration and basic skills promotions. “Many entrepreneurs find it advantageous to equal the growth of their companies with the skills promotion of their community members. This way you can employ a skilled person from your community,” he says. Mntshekelo Mgayiya, director and founder of Ithembiso Suppliers, says starting her construction business in 2004 was a big challenge.

Growing your business through partnerships

BY VUYO MABANDLA

INFORMATION sharing and forging strategic partnerships are key to growing a business.

So says Alana James, owner of communications company Gecko Connect, during a recent address at the Women Entrepreneurs on the Rise conference held by Old Mutual in Cape Town.

James was one of the keynote speakers at the conference which was hosted in May and supported by Nedbank and the Western Cape Department of Economic Development and Tourism at the Old Mutual Park in Pinelands.

The event was attended by women business owners, with talks given by motivational speaker Rosy Marosa and UK-based business coach Jasmine Grindlay. The department’s support for the conference forms part of its mandate to offer assistance to business owners through networking sessions.

Entrepreneur and conference organiser Ange Busaka says the aim is to raise awareness among women entrepreneurs to an existing trend of sharing information on private sector and government business support initiatives.

“Many women businesses face serious challenges which could be remedied by building business relationships and networking at enterprise development events to source information,” says Busaka.

“One could check up on what is the latest in their respective industries through the internet, word-of-mouth, newspapers and television programmes. This way you find yourself building relationships that you could use to grow your enterprise.”

Some of the main discussions at the conference focused on the lack of growth in some women-led businesses and the failure of entrepreneurs to spot business development opportunities through the internet.

James says she believes the key to success among women-owned enterprises is the exchange of relevant information.

After attending international business conventions she says she was able to acquire information from industry experts that helped grow her business.

“In turn, I shared information with other businesses. Business growth depends highly on the intricate use of information. I have previously been invited to business gatherings to network and that added value to both my business and my clients,” she says.

She referred businesses to the support of organisations like the Cape Regional Chamber of Commerce and Industry which occasionally hosts discussions by various business stakeholders.

Tatende Zingoni, a business development researcher, explained how businesses can also secure their growth by supporting the development of their respective communities through incentives like basic skills promotions.

“Women in the construction industry struggle many times to acquire useful support and information. Hence, I have gone on to empower women professionals by employing, skilling and uplifting them to contribute to the industry and gain respectable positions,” says Mgayiya.

Busaka urged women entrepreneurs to support each other by sharing ideas.
WC creating linkages for buyers and sellers

BY VUYO MABANDLA

SOME 500 local suppliers in the Western Cape can now enlist on an integrated electronic procurement network, following the launch of the Western Cape Department of Economic Development and Tourism’s (DEDAT) access to markets programme.

Supply Chain Network, which uses an online system to connect buyers and sellers, has been appointed to manage the programme. Launched in 2012, the procurement portal is currently used by over 3 000 buyers who can instantly source services from any of the portal’s 20 000 small supplier members, says the portal’s director Malcom Farrell.

The department says the programme will offer small enterprises exposure to potential buyers.

“The programme assists small business owners to receive notices on tenders, quotations and invoicing facilities and acts as a marketplace for businesses to sell their services,” it says.

Farrell says many businesses struggle to join procurement databases because of such things as lengthy application processes and long response times.

To join the online portal, suppliers must be qualified in their respective field of work, and their businesses must be registered and compliant with industry protocols.

“A lot of suppliers struggle to understand the significance of being a compliant supplier. There are many regulations in place that businesses should take note of,” says Farrell. These regulations include routine registration validation by the Companies and Intellectual Properties’ Commission (CIPC) and tax compliance checks by the South African Revenue Service (Sars).

To apply, a business owner should take note of,” says Farrell. These regulations include routine registration validation by the Companies and Intellectual Properties’ Commission (CIPC) and tax compliance checks by the South African Revenue Service (Sars).


during his second year in business, he struggled to finish repair work because I was short-staffed and I had little equipment to operate with,” he says.

After applying to the fund, he was assisted by officials at the department who helped him through the mandatory assessment processes.

On being granted the finance, he chose to install some of the latest automobile repair equipment like infra-red lights, mic and spot welders to his shop and to increase his staff compliment.

“Things were very challenging before I found out about the fund through the Small Enterprise Development Agency. Now we can work through the difficult winter season with no trouble,” he says, adding that he’s now able to deliver timeously on his services. He is now looking at expanding his business to other parts of the province.

He says he was so impressed by the fund that he has now made a second application for financial assistance and, if successful, hopes to employ even more staff by adding environmentally-friendly machinery so he can improve productivity.

Since it was established in 2011, R3.5 million has been invested through the fund, which by last year helped to significantly contribute to job creation in the Western Cape. To benefit from funding a business must be at least 51% black-owned.

Grants up to R75 000 are available to successful applicants.

To apply, a business owner must be in possession of a valid company registration certificate and financial statements.

Visit www.westerncape.gov.za for more information.

By joining the network, suppliers will be able to make online submissions on quotes and invoices in a matter of seconds.

Cape Town business owner Samantha Olifant, who runs construction and building services company Spotless Sam, was alerted to the initiative when she received a call from the department informing her about the opportunity.

She says before joining the programme she had struggled to market her business and apply for government tenders.

Since registering on the portal she has been in contact with various big businesses.

“We have been approached by a division from Eikom to register on their database. We have also been approached by someone from Johannesburg to paint their flat which is in Cape Town. I also receive online daily notices from the Western Cape government on quotations and tenders” she says.

Registered members can create and manage their own company profiles, while marketing their services to big corporates by publishing their compliance levels.

Monthly membership fees for the portal amount to R186 per month or R2 340 per year, says Farrell. But those companies accepted into the programme will only have to contribute R65 a month (or R768 per year).

Contact DEDAT on 021 483 9026.
Dealing with substance abuse

BY BARNEY JORDAAN

DEALING with alcohol and drug abuse in the workplace is not easy. At the one extreme you might have a driver who drinks heavily on a particular occasion while on duty, and then drives and crashes a company vehicle while under the influence of alcohol. At the other extreme, you might have a clerk who occasionally smells of alcohol at the workplace, but approaches the employer of his own free will for assistance with alcohol dependency. While these situations clearly require different approaches, there could be a number of situations in between that each require a slightly different approach.

ZERO TOLERANCE

Xstrata Coal SA has a strict alcohol policy which contains a “cardinal rule”, that states: “We will always come to work free from the influence of alcohol or drugs”. The rationale for this zero tolerance policy is its need for health and safety in the mining environment. This policy also requires the rule to be applied consistently at all company premises. In practice, the policy implies that a reading of 0% is required when an employee is tested. The policy further provides that an employee can test himself before entering the premises. If his reading is above the limit, he is sent home without pay and without being subjected to disciplinary action.

However, if an employee is tested after clocking in and found to be above the limit, the sanction is dismissal. In the case of Xstrata Coal SA v CCMA & others, the employee in question did not test himself when he reported for duty. After entering the workplace he was tested. His blood alcohol measurement was between 0.015 and 0.017 grams/100 ml. He was subsequently dismissed after a hearing. The CCMA held that the dismissal was substantively unfair due to a lack of evidence that the employee had been under the influence of alcohol.

Apart from a slight smell of alcohol on his breath, there was no other evidence that his actions were in any way influenced by the presence of alcohol in his system.

CCMA DECISION OVERTURNED

On review, the Labour Court overturned the arbitrator’s findings and held that he had misunderstood the question that had to be determined. The question was not whether the employee was under the influence of alcohol, but whether he transgressed a valid and reasonable rule that justified his dismissal. The court found that the employee never disputed the reasonableness of the “cardinal rule” and that he had clearly been aware of the importance of the rule, namely to ensure health and safety in the workplace.

He further had an opportunity to avoid contravening the rule by testing himself before entering the workplace, which he failed to do. In this case dismissal was justified. This case does not provide authority for the proposition that all employers, irrespective of their circumstances, may implement a zero tolerance policy similar to Xstrata’s and then dismiss any employee who acts in breach thereof.

PROOF REQUIRED FOR DISMISSAL

In the event of a dismissal, the employer has to prove that the employee contravened a known and consistently applied workplace rule that is valid and reasonable.

The latter requirement is the critical one. The employer has to prove that the zero tolerance rule was “valid” in the sense that the employer had a justifiable, business-related reason for adopting such a strict approach to a particular offence.

While certain rules, for example, rules prohibiting theft or being under the influence of alcohol are inherently valid and would probably lead to dismissal if transgressed, a policy such as a zero tolerance approach to the mere presence of alcohol in the employee’s system, requires special justification to lead to summary dismissal.

Continued on page 17

REASONS TO BUY LOCAL

Shop with conviction and pride to check for the Proudly South African mark of quality and “Label of Origin” to ensure your first choice is local.

Buying local means you help:

1. Stimulate and strengthen the local economy.
2. Invest in the local economy.
3. Encourage local prosperity.
4. Create more good jobs.
5. Keep people in their jobs.
6. Reduce poverty.
7. Support community groups and local farmers, producers and manufacturers.
8. Increase South Africa’s manufacturing capability.
9. Support business people who are invested in South Africa’s future.
10. Diminish threat to local food production.
11. Encourage the country to become more self-sufficient.
12. Get better follow up service from local producers and manufacturers.
13. Keep your community and country unique.
14. Support enterprises which can supply individually designed and custom made local products.
15. Support local businesses which form an integral part of SA’s distinctive character – and the tourism industry also benefits from this.
16. Reduce climate change impacts.
17. Reduce imports which helps reduce SA’s trade deficit.
18. Boost efforts to prevent South Africa from becoming a dumping ground for cheap, low quality imports.
19. Boost efforts to prevent SA from becoming a warehouse for imported goods.
20. Support efforts by local enterprises to produce quality products and deliver quality services.

Be Proudly South African. Buy local to create jobs.

www.proudlysa.co.za
New hit for ‘affordable market’

BY WALLACE DU PLESSIS

The new Renault Sandero could be the car that really puts Renault on the map in South Africa. It could sell in droves. It is good looking, handles nicely, affordable and has a five-year guarantee.

The Sandero is a small budget car with a generous boot. It is cheaper than most bakkies, but still has space for four adults and a fair boot. It’s tough and can go on really bad roads.

In DYNAMIQUE guise it has all the bells and whistles and is really good value for money.

All new Sanderos come with a full suite of electronic safety aids, even hill start assist, front airbags and ISO child seat anchors. They also all have central locking, electric front windows, radio, fingertip controls, Bluetooth and power steering.

The top model of the new Sandero adds airconditioning, cruise control, an onboard computer, rear electric windows, two more airbags and foglamps. In a nutshell, the new Sandero is well-equipped. Five adults can fit in the cabin, at least for shortish distances.

The multi-function steering wheel feels good and the steering is good for its class and actually gives you road feedback. The engine is a new generation turbo petrol delivering 66 kW and 135 Nm of torque. To me, it felt more powerful than a typical German 1.2 turbodiesel engine. I found it to be willing and well suited to the Sandero.

Handling and roadholding is good and it at least matches its competition. It is based on the same platform as the fourth generation Clio so inherits the good road manners of its sibling.

The first three gears are quite close, giving you lots of grunt when you need it, but the last two are designed for the open road and good economy.

Renault claims a mixed cycle fuel consumption of 5.2 litres per 100 km. This is very optimistic. Expect between 6 and 7 litres/100 km. Top speed is 175 km/h and you will get to 100 km/h in just over 11 seconds.

The plus factors for this car are:

- Interior space and a big boot.
- Great price, exceptional value.
- Good looks, modern design.
- Expansive standard equipment list.

I think the new Sandero has shifted the goalposts in the affordable small car market. It is a very good small car with space to seat four adults in comfort. You get a lot of car for your money.

It should make a good business car, especially considering the five-year warranty.

Price as tested: R141 500.

The base model Expression is R123 900 (R123 900 with aircon).

Warranty is a very good five years or 150 000 and the service plan is for two years or 30 000 km.

Ideal car for business

BY WALLACE DU PLESSIS

The Aircross is a very economical, smallish, high-riding station wagon. It’s the ideal car for business and family. Although it’s a small station wagon, it looks like a SUV.

The Aircross is about versatility and it has very good use of space. For example, with the rear seats in place you get 384 litres of boot space. With the rear seats folded forward, additional loading volume is available.

There is a choice of 2.0 petrol, 1.6 turbo diesel, manual or automatic (CVT). You also get a CVT petrol 4x4.

All Aircross models come with high specification levels including a multi-function trip computer, daylight running lights, a multi-function steering wheel and front airbags.

The basic trim is called Attraction and is well specified, while the top Exclusive trim is fully equipped from Xenon lights to climate control. As with all Citroëns theses cars come with a full safety suite and five-star rating.

The interior is very pleasant and the front seats are fully adjustable and comfortable. There is a certain flare and almost charm about the cabin. Needless to say, there are numerous storage compartments and cup-holders.

The Aircross is a handsome car with beautifully balanced lines.

Citroën claim a combined fuel consumption of under 5 litres/100 km for the diesel. Expect under 7 litres/100 km, even in town. The petrol models are also very frugal and should give you a figure around 8 litres/100 km.

With the CVT model acceleration is labourless unless you go to manual mode. The ride quality meanwhile is fairly decent and the road noise is less than you would expect. This is due to the noise of the wind and water flow. The Aircross rides a little higher than a normal car, it tends to sway and pitch a bit to the point where one could feel carsick.

I feel the ride borders on harsh and the tyres generate more road noise than they should. It is an excellent sized car – not too small, not too big – a good compromise between an economical size and a useful one. The range starts with the 2.0 2wd Attraction petrol at R308 900. The base automatic is R355 900. AWD starts at R382 900 for the HDi 115 Comfort diesel. The top model is the 2.0 4wd Exclusive automatic at R405 900. The competition includes all small SUV crossover station wagons like the Ford Kuga, Renault Duster, VW Tiguan and so on. It is not off-road capable.

All models come standard with three year or 100 000 km warranty and five year or 100 000 km service plan.

- Visit www.wheelswrite.co.za for more information.

Substance abuse

Continued from page 16

ESCAPE OPTION

In the Xstrata case, the justification was in the nature of the company’s operations and the high premium that the company placed on health and safety.

Not all employers will be able to use this as a justification for introducing a zero tolerance policy towards the presence of alcohol in an employee’s system. Employers that are involved in manufacturing, or who employ drivers of any kind, might be able to do so.

However, they would be well advised to also provide an “escape” option for employees, such as a self-testing opportunity or voluntary testing by security personnel who are trained for this purpose. It is also possible for employers to have different alcohol-related rules for different parts of its business.

For example, a zero tolerance rule in respect of the possession, consumption or distribution of alcohol on company premises or during breaks, applicable to all employees, a zero alcohol limit for machine operators and drivers of company vehicles, including forklift drivers, a rule that other employees outside of these categories may not be under the influence of alcohol, and, in addition, that employees dealing directly with members of the public are not allowed to smell of alcohol.

Not every transgression of these rules will necessarily justify dismissal.

However, while the rules that are justifiably classified as “zero tolerance”, the justification for dismissing someone for breaking one of the remaining alcohol-related rules will depend on the circumstances of each case, including the employee’s record, length of service and the circumstances of the transgression.

To guard against situations where employees claim alcohol dependency after they had been caught transgressing alcohol-related rules, it is advisable for employers to provide employees with access to assistance.

For example, an employee wellness scheme or at least advice on how to deal with possible alcohol dependency, and to make them aware of this.

Line managers who suspect that an employee might have an alcohol problem should also be instructed to refer such employees for assistance that may be available, at the earliest opportunity, and to keep record of such interventions.

The level of engagement and assistance should be of such a nature that, if challenged at the CCMA, the employer would be able to provide evidence that it had taken timely and steps to assist the employee before the transgression took place.

- Visit www.labourwise.co.za for more articles.
Healthy recipe for good biz

BY VUYO MABANDLA

LUPEFE Nomjana’s approach to healthy eating was met with a contract to supply Spar and assistance from the supermarket chain to help him start his own bakery.

After being contracted as a supplier a year ago, he now runs an organic bakery from his Khayelitsha-based business, Espinaca Innovations.

Nomjana is a keen baker who graduated from the University of Cape Town’s (UCT) Raymond Ackerman Academy for Entrepreneurial Development.

Two years ago he started baking and selling spinach bread and muffins from his shack in Harare.

Today he supplies Spar in Khayelitsha with dozens of spinach bread and other baked products, with a demand for over a 100 baked goods per day.

Thanks to the Spar contract Espinaca Innovations’ turnover has jumped from R2 000 per month when he started in June 2012 to R16 000 per month this year.

Because of this he was able to buy his first bakery with an industrial oven and dough mixer worth over R125 000.

To ensure that Espinaca Innovations was able to meet the conditions stipulated in the contract, the store arranged for the business to use Spar’s premises and offered Nomjana a discount on some of his goods’ key ingredients.

“Thanks to Spar’s help, I was able to meet my target of [supplying] at least 50 loaves of bread and 160 muffins per day,” says Nomjana.

He says he was also mentored by Khayelitsha Spar’s owner Abel Mponda throughout the duration of the contract.

Mukudzei Mudhefi, senior accountant with Spar in Khayelitsha, says the store’s staff was impressed by Nomjana’s ability to deliver its products efficiently and timely.

“His green-solution products are some of the first that the store has ever allowed on its shelves. Today the products are in high demand.

As a supplier Espinaca Innovations offered Spar a chance to deliver existing healthy solutions to our customers,” he says.

He adds that the store’s staff collaborates with both big and small suppliers to ensure a steady delivery on all products.

Meanwhile Nomjana says his business is operational and he has demands pouring in from restaurants and other businesses in his area.

“The partnership with Spar has inspired my business to keep up with the required industry health standards. I now plan to train my staff on operating the new equipment and serving customers well,” he says.

How to supply to your local Spar

BY VUYO MABANDLA

THOSE businesses interested in supplying Spar can now liaise directly with one of the supermarket chain’s nationwide franchised stores instead of having to go through the company’s head office.

With more than 850 branches nationwide, Spar Group Ltd, is one of the biggest retailers in South Africa. Many of these branches are franchise stores that are owned and run by independent entrepreneurs.

As part of its My Spar initiative, the company allows franchisees to sell products that meet the demands of the communities they operate in.

“This means that franchise owners like Abel Mponda, who owns the Harare Spar in Khayelitsha, can procure directly from local small businesses,” Mponda says although the bulk of his supplies come from abroad.

He soon realised that he needed to start baking other products, such as onion rusks and spinach breadsticks.

Nomjana says one of his first options was to approach Spar in Khayelitsha with an idea to become a supplier.

Armed with only a few samples of his products, his company registration documents and a business plan, Nomjana was able to convince the retailer to assist him in opening an express bakery offering healthy baked products for the local market.

He says he set up an appointment to present his business plan and his samples to the store’s management.

A day after his presentation he was contracted as a supplier, where he started off small by only supplying ten loaves of bread each day.

To ensure that Espinaca Innovations was able to meet the conditions stipulated in the contract, the store arranged for the business to use Spar’s premises and offered Nomjana a discount on some of his goods’ key ingredients.

“Thanks to Spar’s help, I was able to meet my target of [supplying] at least 50 loaves of bread and 160 muffins per day,” says Nomjana.

Today the business operates in one of the township’s busiest business hubs on Spine Road and employs three people.

“We now have a demand that has doubled many times during the last few months.

Leading up to the launch I was able to gain practical management, trading and marketing experience from the Spar managing team to ensure that I deliver excellently as a supplier,” says Nomjana.

Sparg distribution centre, many of the store’s products are bought from small local suppliers.

“We source many of our goods from local businesses and I choose to interact directly with my suppliers,” he says.

This lets the stores assess whether or not a prospective supplier is compliant with product health and quality standards, which are important in the retail business.

To be considered for a contract, a business must be registered and compliant with health codes such as Spar’s Minimum Standard for food safety and hygiene, or accredited under the South African National Standards for food hygiene management as a retail goods supplier.

Mukudzei Mudhefi, senior buyer at Spar, says interested suppliers should first make an appointment to meet with store management.

“We then invite the supplier to the store to present documents like the business’ proof of registration, health certificates in the respective industry and a sample of their product,” he says.

The process takes only one day, says Mudhefi, who adds that products that pass the assessment are planned on the shelf for a number of days.

“If customers buy the goods we then award the supplier an extended contract of up to one year,” he says.

When contracted, a supplier must be eligible to produce 95% of their product on delivery.

“The retail industry is a real-time business and to avoid running out of stock each delivery must be closer to the expected target and be delivered timeously,” says Mudhefi.

Opportunities for suppliers who meet the requirements include recommendations to other Spar branches.

Mponda explains, “We regularly meet with other Spar branch managers to expose newer products that small suppliers are bringing into the market.”

• Visit www.spar.co.za for more information.
The Department of Trade and Industry (DTI)

- Implements most of government’s business-related policies, including that of small business promotion
- Involves the development of business strategies for instance incentives and grants
- Development of small businesses through various DTI agencies such as Seda (see below in the direction)
- Direct support to entrepreneurs through incentive schemes and trade programmes
- Grants for black-owned businesses as well as those for manufacturing and exporting

Small Enterprise Development Agency (Seda)

- Finance to small businesses within the province
- A range of information sources such as a quarterly newsletter, monthly information sheets and occasional booklets
- Business support and training services
- Non-financial support services

Royal Bafokeng Enterprise Holdings (RBEH)

- Community-based investment company
- Strives to improve economic well-being by investing in businesses that will generate returns
- RBEH teamed up with The Business Place in Pilgrig for small business support services to startups, very small, survived and micro businesses

National Empowerment Fund (NEF)

- Funding of black-owned and empowered businesses
- Women and other targeted business funding
- Business and trade support services
- Be older than 18 years, the business must be economically viable and must not be involved in illegal practices, tobacco or gambling

Mpumalanga Economic Growth Agency (Mega)

- Supports qualifying businesses and individuals from Mpumalanga, who’ve been previously disadvantaged
- Funds housing agricultural development and business growth
- From R10 000 to R3 million
- Valid business identification document, be between 18 and 65 years and access to land or production facilities

Companies and Intellectual Property Commission (CIPC)

- Provide accessible registration services for businesses intellectual property and practitioners
- Maintenance and disclose relevant information regarding business entities, business rescue practitioners, corporate conduct and reputation, intellectual property rights and indigenous cultural expression
- Increases awareness and knowledge of relevant laws
- Help take the necessary steps to viability, effectively and efficiently monitor and enforce compliance with the laws the CIPC administer

Small Enterprise Development Agency (Seda)

- Business development support for business owners
- Training programmes for startups, cooperatives, and freelancers
- Sponsor between 60% and 90% of fees of an approved service provider
- Tender advice, networking and business liaising opportunities
- Technical support
- Export readiness assessment for business owners
- Be 18 years or older, able to run the business on a full-time basis and have a valid South African Identify Document

Free State Development Corporation (FDC)

- Official economic development, trade and investment corporation for the Free State
- Funding, business loans, equity and investments
- Training, coaching and mentoring
- Partner support services
- Assist with export readiness and development services
- Premises at affordable rates
- Incubators and special discounts for BEE companies

Limpopo Economic Development Agency (Leda)

- Government’s primary small business financing agency
- Launched due to merger between agencies such as Khula and Samal
- Direct lending products to small businesses
- Wholesale lending products aimed at intermediaries who have small businesses clients
- 0866 000 7332
- helpline@seda.co.za
- www.seda.org.za

NORTH West Development Corporation (NWDC)

- Small businesses of the North West Province
- Starting funding for new businesses
- General finance for the expansion of existing businesses
- Bridging finance
- Business advice, mentorship and coaching
- Must be registered as a sole proprietor, close corporation, partnership or company
- Must have valid tax clearance certificate, business profile, business plan and security in the form of a grant, life-deed, insurance policy or investment surety

- 018 381 3663
- www.nwdc.co.za

Seda tech fund supports firm’s growth

Ashvin Nankoo pictured here with Seda’s Anna Makhetha.

“…I expect our turnover to expand by about 30% because of the increase in customers. This would put us on par with the more established panel-beating companies in the Free State...”

Nankoo started the business 15 years ago when he realised there was an opportunity in the market with no black panel-beating businesses operating at the time.

Seda also assisted the company with staff training and to secure motor industry approval to repair damaged vehicles insured under motor plans.

Nankoo says the Seda assistance has now put the company at a level where it can compete to become the panel beater of choice for prominent vehicle manufacturers and dealerships such as Toyota and Volkswagen. The company currently employs 24 people.
All smiles...

Sathy Mdhluli, who owns transport business Thabale Shuttle and Tours, pictured here with the tablet she won in Small Business Connect's April readership survey. "I'm very happy because this could not have come at a better time. Just days before, my computer was damaged and I was struggling to manage my business," Mdhluli told Small Business Connect last month.

Joining our community

LAST month saw many exciting things happening in the small business sector.

From the appointment of Lindiwe Zulu, small business development minister, to the focus President Jacob Zuma placed on small businesses, particularly those in townships and the informal business sector, in his State of the Nation address in June.

As a result, there have been many issues to engage with our readers.

It’s no surprise then that our Facebook fanpage almost tripled in likes and is currently on almost 3 000 likes.

Comments on the page saw most business owners express excitement at the establishment of the new ministry. You may also have noticed that our page 20 has now been turned into our community page.

Small Business Connect has been repeatedly calling for its readers to connect with us. The readers have responded. Through the responses, we’ve learnt that some of our readers are on to big things.

Keep reading Small Business Connect to see what those “big things” are.

Or, you can connect with us via our Facebook fanpage www.facebook.com/SASBConnect, Twitter on www.twitter.com/SASBConnect or drop us an email via Newdesk@SmallBusinessConnect.co.za. You could feature in an upcoming edition of Small Business Connect.

WE ASKED...

Do you agree with President Zuma’s emphasis on township and informal businesses when he spoke of the plans for small business development in the State of the Nation Address:

"Over the next five years, we will prioritise support to small business, as well as township and informal sector businesses in particular, thus using the SMME development programme to boost broad-based black economic empowerment."

YOU RESPONDED...

Timothy Maluleke: "Big no. South Africa is a developing country which depends on agricultural business, so the government should supply farmers with money then the farmers will create more job opportunities to avoid unemployment."

Nonzileleko Nikuna: "I agree, but I want them to prove their promises in developing our country. Since Zuma is our president I do see a change which means in five years to come our country will be better than today from a learner in grade 11 at Sibhulwane Senior secondary school."

Balsam Griffin Mberhe: "It is those who are negative who will never benefit from anything. Opportunities won’t come knocking on your door. A negative mentality is already failure. People who always want to receive never succeed... Running around with a business plan is useless. Anyone can do that. But to start from nowhere is the main challenge that is hindering the success of many people."

Nonzileleko Nikuna: "I agree, but I want them to prove their promises in developing our country. Since Zuma is our president I do see a change which means in five years to come our country will be better than today from a learner in grade 11 at Sibhulwane Senior secondary school."

JOHANNESBURG entrepreneur Nozuko Jizana’s Esteemed Tax Consultancy business advises many businesses on tax-related matters.

Business owners approach her for advice on issues like tax compliance and other tax administration processes.

However, her only challenge since opening three years ago has been expanding her business.

She says reading the online edition of Small Business Connect provides her with useful tips to grow her Midrand-based business.

"This is the only publication I know for the small business sector."

In addition, the publication also gives advice on available opportunities for small business owners and comparative information about the small business sector in other countries," she says.

The information she gets from reading the stories published in the newspaper allows her to keep track of a number of existing business development programmes.

Jizana says she is also motivated by the stories she reads in the newspaper.

She feels that Small Business Connect is making a social contribution and because of this, she shares online links with fellow businesses owners.

"My business was started as a way of giving back to the community through affordable business consultancy."

I assist small business owners with tax compliance as they struggle in this area, “ she says.

She says that reading the publication exposes her to a market of credible businesses.

Jizana is a registered tax practitioner with the South African Institute of Tax Professionals.

• Visit to www.esteemedtaxconsultant.co.za

READER OF THE MONTH

JOHANNESBURG entrepreneur Nozuko Jizana’s Esteemed Tax Consultancy business advises many businesses on tax-related matters.

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I assist small business owners with tax compliance as they struggle in this area, “ she says.

She says that reading the publication exposes her to a market of credible businesses.

Jizana is a registered tax practitioner with the South African Institute of Tax Professionals.

• Visit to www.esteemedtaxconsultant.co.za

SOME 300 business owners get their monthly dose of Small Business Connect by picking up a copy of the newspaper at the Small Enterprise Development Agency (Seda) in Rustenburg.

Mlungisi Makhubalo, marketing and stakeholder relations manager at the Seda branch says, that they recommend the newspaper to business owners because it is informative and easy to read.

"A publication such as this is well overdue. It’s an excellent source of reference for small businesses that approach us daily," says Makhubalo.

Seda has five branches across Gauteng, where business owners can access information to help them improve their businesses.

Makhubalo says people approach the branch to enquire more about existing business development programmes and funding opportunities after they read about these initiatives in Small Business Connect.

"I think the publication is directed at ordinary business people. Its nature means that the stories are written in simple language. Our clients have been selecting it as it is a good source of reference for useful information and inspiration for their businesses, “ he says.

Makhubalo says they encourage clients to read both the print and online edition of the newspaper.

The office regularly shares copies with the agency’s various satellite branches across the province, where Small Business Connect is distributed every month, and other organisations that they deal with.

He says the newspaper also assists the agency to keep up with industry updates which they then share with their clients.

Makhubalo says most businesses lacked access to industry-related news that could help them grow and they recommend the newspaper as it is available free of charge.

OUR READERS

Sathy Mdhluli says she is very happy her computer was damaged and she was struggling to manage her business.

She says reading the online edition of Small Business Connect provides her with useful tips to grow her Midrand-based business.

"This is the only publication I know for the small business sector."

In addition, the publication also gives advice on available opportunities for small business owners and comparative information about the small business sector in other countries," she says.

The information she gets from reading the stories published in the newspaper allows her to keep track of a number of existing business development programmes.

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