A PROPOSAL by the Department of Trade and Industry to take over the verifications process in the Broad-Based Black Economic Empowerment (BEE) space could make starting a business easier and cheaper.

The proposal, which forms part of the amendments to the act – signed into law earlier this year – will see the department take over some aspects of the BEE verifications process from the verifications industry and do these in-house.

Small businesses that have a lower annual turnover threshold would, should the proposal be approved and implemented, be exempt from a costly verifications process – saving them thousands of rands in verifications fees.

Small Business Connect spoke to Trade and Industry Ministry spokesman Sidwell Medupe who said that the department is still exploring a way forward on the proposal and no decision had been made yet.

But, Nomzamo Xaba, general manager at the BEE rating agency Empowerdex, says after consultations with the department, her firm welcomes the proposal.

"There is still a process of communication but from our understanding, we are not opposed to them taking it in-house for startups.

For startup businesses, it will make access much easier, it will make coming into the market much easier because you can get your company registration documents as well as your BEE certification in one go," says Xaba.

In her view, she says, this would mean that small business development would move forward and that the proposal was good for economic growth.

"Eliminating things that small businesses are required to do so that you reduce the amount of red tape is good. If you can find ways for small businesses to have better access to the economy, then we must explore these ways," she says.

Under the new proposal, small businesses with an annual turnover of below R10 million will be classified as Exempted Micro Enterprises (EMEs) and they are not subjected to the BEE verifications process. These business owners would only need to submit an affidavit to the department that includes the business’s turnover and its BEE status.

The same applies to small businesses that are 100% black-owned.

Currently, small businesses with an annual turnover of R5 million or less are required to get a verification certificate from an independent agency that can cost anything from R500.

Should a business be less than a year old, it will also be exempted from BEE verification and the owners will only have to submit a sworn affidavit testifying to their BEE status regardless of their expected revenue.

Small businesses that could expect to save thousands of rands in verifications costs are businesses that have an annual turnover between R10 million and R50 million per year, and are classified as Qualifying Small Enterprises (QSE).

This means that a QSE will be exempt from BEE verification and will only be required to submit an affidavit confirming its annual revenue and its level of black ownership.

Under the current law – before the codes come into effect

(Continued on page 3)
By Yolande Stander

WITH Durban’s Dube TradePort already having attracted R$900 million in investment over the last five years, small businesses can expect to grab a share of the R$5.6 billion that the hub is expected to contribute to the country’s gross domestic product (GDP) by 2060.

Dube TradePort – one of six Industrial Development Zones (IDZs) created by the government to boost industrial growth – was conceptualised a decade ago and opened in 2010.

Speaking at the official launch last month, President Jacob Zuma said the project is expected to contribute about 0.5% of South Africa’s GDP and create about 150 000 jobs by 2060.

Upgraded roads, the extension of the cargo terminal, an increase in passenger volumes and the development of small and medium businesses around the region will also help the region grow.

Trade and Industry spokesman Sidwell Medupe says the opportunities for small businesses are endless.

“The focus of the hub is broadly on the manufacturing sector and mainly on light and medium manufacturing – specifically on industries that have airfreight as a component in their value chain,” says Medupe. The hub is also strategically located between South Africa’s two primary seaports – Durban and Richards’s Bay.

It is expected to contribute R$5.6 billion to the GDP by 2060.

It is also close to major rail and road links. It is also because of these strong logistics ties that the hub identified a set of priority industries that have airfreight as a component in their value chain.

This is particularly suited to industries where security-of-supply or time-to-market is critical,” says Medupe. The Dube TradePort was identified as a hub due to its strong logistic links. At the heart of the precinct is King Shaka International Airport.

The hub is also strategically located between South Africa’s two primary seaports – Durban and Richards’s Bay.

The country’s other industrial hubs are situated in Saldanha Bay, Coega, East London, OR Tambo International Airport and Richards’s Bay.

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The hub’s benefits – which include both fiscal and customs incentives – are specifically geared, at this stage, for agro-processing and manufacturing enterprises located within the Dube TradeZone and Dube AgriZone.

This represents the first phase of Dube TradePort Corporation’s roll-out and will cover some 300 hectares of agro-processing and industrial activities, growing to more than 700 hectares into the future,” says Van Coller.

The hub holds a range of other benefits for enterprises.

“The hub’s benefits – which include both fiscal and customs incentives – are specifically geared, at this stage, for agro-processing and manufacturing enterprises located within the Dube TradeZone and Dube AgriZone.”

By Nabelah Fredericks

OVER 400 players in the small business sector met last month in a bid to create a national masterplan that aims to address challenges that inhibit small business development.

The National SMME Policy Colloquium took place in Sandton and was hosted by the National Small Business Institute (NSBI), in partnership with the Department of Small Business Development (DSBD). The institute was formed in 2008 with the aim of developing small businesses holistically to ensure supplier-readiness.

The institute’s chief executive Xolani Qubeka says the event aims to create a platform to address the main challenges small business owners face as set out in the National Development Plan (NDP) such as regulatory burdens and access to finance and markets and then to use this to create a template.

It is expected that small businesses will create 90% of 11 million jobs by 2030 as required by the NDP.

“We are hoping to come up with recommendations that we can use to develop this masterplan that will be adopted by all roleplayers in the sector to ensure that South Africa becomes more small business-friendly and then to use this to further the aims of the NDE,” says Qubeka, who is also the former head of the Black Business Council.

He adds that the event was attended by the chief executive of the Banking Association of South Africa, the heads of the developmental finance institutions, entrepreneurs, small business associations as well as top government officials from Trade and Industry, Economic Development and the DSBD.

Qubeka says it is expected to take about a month for the organisations to compile the information following the event into a template and a presentation will then be made to the portfolio committee on small business development.

The province’s Small Business Development, Linda Zulu, says that the department will not be able to achieve the objectives of the NDP alone and will need to partner with various organisations.

“We want to improve institutional framework for small business development by ensuring a cohesive approach,” says Zulu.

NOVEMBER is well-suited to be the month in which Global Entrepreneurship Week runs parallel to the South African entrepreneurs.

In case you don’t already know (you will once you’ve read this month’s edition) the wheels have been set in motion to address issues that hinder small business development. Here are some of the changes...

On the front page, we report on the proposal by the Department of Trade and Industry which could soon see smaller firms saving thousands of rands for a Black Economic Empowerment certificate from verifications agencies. On page 2, we report on the National SMME Policy Colloquium that was hosted by the National Small Business Institute in partnership with the Department of Small Business Development. It aims to create a national masterplan that will chart the way forward on how to achieve the objectives set out in the National Development Plan.

As part of Global Entrepreneurship Week which runs between the 17 and 23 September, the Entrepreneurship Expo takes place over 17 and 18 November in Cape Town. In this month’s edition, you can read more about what benefits business owners stand to gain from attending.

A new startup programme is also set to launch on 10 November. The programme, Start-Up Nations, is similar to initiatives set up by countries such as the USA and Brazil. On page 8, you can read about how to use the Companies and Intellectual Properties Commission’s new website more efficiently.

Last month saw the launch of the commission’s website which offers features such as the functionality to register a business within three days. However, it has not been without “teething problems” and CIPC commissioner Astrid Luddin took to Small Business Connect’s online radio show to address these concerns. And last but not least, our very own Publisher, Christoff Oosthuysen, is this month launching his book “results! How to succeed in a fast-changing world with a 1-page business plan” as well as the six online versions of the Festival of Small Business planning tool.

All the latest in small business sector. Happy reading!

Nabelah Fredericks

News Editor

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President Jacob Zuma, flanked by Trade and Industry Minister Rob Davies, KZN Premier Senzo Mchunu and eThekwini mayor James Nxumalo at the launch of the Dube TradePort Industrial Development Zone.

Xolani Qubeka

Advertisement

Masterplan for small business on the cards

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• For more information contact the Dube TradePort on 032 814 0100 or visit www.dubetradeport.co.za.
Overdue fees cost owners business

BY DANIEL BUGAN

BUSINESS owners claim they are losing business after being denied letters of good standing from the Department of Labour’s Compensation Fund because of disputes regarding unpaid contributions.

But officials at the fund — which provides compensation to employees who are injured at work or fall sick or die as a result of diseases contracted at work — say all is not lost.

Business owners can still obtain the necessary letter by making arrangements to pay off any outstanding amounts owed.

A letter of good standing is required when a business owner tenders for contracts to show that an employer is up to date with their payments to the fund.

To obtain a letter of good standing employers must be registered with the fund and must pay all return of earnings monies due to the fund.

Millicent Shhosana, owner of Lebo and Kati Trading Solutions, said she has been involved in a dispute with the fund since 2013 over an amount of R7,000 which the Compensation Fund billed her for the assessment years of 2009, 2010 and 2011.

“My accountant took the matter up with the (Compensation) fund in July 2013 and again in August 2013 to ask them to review the (assessment) amounts for the years in question.

“They said they will get a response in four weeks. I am still waiting,” said Shhosana.

Business owners, such as those in the construction sector, require a letter of good standing from the Compensation Fund before they can tender for contracts to show that they are up to date with fund payments.

Up till now she has only been able to pay the company’s assessment fee for the 2012 year, but not for the 2013 year.

But, Shhosana says she refuses to pay until all the confusion has been cleared up.

“In the meantime I have not been able to get business. I have tendered and all I get back is regret letters. A letter of good standing is a required document when submitting a tender. Some of my contracts have also expired and were not renewed.

“I have been able to pay salaries, but my business has not grown and is actually going down.”

The Compensation Fund’s director of income Elia Ntshabela said the turnaround time to resolve a query such as this is six weeks.

“Business owners can, for a limited period, enter into an arrangement with the fund to pay off amounts owed in instalments of under one year.

Conference tickets cost R950 per delegate which includes access to the two-day expo.

Entrance to the expo is R50 per day. For business owners interested in exhibiting the cost for a stand starts at R10,000 for the two days.

This cost also includes entrance to the conference and a cocktail party after the event.

For more information on how to become an exhibitor, business owners can contact on 021 683 2425.

Entrepreneur Expo offers business growth opportunities

BY NABELEH FREDDERICKS

JUST getting entrepreneurs to understand their worth would render the Entrepreneur Expo to be held later this month a success say organisers.

Now in its fifth year, the expo aims to provide a platform for entrepreneurs to showcase their products and services.

The event which takes place on 17 and 18 November at the River Club in Cape Town is organised by Dylan James Media in partnership Fast Moving Company, South African Investors Network, The Bandwidth Barn, South African Small and Medium Enterprise Federation, How We Made it in Africa and the Cape Chamber of Commerce and Industry.

The sponsors include the

The following must accompany any outstanding amountes owed.

• Financial statements for the period under review.
• The correct earnings on which the assessments are based.
• Financial statements for the period under review.
• A letter of good standing from Skhosana.

Ntshabela said the turnaround time to resolve a query such as this is six weeks.

For business owners who owe outstanding assessment fees, all is not lost.

These business owners can, for a limited period, enter into an arrangement with the fund to pay off amounts owed in instalments of under one year.

Under this agreement a 20% deposit of the outstanding amount is required upfront.

A letter of good standing will then be issued on a monthly basis until the amount is settled in full.

Should an employer default on an instalment arrangement the full balance must then be paid immediately.

For more information, visit www.labour.gov.za.

the dti has launched the South African Emerging Black Filmmakers Incentive to support emerging black-owned qualifying productions with a total production budget of R1 million and above.

NEWS
November 2014 - page 3
Get your best game on

BY DANIEL BUGAN

COMPLETING a business course is not always fun and games. But, thanks to a new board game designed by entrepreneur Thabani Zulu, it can very well be.

Just ask Thulisiwe Galelile who once felt so demotivated after doing a formal business course that she almost did not start her business.

However, thanks to the Risk and Reward board game, her business Orchida Florist has blossomed and she now feels confident when making crucial business decisions.

“We have already secured two events which we did in August and September. Furthermore, we have also been actively approaching people for business and this resulted in us acquiring four clients whom we supply with floral arrangements on a weekly basis,” says Galelile.

She initially bought the board game in July prior to starting her business to help her with her business plan, but discovered that there was more to the game than she originally assumed.

The game, she believes not only taught her to draw up a plan of action to use to help her create a successful business, but it also helped impart upon her the basics of business such as financial planning and simple bookkeeping principles.

“I like the fact that the game teaches valuable skills in a fun and interactive way. I have been on business courses before that intimidated me so much that I was actually put off from starting my business,” she adds.

Galelile also encourages her two fulltime employees and her temporary staff to play the game to help them also improve their business acumen and accounting skills.

“I like the fact that the game teaches valuable skills in a fun way.”

The game’s creator, Zulu – a qualified chartered accountant – says the inspiration for the board game came while he was doing bookkeeping for small businesses.

“I discovered that most startup companies fail because they do not manage their finances properly or make the correct decisions with their money,” he says.

The game was launched in May and Zulu has already sold 250 units.

“Make the correct decisions with your money,” he says.

manage their finances properly or make the correct decisions with their money,” he says.

The game is played by four teams (each team can have up to three players) or four individual players at a time. The fifth players, also called the referee, assumes the role of a banker, the government, supplier and customer.

He says the game is easy to play and only requires a player to have some knowledge of accounting at Grade 10, 11 and 12 levels.

“This game is for the business owner who is serious about growing his business, not the one who wishes to stay in the small, medium and micro enterprise space forever,” stresses Zulu.

New incubator for Riversands biz owners

BY YOLANDIE STANDER

DIEPSLOOT business owners now have access to subsidised business support at a new state-of-the-art facility right on their doorsteps – literally.

This, thanks to the Riversands Incubation Hub, a partnership between Century Property Developments and The Jobs Fund that is expected to open its doors on 3 November.

Situated at the heart of the planned Riversands Commercial Park about 20km from Sandton, the incubator aims to offer support services such as training and business promises to about 360 small black-owned businesses at subsidised rates.

Business owners will have access to a library, two 200-seat meeting rooms, a 500-seat auditorium, meeting rooms, hot desks, back-up marketing and printing facilities, a 45-seat restaurant and a state-of-the-art IT infrastructure.

Century Property Developments marketing and promotions manager Anne Vicente says the hub is within walking distance of Diepsloot and emphasis will be on attracting small businesses in the light manufacturing, IT, security, agro-processing, services and technical industries that provide goods and services for the corporate sector.

“The hub will also include 150 mini-factories, retail spaces, office spaces, an agro-hub to teach agriculture and horticulture and an amphitheatre for 10 000 people which is suitable for outdoor concerts,” says Vicente.

With construction having been completed, final finishing touches are being added, including the processing of more than 160 applications from applicants under consideration for inclusion on the incubation programme.

“The focus will be on those businesses that bring good economic opportunity to the surrounding area. This will be accomplished through mentoring and supporting them to become fully-fledged, formal businesses over a three-year period,” Vicente says. The plan is also to give businesses in the commercial park a rich source of small business suppliers on their doorstep.

Before any business enters the incubation programme, a strict screening process will be undertaken to ensure the viability of the business.

No rating for small businesses?

(Continued from page 1)

- QSEs are required to obtain a verifications certificate from an independent agency in an exercise that could cost between R15 000 and R40 000.

However, in reality all small businesses will have to ensure that they now submit their annual returns, and the fee for this will be higher than the fee of a current EME certificate,” she says.

The department believes that it will be an advantage to small business owners.

David Ndlou, the chairman of the Association of BEE Verification Agencies (ABVA), said the proposal initially took them by surprise.

“We were surprised when being granted a meeting with the department’s BEE unit, the direction that the DTI was planning on taking became clear.

“On that point, the proposal is nothing new as it has been in the public domain from last year already when the revised codes were revealed.

Since last year already, we know they (EMEs, QSEs and startups) were going to be exempted and that they were not going to be part of the verifications process,” he said.

Ndlou questioned, however, how the department would verify whether the affidavits were legitimate.

He says agencies whose business models target the affected small businesses and enterprises would need to revise their strategies to survive.

For more information on how this could affect your business visit www.thedti.gov.za and www.home.sanas.co.za.
SA wakes up to global startup programme

BY STEPHEN TIMM

THE UK has one, Canada has one. Even Jamaica, among a long list of countries, has one. And now South Africa is to get one – a startup programme.

The new initiative, dubbed Start-Up Nations South Africa, is set to be launched in partnership with the Industrial Development Corporation (IDC), The Innovation Hub and Wits Business School on 10 November.

Fredell Jacobs, who a few years ago launched the South African Startup Index, co-ordinates the initiative and aims to get the government, private sector, academia and civil society to work together to promote entrepreneurship in South Africa.

Jacobs says the initiative will focus on thought leadership, research and education. He points out that the name Startup Nations was chosen in reference to the initiative’s membership to the global body of the same name.

It is one of similar ones that countries around the world have set up following the success of Start-Up Chile – which has attracted over a 1 000 participants to that country since.

In September the programme closed its call for applications with a record 2 448 applicants having bid for a chance at one of the round’s 100 coveted spots.

While some (like Jamaica, Brazil and Peru) follow Start-Up Chile’s model of offering a mix of seed capital, mentorship and pitching to potential investors, they all aim to bring different actors in the field of entrepreneurship together to boost start-ups. Some programmes encourage foreign entrepreneurs to join (Brazil reserves a quarter of its places for foreigners) with the understanding that they bring new ideas. In the case of Start-Up Chile, the government provides $40 000 of funding to startups that agree to set up in Chile for at least six months and to take part in events to stimulate entrepreneurship awareness among locals.

By the end of last year 150 000 Chileans are estimated to have benefited from exposure to the programme, through about 2 500 workshops. Most Chilean entrepreneurship experts agree that the real success of Start-Up Chile has been in the social or impact it has had on the country.

"If you evaluate Start-Up Chile in terms of economic output or real firm creation it (has been) a disaster, it really doesn’t work," says José Ernesto Amorós, from the School of Business and Economics at Santiago’s University of Development.

"But if you summarise all the other impacts it creates, it is a very successful one, because it attracts people, creates networks and has also put Chile on the map."

Some reckon that if finance for startups in Chile was easier to come by, more of the programme’s participants would stay in Chile. Nicolas Goluboff Hamuy, the deputy manager of entrepreneurship at Corfo which oversees the programme, said the agency is, however, working on improving the availability of funding for startups in Chile, while considering whether to also host versions of the programme targeting certain regions.

South Africa has no shortage of small business initiatives, it’s rather the role-players themselves that need to collaborate more closely to address bottlenecks and to create a more enabling environment for startups. Getting this right could help energise the country’s startup scene.

Microsoft BizSpark doesn’t just provide all the technology platforms you need to turn your brilliant ideas into reality. We have a deep understanding of what it takes for small developers to grow and succeed. So, while we give you free access to resources like software, support, training to build apps, technology to get into the cloud, and market visibility - we’re also with you every step of the way. Your success is our success.

To find out more, visit www.bizspark.com or contact us on bizsparksa@microsoft.com

With Microsoft you can grow your business.
Sisters win big in biz tv series

BY VUYO MABANDLA

THE future looks bright for the owners of the organic Oh-Lief brand after bagging a R1-million investment in the Standard Bank Think Big Challenge reality TV series.

Since winning the challenge last month, sisters Christine Buchanan and Louiza Rademan have already bought a new machine valued at R80 000 that will help them to speed up production.

In addition, the sisters plan to build a factory which will set them back another R600 000. The series which was aired on SABC3 in September saw 12 entrepreneurs – from various sectors compete over 10 weeks to win the top prize - R1 million in investment.

But, even after earning and spending some of the cash, the sisters still cannot believe their good fortune.

Says Buchanan: “In some way, reality has still not sunk in. I can’t explain the joy we, our families and employees feel since winning.

The show has opened doors for us as we have more customers than we ever had before”.

She says since the pair started the business from Rademan’s home in 2010, they can now for the first time focus more on increasing the brand awareness of their products.

“We’ve focused so much on the manufacturing side that we now understand, thanks to the show, that we have an advantage to grow if we raise the awareness of our products,” she says.

Their first step toward this is to distribute 20 000 free product samples as part of a marketing project with Kalahari.com, a move that the sisters hope will introduce the business to the overseas market.

“It was tough and there was a point when we were so exhausted because the challenges were rigorous and we were up against more experienced entrepreneurs,” says Rademan.

Ravi Govender, head of small enterprises at Standard Bank which sponsored the show, applauded the two women.

• The series can be viewed online via www.standardbank.co.za/thinkbig

The Oh-Lief sisters were able to avoid elimination by timeously completing set tasks and showing confidence and knowledge of their business when presenting to the judging panel.

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Mag still going 10 editions later

BY NABELAH FREDERICKS

DESPITE the odds, an entrepreneur’s dream to expose young talent in South Africa has seen his fashion magazine grow to 10 editions with an average reported following of 20 000 readers.

Anam Xinwa, executive director of Illaphulam, and his brother Naphi, with whom he co-owns the business initially planned to start the magazine as a catalogue that would be sold to big retailers showcasing young designers’ work.

“I saw that up-and-coming designers were not getting exposure. I drew up a proposal and in January 2012 approached the National Youth Development Agency and the Department of Arts and Culture in East London,” says Anam.

But he was met with disappointment when his proposal was rejected on the belief that he didn’t have a viable business concept.

Set on making a success, Anam then moved to Johannesburg two months later and partnered with his brother Naphi, a qualified graphic designer. The brothers registered the business in 2012.

Seven months later they launched Illaphulam African Fashion Journal.

The bi-monthly magazine is aimed at the fashion industry, including young designers, buyers, boutique owners and fashion lovers, and can be found at www.issuu.com, a site which hosts digital publications for free.

Access to funding has been a constant challenge for the business – one which the brothers refuse to allow to bring them down.

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“We need at least R6.4 million to set up the business, buy equipment and vehicles. At the moment we are achieving what we want to achieve by exposing the designers, but we want to grow the magazine,” says Anam.

Last year the magazine featured an East London designer. Thanks to the exposure of the magazine, the designer was spotted by the organisers of a fashion show in Canada and invited to showcase his designs in August this year.

The magazine draws about 20 000 to 50 000 visitors to the website which hosts the magazine.

“In our fourth edition, we had 54 000 clicks,” says a proud Anam.

He believes that this shows that there is a significant interest in their publication.

The brothers are now intent on attracting funding for the magazine through other channels – including through advertising and are in the process of joining the Audit Bureau of Circulations South Africa (ABC), which will help them to demonstrate their readership figures to potential advertisers.

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Can 'small' survive in the car hire business?

BY PAUL CRANKSHAW

CAR hire is big business, right? Well, half-right.

Most car hire brands you think of will be global giants, but brave South African entrepreneurs are showing that there IS space for the small guy.

Say the words “car hire”, and the average business person will pick up the phone to Avis, Hertz or Europcar. We see their branches at airports, and they have a national footprint to compete with each other. But at a local level, there are smaller car-hire businesses popping up, serving a more local and more price-conscious market.

The challenge here is to design a business model that keeps your costs low (one or two offices, and no expensive premises at airports, for example) so that your prices can attract a different market segment.

To get some insight into how they work, visit a few websites such as www.stuartscarhire.co.za. There are also quite a few small businesses that don’t even have a website. Have a look at their prices, their locations, and their conditions for rental; they are surprisingly similar to the “big boys”, but usually don’t have a national network.

Essentially, a car-hire business offers passenger cars (and sometimes bakkies) for customers to hire. Some car-hire businesses also choose to specialise in the rental of sports and classic cars for special events. As a car hirer, you could also offer extra services, such as a free pick-up service, and items such as children’s car seats.

Starting a car-hire business, you will need to have a good knowledge of vehicles, and preferably some mechanical experience. You will usually need to start off small, so you may need to do some of the basic maintenance and repairs yourself. This will also help you to assess the condition and value of the cars you buy for your business – as you may well start off with used cars, not new ones like the big firms.

Checking the background and creditworthiness of customers is a key issue for any car hirer, as well as binding them legally to pay for excess on any damages they cause.

You need to sign a proper contract with every client, so that there is written agreement about exactly what responsibility they are taking for the vehicle they hire, such as what costs they will have to pay if the car is damaged.

Like car maintenance, you will need to ensure proper insurance cover on each vehicle – as these are mobile and high risk assets. A driver’s licence will be vital, as you may initially spend much of your time either packing vehicles up or dropping them off. You need to be well organised, able to plan and implement an ongoing schedule of cars going out and coming back and do the necessary paperwork before the next customer needs it.

This means you may often work under pressure, so you need to be able to handle this calmly.

Be sure about your target market, and find ways to reach them regularly. This could include small business owners on a tight budget (find them in the budget hotels or self-catering establishments), backpackers (young tourists on a budget) or local people in your area who need a car while theirs is in for repairs (talk to workshop owners in your area to advertise your services to their customers).

Visit www.cobwebsinfo.co.za for more by Paul Crankshaw.
Question: Tell us about the new changes that have been introduced at the CIPC.

Answer: We’ve introduced quite a lot of changes over the last six months. Between April and July we introduced a paperless backoffice. We receive a lot of documents, not just to the website, but this new system enables us to store things electronically. The second thing we introduced is the self-service centres. We see these as small business centres. We have one in Sunspray Park and we have one in the Carlton Centre in Pretoria. Small business owners can use these centres to register a business or lodge an annual return, for example.

The self-service centres are different to the website, but it has quite a lot of the functions that business owners would have on the website. Here, we have staff that assist people who are not that comfortable with technology to do their transactions. When you use these centres, you don’t have to submit any documents because we verify your information against the Department of Home Affairs’ database. The other option is to register using our new website – launched about a month ago (at the time of going to print). We have new electronic functionality available for you to use to transact with us. Based on some of the comments coming through from Small Business Connect readers, it was a big change for our users. I think we’ve worked through most of the problems on the website and we need to keep improving on this.

Question: What has been the main problems users have encountered so far?

Answer: It’s been quite mixed. Mostly, it depends on the type of user – if it is an individual who wants to lodge one transaction, then the website is very user-friendly. For high volume users, such as intermediaries, I think any change that we introduce has a possible financial implication and so they tend to respond often quite negatively. Over the last while, we’ve found that as we have managed to sort out the problems, particularly to the speed of the website, there were a lot of issues individual users faced. For example, they were not using the right browser (Google Chrome), or they have not enabled pop-ups or frequent users had history in their browsers that needed to be cleared. Once those issues were resolved, people were a lot happier with the website and it was quite fast and user-friendly.

Question: What has been the main problems users have encountered so far?

Answer:  We’ve found that there were little things preventing business owners from using the website. For example, people had two customer codes. In order to transact with us on the website, you need to have a customer code. In the past we would not have known about it, but now we are synchronising and we only allow you to have one customer code. So some users could not get into the system because they had two customer codes. Effectively, they need to choose one. The other problem is that people have two email addresses. So when we send documents to them we send it to one email address.

The problem with this is that the email we use is sometimes the wrong one. Business owners can log a query on our website so we can resolve it in our backoffice.

Question: How have you been communicating around the new changes?

Answer: We issue customer notes and post these to our website. We find that this is the best way to communicate with our customers who transact with us electronically. We also allow people to transact with us electronically so whenever there is a new note, it then gets sent out to them. That makes up a lot of our communication, but we can improve on it. We try to send text messages and it is about getting the balance right and sending our only relevant information.

Question: When will business owners be able to lodge a director through the CIPC?

Answer: You’re able to lodge a director on the new website. The question is whether or not you’re having a problem. I know there are some issues depending on how many users we have on the website concurrently, but the functionality on the website works.

What you might find is that when we get very busy, you struggle to upload documents and edit director details. We recommend that you either log in again or if you’re really not able to... Visit www.cipc.co.za for more information.
Raised to serve entrepreneurs

BY NABELAH FREDERICKS

THE man who plans to sharpen up things at the Small Enterprise Development Agency (Seda) has paid his dues in the small business sector having spent time working in his father’s clothing and textile business.

Raised by an entrepreneur himself, Sipho Zikode – the agency’s acting chief executive since January – tells Small Business Connect of his time spent working in his father’s business along with his seven siblings 35 years ago.

“My dad lost his job due to an illness and decided to start a business. My siblings and I worked in the business, helping with manufacturing shirts and we spent our weekends trying to sell the shirts,” says Zikode.

“It was here that I experienced first-hand the hardships of being an entrepreneur and the ins-and-outs of how to run a production line. Selling the clothing was quite a harrowing process as the siblings risked being arrested if caught selling their merchandise. Explains Zikode: “The business was unlicensed at that time due to the restrictions black people faced during apartheid (on running and owning a business). This meant that we were sometimes locked up for selling the shirts and then released a few hours later.”

On the day of the arrests, the entire business would be disrupted. A few years after starting the clothing and textile business, his father started a taxi business, but Zikode then left to study engineering at the Mangosuthu University of Technology before later obtaining a Bachelor’s of Commerce from Wits University.

In 1997, Zikode started working in the Department of Trade and Industry’s (DTI) technology promotional programmes which supported innovative small businesses. “It was in 2011, when I was appointed as the deputy director general of the Broadening Participation Division that I started working in earnest with small businesses,” says Zikode.

The division is responsible for devising policies and strategies on small business development. It was from here that he was appointed as Seda’s acting chief executive.

“This isn’t really anything new for me. Seda was a part of my division and so it reported to me,” says Zikode. Since heading up Seda, he says many improvements have taken place behind the scenes as he continues to upskill the agency’s staff to ensure that Seda is able to assist business owners with specialised services.

“We want to increase our capacity and capability. Due to budget constraints we had to stop rolling out our satellite offices, but we have mobile units that go out to rural areas for about a week, in any one month,” says Zikode.

By the end of next month, Zikode hopes to have completed the reorganisation of the agency. He prides himself on the agency having received a clean slate from the auditor-general for the last financial year.

Something he is particularly proud of is, having sparked the initial idea for Small Business Connect. “It was in India and saw that their small business agency had a newsletter for business owners and came back and spoke to the department about starting something similar for our business owners,” says Zikode.

“If we can help improve the capacity of entrepreneurs, that would be the best that we can do,” says Zikode.

Sipho Zikode

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.
Better biz thanks to production

BY NABELAH FREDERICKS

IT takes a lot of courage and hard work to start the same business for the third time in two different countries. But, Godfrey Dambuleni is not one to shirk hard work – learning at an early age the meaning of independence.

Growing up in Zimbabwe, his parents were too poor the business owner was forced to make his own toys as a young boy.

“We collected recycling materials from scrapyards and would spend our time making wire cars and other toys,” says Dambuleni. He developed a passion for this craft and also realised that he could earn money from it when he was older.

“I wasn’t really making money from it. I would make the art and then sell it to put food on the table, so my business wasn’t really growing,” he says.

However, it was his home country’s failing economy that set him on a path to start and run his business formally in a new country.

Arriving in South Africa, the then 32-year old did not have a job or money and had to use the skill he had learnt during his childhood to make a living. He met up with three other men with the same skill and started teaching people how to make art using wire and tin collected from scrapyards. This was how the business Mixed Ideaz was started.

The four guys developed a production process so that the business would run smoother.

“We created a sample and then divided the sample into different parts and each worker was assigned with the task of making one part of the product,” says Dambuleni.

At the end of the process he would do quality control by checking the products.

“We also taught the workers how to prevent being cut by the tin and that they needed to wash the materials before using it,” he adds. As the business slowly started growing, Dambuleni was able to lease a shop in Cape Town. A friend then referred Dambuleni to the Cape Craft and Design Institute (CCDI) in 2007 to get assistance with marketing services. The CCDI assisted in photographing his work and placing it in a catalogue that could be marketed to potential clients.

But, tragedy struck in April 2008 when Dambuleni was incapacitated in a car accident.

“I lost everything. I could not pay the workers and my team was forced to look for other employment,” he says.

However, in early 2009 a woman from Spier Craft Market, known only as Su, contacted Dambuleni to start selling his products again.

“She assisted me in photographing my work and helping me market it lots of tourists who will buy my products again. For now, he hopes that the CCDI and how he started Mixed Ideaz on this page.

“Her assistance really helped me. She even assisted me in landing contracts worth R50 000 and I was then able to use the money to buy more materials,” says Dambuleni.

This is how he restarted his business.

Two years ago, he landed a R120 000 contract – his biggest to date. He landed the contract thanks to the CCDI’s assistance after the client spotted his work in the catalogue. The US client wanted 10 life-size giraffes and rhinos each and he and two other workers completed the products in about three months under heavy pressure. A dedicated business owner, Dambuleni invested all his money back into the business.

“Because I am a foreigner, I am unable to get finance. I am thinking of partnering with a South African business owner so that I can grow my business,” says Dambuleni. For now, he hopes that the summer months will bring with it lots of tourists who will buy his goods.

Maintain a quality production process

THE trick of a successful craft business lies in combining your creative concept with efficient production.

When you made samples of your product, you already touched on some of the production needs, but more planning is needed to make sure you can considerably improve your process, save time, ensure high quality and avoid costly mistakes.

Here are a few tips that will help you with staying on top of your production.

• Create logical steps: Break down your production process into logical steps. Time how many minutes each step in the production process takes. A flow-chart can help a lot with this.

• Optimise work areas: Look at each work area and plan it carefully. Consider how things could be arranged to create a better working environment where production can happen even more efficiently.

• Assign production roles: If you work with a number of producers, identify their strengths and special skills and get people to do what they are good at. Don’t be scared to demand a high standard of work. Provide a sample of the product and a check-list of what for working with the materials you use for your product. Make protective gear like gloves or masks available, and make sure that protective gear is correctly and consistently used by producers. Identify quality measures. Quality control is to make sure that even if many units are produced, your product retains the same high value and function. Once you have a sample of your product, you will need a list of items that define its quality. The list will include things that make sure your product performs the function it is designed for. It will also include things that will satisfy your customers’ needs in the long term.

Control the quality: Quality control is a set routine to make sure your product meets all the quality criteria. With any production process, mistakes can happen. As well as working regularly with your list of quality criteria, you also need to create a production environment that enables everyone involved to work at their best. If you are having consistent quality issues, brainstorm possible solutions and come up with an action plan to put the solutions into practice.
Breathing fire into small firms

AFTER successfully starting and running more than 20 businesses, a group of entrepreneurs is now helping other business owners to do the same through business academy Daddy’s Dragons. Small Business Connect spoke to co-founder, George Gabriël to learn more.

We are open to all types of industries, and currently have people from fields such as alternative health, social media consulting, management and fundraising consulting to non-profits, wine distributors, freelance writers, PR consulting, IT strategy and the list goes on and on. In addition, we have a healthy mixture of seasoned professionals and startups, as well as independent professionals.

Where are you based and from which areas do you recruit new incubatees?

Our business academy is open to all types of businesses, but best for those who can take advantage of the Daddy’s World’s experience and networks.

How does one apply?

Take a look at our websites and see if our offering is of value. If so, then make contact with Daddy O directly or just stop by for a visit. For Daddy’s Dragons, apply to be part of their next course. Go to www.daddyo.co.za for more information.

How long do businesses stay in your programmes?

There is no time limit.

What are the two key elements of your support that sets you apart from other incubators?

We believe in a co-mentoring model that empowers the entrepreneurs to help each other and also hold each other accountable. We provide the entrepreneurs with access to a sizeable and unique network of skills, creativity and professional contacts.

How long have you been going for?

1 year

How many businesses have used your support?

More than 200 businesses.

What are your fees?

• Office space at Daddy O: Hourly Rate: R 25 per hour  
  Daily Rate: R 100 per day
• Monthly Rate: R 995 per month
• The boardroom is also available for hire @ R150 per hour
• Programmes through Daddy’s Dragons:
  • Course R2280
  • Boardroom club: R1250/month

(free course included)

What is the best think you have heard people say about your service?

The best thing that people say about our services is that we offer great value for money, real insight and support, and a real sense of community.

And the worst?

That we don’t have an office in Johannesburg.

Why are you involved in supporting new businesses?

Says Daddy’s World co-founder, Jody Aufrichtig; “Business is our passion, as a group, we have taken lots of risks, tried some crazy new things and learnt some important lessons; the most important one being that entrepreneurs need a network of support. With Daddy O and Daddy’s Dragons, we are not only providing a physical space to work in, we are also creating a place to bounce ideas, develop good business relationships and tap into the Daddy knowledge-bank. We want to build success – to fuel new businesses, create jobs and change our environment. We are very excited about sharing our advice and sharpening the talents of some brave new business leaders.”

What is your biggest wish for improving support to entrepreneurs in South Africa?

The next step is to create more integrated environments that not only appeal to startups, but also allow for more consistent interaction between potential investors and higher level consulting and infrastructure services. Bandwidth Barn has done some of this, but there is much more that can be done. And there is also incredible potential when it comes to racial and social integration. In many ways these spaces have the potential to drive economic development, by creating environments that support innovation, collaboration and give meaningful direct support to entrepreneurs both socially and professionally.

• For a list of incubators, go to www.SmallBusinessConnect.co.za/lists

Becoming leaders in global innovation

BY MATSI MOBBE

ONE of my favorite philosophers – Jiddu Krishnamurti – once said “To understand is to transform what is”.

So, what do we as entrepreneurs need to do to understand and rise above our challenges to develop innovative products and services?

I believe, South Africa is a country that is well positioned to lead in harnessing an innovative business ecosystem. What leads me to think this?

A recent trip to China, Tianjin – World Economic Forum (WEF) Conference of New Champions, which had a focus on global Innovation and Technology – clarified where this country fits in the greater global context.

The conference illustrated how some of the world’s greatest inventions and technological advancements are improving the state of the world today. Something I found interesting and very relevant to our country, was the Global Innovation Index (GII) 2014 report.

It is a benchmark for insights on global innovation. Switzerland, the UK and Sweden were the top three leading countries.

South Africa ranks at 53 out of 143 surveyed countries, with Mauritius and the Seychelles taking the lead in Sub-Saharan Africa ranking at 40 and 51 respectively.

This, in my opinion, means that we are not doing that badly. But, how do we move from this to doing great?

How do we move to become leaders of innovation? How do we ensure that some of these innovations come out of South Africa’s dusty roads and townships?

Just like trying to build a house that will weather the elements, we need a solid foundation that will stand its ground globally amongst its peers. Traditionally, township entrepreneurs and small business owners are faced with a hierarchy of challenges. They have to function under thinly resourced environments with a huge education, skills and capacity deficit.

These entrepreneurs also need access to basic business information, affordable business infrastructure and enabling networks that will help to establish markets beyond their communities.

The township entrepreneur’s inability to have a stable digital presence hinders their progress to being future industrialists of South Africa.

I believe the solid foundation we are looking for is to be found in science, technology, engineering and mathematics (STEM) at school level. Earlier this year, WEF published a report that ranks the quality of South Africa’s Science and Maths students last out of 148 countries.

STEM education helps young people develop a broad mix of essential skills required to build South Africa’s economy.

It also helps them to think out-of-the-box and this will facilitate more innovative thinking.

Without the basics in place, we as a country, will continue to mention Elon Musk and Mark Shuttlesworth as the only top of mind African innovators of our time.

More young African engineers and innovators such as Siyabulela Xuna need to come out of our remote rural townships and fly our flag globally.

Matise Modise is the national executive of the South African Black Entrepreneurs Forum.

What does WEF tell us about South Africa?

According to the report, South Africa has the following education and skills deficit:

• Science: 20 out of 100
• Technology: 20 out of 100
• Engineering: 13 out of 100
• Mathematics: 23 out of 100

In order to attract and retain the talent to drive sustainable economic growth, South Africa must increase its focus on the development of STEM skills.

Why is this so important?

The General Electric CEO Jeff Immelt, recently said that “the people of China will have more high school degrees than the US will by 2014”.

What this means is that students in China will have a 14-year education on average vs. 12 years in the US and 13 years in South Africa.

The competition for global talent is growing and many countries are investing heavily in improving their education systems to ensure they have the best talent available.

Innovation and Technology – World Economic Forum (WEF)

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Clarify biz compliance needs

BY GCOBANI NDBENI

MENTION the word compliance to business owners and you are bound to get all kinds of complaints from them.

Is it really, that bad and does it hamper the development of small businesses in our country?

If you are still trying to understand whether people complain because complying seems to be too big a job or is more of a free for all kind of environment where there are no rules.

Whether we like it or not, the bottom line is: compliance is essential in ensuring order and stability in the economy of every country.

As much as everybody wishes that all the obstacles slowing down the development of the small business sector in this country be removed with a snap of a finger, it cannot be done without inviting chaos.

Personally, I think compliance in itself is not the problem, but the process of complying is what frustrates most people.

Compliance-related services offered to entrepreneurs could be better.

Some of you who are thinking of starting a business are probably wondering what on earth I am on about.

Simply put, compliance is the laws, rules, regulations and industry requirements that businesses must comply with in order to operate legally in this country.

As a mentor, through my dealings with business owners, I have realised that some people have limited knowledge when it comes to compliance.

I, therefore, thought it a good idea to write something on compliance to help educate mainly first-time entrepreneurs.

Hopefully, by the end of this article, nobody will be discouraged to start his or her business. I will cover compulsory compliance before and after trading has started.

LEGAL REQUIREMENTS BEFORE TRADING

For some businesses compliance begins even before the business can start operating.

This is usually the first test of the entrepreneur’s patience and tenacity. Business owners have to comply with compulsory legal requirements when setting up a business.

Depending on the nature of activities to be undertaken, you can mention examples such as business licence, liquor licence, fishing right, permit, mining right, an environmental impact study, land use right, retail licences and others that need to be obtained before trading.

This is normally followed by checking whether the premises where business activities will be conducted are correctly zoned.

To meet some of the compliance requirements, a business could be required to register as a legal entity. For example, a close corporation, company, co-operative, non-profit organisation where applicable.

Individuals or trusts can also apply in their personal capacity to acquire a business licence or permit.

REGULATED INDUSTRIES

Some industry regulations require businesses to be registered or obtain a licence from the relevant industry body to operate legally. Examples of these industries are the private security, courier services, credit providers, insurance providers, travel agencies, debt counsellors, electrical installations contractors, public transport providers and homebuilders. Certain professions require you to register before running a practise or firm.

LEGISLATION

If the business is registered as a legal entity, then reading the relevant act governing that type of entity would be a good starting point.

Companies Act No.71 of 2008, Close Corporation Act No.69 of 1984 (with its amendment acts) and the Co-operative Act No.14 of 2005 (with its amendment acts) – to understand your obligations in terms of legislation.

STATUTORY REQUIREMENTS

Whether the business is a registered entity or not (sole proprietorship or partnership) after it starts trading the next things to comply with are registering with the South African Revenue Services (Sars) to pay taxes, adhering to labour legislation, complying with fire and safety regulations, meeting health and environmental standards set by government institutions and other compulsory laws and industry-specific requirements.

TAX REGISTRATION

As far as taxes are concerned, registering for income tax is compulsory and for other taxes like employees’ tax (commonly known as PAYE) and value-added tax (VAT) their registration becomes compulsory when certain conditions are met. For instance, if the business has one or more employees, including directors of a private company or members of a close corporation, earning above R5 891 per month it must be registered to deduct and pay employees tax. The registration for VAT becomes compulsory when the business generates or will generate a turnover of not less than R1 million in a period of 12 months.

LABOUR REQUIREMENTS

Compulsory labour legislations you will need to comply with include registering the business with the relevant authorities to make contributions. For example, registering with the Unemployment Insurance Fund (UIF), Skills Development Levy (SDL) and the Compensation for Occupational Injuries & Diseases fund (COID), provided that the business has employees. In addition to this, businesses must also comply with the Basic Conditions of Employment Act (BCEA), the Occupational Health & Safety Act (OHSA), the Employment Equity Act, the Minimum Wage levels set for some sectors and Bargaining Councils’ Collective Agreements for some industries.

Research is important to identify which of these acts and provisions are applicable to your business.

OTHER COMPLIANCE REQUIREMENTS

Fire safety regulations are very important to comply with and, in some instances, a business or trading licence cannot be issued without compliance being approved. These requirements include the need for fire extinguishers, clear emergency exits and signs in business premises as well as issues around how gas cylinders should be stored.

Some businesses, especially those involved in manufacturing produce waste during the course of their activities either in a solid, liquid or gas form, which in some cases is toxic. The extent of waste to be produced by these businesses and disposal thereof is controlled by a set of rules and standards set by the Department of Environmental Affairs and relevant municipalities which need to be adhered to.

LICENCES AND PERMITS

Adhering to the conditions of regulated industries’ licenses and codes of conducts is also a compliance requirement for business owners.

Failure to comply may lead to the licence or permit being revoked. There is also the Broad-Based Black Economic Empowerment Act and industry charters that business owners need to pay attention to. These are becoming mandatory now since government and big corporates prefer doing business with compliant entities.

Now that you have read the above, some of the key requirements are a bit clearer, but further research is important.

Apart from servicing small business owners through his consulting work, Gcobani Ndabeni is also the managing director at Small Business Connect. Send your views to gcobani@smallbusinessconnect.co.za.
CHRISTOFF OOSTHUYSEN reviews “Built to sell – creating a business that you can thrive without you” by John Warrilow, published by Portfolio/Penguin (2011).

Many business owners start out with the intention to do what they like doing most. But, they soon find that with the demands of their business they are attending to what needs to get done, rather than what they thought they would be free to do. This is how you get trapped in a job you do not really want to do.

Other business owners may have built up a good business, where they have been able to keep doing what they love doing and what they are good at doing, but they find that the success of their business is fully dependent on their ongoing involvement. They can’t go on holiday without there being severe implications for their business, while their customers often insist that the owners serve their needs directly. They do what they love, but are over-worked.

And, then there is a third group of business owners, who are misled into believing that they’ll be able to sell their businesses one day because it is making good money right now. They are planning their retirement based on the value they think their business will have when they want to stop working – but without doing anything to create value in the business which is not directly dependent on their personal involvement.

If you are like any of these business owners, you need help. The good news is that help is available through "Built to sell".

In his book, Canadian business improver John Warrilow offers 17 realistic tips that you can apply to your own business right now. Warrilow illustrates the tips practically through the story he tells of a business owner who takes his business step-by-step from being fully dependent on his involvement and not being profitable, to being at a stage where he is able to sell the business. His tips contribute towards helping to create a business with value without your ongoing involvement – which is clearly a requirement if you are planning to sell your business in the future. And his advice is also applicable to business owners who are not planning to sell their businesses. Applying these tips will help give you the chance of turning your firm into a better functioning and more profitable business, which is a great outcome for all businesses.

GREAT EXPORT OPPORTUNITIES ARE OFFERED BY the dti

The Department of Trade and Industry is mandated to promote South African exports to the international market. the dti is actively involved in funding International Trade missions to promote South African goods and services.

Do you:
- Manufacture a product?
- Want to establish an international market?
- Have the manufacturing capacity to export?
- Comply with international standards and regulations?

the dti can help you take your goods and services to the international market.

Contact the dti Customer Contact Centre: 0861 843 384 or visit Website: www.thedti.gov.za
Owner cashes in on her taste for success

BY VUYO MABANDLA

YOU no longer have to lick your bowl clean when you’re done, you can now eat it too.

And, for this, you can thank Georgina De Kock – the founder of Yummy Bowls. Her edible bowls are known as Munch Bowls. So, what does her success taste like?

“Just like a biscuit – crunchy, wheatty and yummy!” is the answer that De Kock gives.

De Kock was this year’s Special Innovation Award winner at the Sial Innovation Awards in Shanghai, China after getting a judging panel’s thumbs up for her “first-of-its-kind” product. Yummy Bowls beat 48 other food-producing companies from 20 countries who competed at the event held in May.

The awards provides a platform for eco-friendly food manufacturers from various countries to showcase their own inventions. The bowls were hailed as innovative for their use of organic ingredients, which are shaped and baked into bowl-like moulds. The end result is durable enough to hold both cold and hot foods – for a number of hours. “It’s ideal for family picnics, breakfast or foods – for a number of hours. “It’s enough to hold both cold and hot foods,” says De Kock.

De Kock has come along way. She started the business by trading at small market places in 2009 with no money or work premises.

She credits the Cape Craft and Design Institute (CCDI) and Food South Africa with having helped her to succeed thanks to the business support she received from them when she approached their offices in 2010.

The CCDI partners with the Western Cape Department of Economic Development and Tourism in mentoring and supporting craft producers.

“All I had to start off with was my idea and market research, but no business experience. I was advised by the CCDI on the proper design of the wheat bowls and started trading in December 2010,” says De Kock.

In addition, the business was awarded a R47 000 grant from the department’s Provincial Growth Fund to help fund the manufacturing and packaging of the product as well as the design of a new website to market the business which is based in Observatory, Cape Town.

“With this support to start my business, I would not have orders coming in from businesses in France, India, the UK and US and other parts of the world,” says De Kock. Prior to trading in China this year, Yummy Bowls took part in the Dubai Gulfood 2013 trade mission. “The Munch Bowls were well-received in Dubai and was featured on their TV channel Phisique TV, radio stations and on the front page of their 7Days magazine,” says De Kock. Her focus now is on teaming up with the University of Free State to help develop a machine that can produce 3 000 bowls a day for her business. “We are busy with renovations to the existing factory where I employ two full-time staff as well as temporary staff whom I am training to efficiently use production equipment.”

Conference opens doors for youth

THE recent Youth Entrepreneurs Connect Conference could be the breakthrough many young business owners need to gain a foothold in their respective industries, says entrepreneur Luxuyo Rani.

Rani, owner of IT firm Silulo Ulutho Technologies and this year’s top 10 Junior Chamber International finalist, was speaking at the event held in Cape Town last month.

The event – hosted by business support organisation Youth Entrepreneur Connect and the Western Cape Department of Economic Development and Tourism (DEDAT) – aims to expose youth to entrepreneurship using face-to-face business advice, networking and information-sharing sessions.

Some 300 young entrepreneurs attended last month’s inaugural Youth Entrepreneurship Conference.

Speaking at the event Joshua Wolmarans, the department’s director of enterprise development said that young people are generally taught to find a job instead of becoming the creators of employment.

“This conference provides the youth with a platform to showcase the possibilities of becoming an entrepreneur and potentially being part of a group of individuals that is able to create the entrepreneurial breakthrough that will create jobs and increase economic growth,” says Wolmarans.

Charles Tshwane, an attendee at the event was buzzing with excitement at linking up with some of the other young entrepreneurs who attended the event when Small Business Connect spoke to him at the conference.

Tshwane is the founder and manager of custom-made clothing label Zebedeela Gae Ga Mhlako. He also trains and employs youth from poor communities to design, make and sell t-shirts, caps and shorts.

“The ideas that came from young people about their own money-making ventures was something not to be taken for granted. I was left very satisfied because the set-up also allowed for a lot of networking.”

Tshwane says the developing culture of entrepreneurship he witnessed at the conference.

Existing startup and established young entrepreneurs listened attentively to successful business owners such as Rani.

Mike Herrington, executive director of the Global Entrepreneurship Monitor (GEM) also provided attendees with insight into the GEM report during a workshop. These include students from the University of the Western Cape and also the University of Cape Town, Cape Peninsula University of Technology (CPUT) as well as Stellenbosch University.

Rani regularly supports young entrepreneurs in both the Western Cape and Eastern Cape with advice and business support.

“All you need is to be responsive to opportunities, I was supported greatly by government institutions such as the department, whose events I regularly used for networking. Thanks to that intervention, I was able to live up to my business goals I enjoy today,” he says.

Nolitha Qhuma is a CPUT fashion graduate who runs clothing design business Rea Nubia Designs in Khayelitsha. She says it is events like these that can help expand young people’s knowledge of business opportunities.

• Visit www.westerncape.gov.za/dept/edat for more information on business support for young entrepreneurs.
Unit helps jeweller save 30-year old business

BY VUYO MABANDLA

HE may have faced 30 challenging years in the jewellery sector, but for Allan Turner every day has been business as usual.

That is, until earlier this year after a national regulator failed to renew his jeweller trading licence and then ordered that he close shop for two months.

Turner says he got the shock of his life in February when the South African Diamond and Precious Metals Regulator requested that he close for 60 days because officials had not finished processing his application – something he says that has never happened before.

The national body regulates all mining, raw mineral processing and selling of related goods by local businesses.

Turner started his jewellery business Turner Jewellers in 1980. Over the years the business has grown to employ about 50 workers.

Soon after his licence expired in December last year, Turner submitted an application to the regulator to allow him to continue processing raw minerals.

However, he was told that he would need to cease operations for two months while his licence was being renewed. This, despite him having submitted the necessary company documents to the regulator to prove that he was a legitimate jeweller and dealer.

“It came as a huge shock. That’s something I’ve never had to do when applying for my licence and I’ve successfully reapplied for a new licence for years with no such challenge,” says Turner.

He says he was frustrated with having to repeatedly contact the regulator.

“I was not given a clear answer. Instead, I was left feeling too discouraged to continue working while they dealt with their bureaucratic processes. Meanwhile I lost business,” he says.

The business lost R2 million during the six-week period it was closed.

In March, he contacted the Red Tape Reduction Unit via e-mail asking for assistance.

“I sent an e-mail detailing everything and the unit agreed to assist me,” he says. After six weeks, Turner Jewellers’ application was approved and in April the business was given a new trading licence.

The Red Tape Reduction Unit assisted Turner Jewellers to speed up the delayed process. The unit argued with the regulator that in terms of regulation 12 of the Precious Metals Act, upon applying for a new licence after it expires, a jeweller could continue to do business until the regulator deems the applicant fit or not fit to have a new permit.

Although the business lost R2 million during the six-week period it was forced to close, Turner believes it could have been worse had it not been for the unit’s assistance.

“We’re not for the mere existence and the kind help of the unit’s staff. I’m sure I would’ve had to wait much longer, but now I can do business without having to worry,” says Turner.

• Visit www.westerncape.gov.za/redtapereduction
Using lapsed warnings for dismissal

BY BARNEY JORDAAN

A RECENT decision by the Labour Appeal Court has set a precedent in deciding whether an employee’s past transgressions relating to warnings can be used for dismissal.

Labour laws allow an employer to dismiss an employee if there is a “fair reason related to the employee’s conduct or capacity”. It does not specifically refer to “misconduct”. So, what happens in the case where an employee with a poor disciplinary record transgresses again, but the previous warnings for a similar incident have expired?

We know that previous warnings (whether lapsed or not) cannot be used to determine if an employee is guilty of a later incident of alleged misconduct – the previous conduct only becomes relevant to determine an appropriate sanction if the employee concerned has been found guilty of a new transgression. The terminology in the Labour Relations Act suggests that an employer is not necessarily limited to a particular instance of misconduct or current warnings, when making its decision whether or not to dismiss, but may have regard to the employee’s conduct in general. Secondly, the Commission for Conciliation, Mediation and Arbitration’s (CCMA) Guidelines on Misconduct Arbitrations, which provide a compulsory set of guidelines for arbitrators to use in misconduct cases, do not in any way limit an assessment of the employee’s conduct to the latest transgression and previous, current warnings.

The case of NUM obo Solemela v Northam Platinum Ltd has now settled the matter by deciding that employers are entitled “in appropriate circumstances” to take into account the cumulative effect of past transgressions in determining whether further progressive discipline would make any sense at all. In this case, the employee was dismissed after being found guilty of refusing to obey an instruction, leaving his workplace without permission and allegedly threatening to kill a colleague. He was found not guilty of the allegations and reinstated with a year’s salary in back pay.

The employer had the award reviewed and set aside by the Labour Court, after which the employee appealed to the Labour Appeal Court. The appeal court agreed with the Labour Court’s decision that the employee’s version of events was highly implausible and that he was indeed guilty of insubordination.

It was common cause that the employee had two previous warnings for insubordination and for leaving his workplace without permission. He had also received a final written warning for insubordination.

That warning was still valid at the time he had committed the transgressions that had led to his dismissal. The commissioner, however, had miscalculated the relevant dates and found that the final warning had lapsed.

But, the court ruled, even if the final warning had lapsed, that there was no reason why the earlier (lapsed) warnings should not have been taken into account when evaluating the fairness of his dismissal – in appropriate circumstances employers are entitled to take into account the cumulative effect of past transgressions in determining whether further progressive discipline would make any sense at all. One such circumstance is where the employee concerned is found to have a “propensity to commit acts of misconduct at convenient intervals falling outside the period of applicability of the written warnings”.

The court also referred to a decision by the Labour Appeal Court, that an employer was entitled to take into account cumulative effects of these acts of negligence, inefficiency or misconduct. It is recommended that employers not remove lapsed warnings from employee’s files and adapt their disciplinary procedures to make it clear that lapsed warnings may be taken into account only appropriate circumstances. What constitutes an appropriate case in which to consider lapsed warnings will depend on the facts of each case, but a rough guide would be to ask whether or not, given the employee’s track record, past remedial action had the desired effect.

To find out more about how your business can benefit and to find your nearest incubator, visit www.shandukablackumbrellas.org.
Track your achievement

BY NABELAH FREDERICKS

BE brutally honest with yourself when gathering evidence to check whether your social enterprise is making an impact and adjust your programmes if needed be.

This is the advice from Edwin Corbett, managing director at child and youthcare centre James House. With 15 years of experience in this sector, Corbett’s advice is not to be taken lightly.

James House was founded in 1996 by a group of church women who ran a soup kitchen and named the organisation after a street child who was successfully assisted by these women. In 2000, it was registered as an independent non-profit organisation.

“The focus on dealing with orphans left in toilets, for example, at the height of the Aids pandemic in the 1980s through to early 2000 was reactionary, but it soon became clear that early intervention and prevention was needed,” says Corbett.

This is what the members of James House set out to do. The organisation’s programmes were adjusted by implementing child-care forums using 10 community volunteers to help identify children from the same community. Using 10 of James House set out to do.

The programme has clearly defined outcomes such as these – James House has been able to measure whether or not it has had an impact on the communities it serves. Corbett points out that proof of this is that the organisation received a recent request from the Department of Social Development to carry out a presentation on its strategies.

“Thanks to the success of our programmes, James House has also rolled out two more sites where assistance is provided. Each site has 25 child-care workers working in their respective communities,” says Corbett. One programme that the organisation has had to make adjustments to in order to make a bigger impact is its Boys Best Adolescent Programme – a six-month therapeutic programme.

The programme has clearly defined outcomes and measures its success using school absenteeism, by way of observations by trained psychologists and official psychiatric testing. Further proof of the organisation’s success is the role that it has been able to play in the development of child-care workers as a profession.

“The South African Council of Social Service Professions has drafted regulations for the Social Service Professions Act and has called for comment on formalising the child-care workers profession,” says Corbett. Previously child-care workers were simply volunteers, without training.

The fourth principle in our Think like a Social Enterprise series is to gather evidence of having achieved your promised social impact. This builds upon the lessons contained in principle two (clearly define your purpose) and principle three (determine your social outcomes).

Social enterprises exist to make a difference in the world by using business thinking to help fix a social or environmental problem. Social enterprises are becoming increasingly popular as businesses become interested in social issues, and as non-profit organisations apply business principles.

Social enterprises need to know if it is being effective at creating change in the world. There are many different views on how to decide this.

Some people believe that it is near to impossible to accurately measure the effectiveness of a social enterprise. Instead, they suggest that we just ask the opinions of stakeholders such as staff, investors, donors and beneficiaries.

Alternately, they suggest that we inspect an enterprise’s internal systems and judge its effectiveness based upon this. While the above ingredients are important, I believe that an effective social enterprise is able to achieve the social and environmental change that it sets out to achieve.

So how would you measure this? The first step is to clearly identify the social or environmental outcomes you want to achieve. This could include things such as the successful rehabilitation of prisoners or increased functioning of a clinic.

Second step is to identify indicators that represent this outcome. These indicators must be measurable. For example, good indicators for the successful rehabilitation of prisoners could include whether they have found employment and stayed crime-free.

Likewise, indicators for the increased functioning of a clinic could include patient satisfaction levels or whether the clinic is clean and has all the equipment it needs.

It may be necessary to collect statistics, interview people or run focus groups. Tools such as questionnaires, checklists, discussion guides and spreadsheets may be needed.

You will need to document your approach and consult with some experts to make sure you are doing things correctly.

These three steps will lay the foundation for measuring your effectiveness at creating positive changes in the world.

I suggest you just jump in and start measuring these changes. Don’t wait for the perfect method. Just start and do it the best you can.

Marcus Coetzee is the author of Think like a Social Enterprise.

Gather evidence to prove your good social impact

Join the online discussion

SOCIAL entrepreneurs have a new platform to learn about successful social enterprises.

This follows the launch of Talking Social Enterprise, an online “talk network”, hosted on the third Wednesday of each month at 7:30 pm. It aims to stimulate debate amongst social enterprise entrepreneurs and is hosted on the Google Hangouts platform.

• Sign up via www.TalkingSocialEnterprise.net.
A RISING star in the company and the city

This is how Nirvesh Sooful describes a Graduate Asset Programme (Gap) candidate whose airfare he paid for to allow him to interview her at his business place.

Gap is a graduate placement programme that places graduates with small businesses in South Africa. “I was so impressed with her,” says Sooful, who runs IT company African Ideas.

After working in the private sector and for the government – City of Cape Town – for more than 15 years, Sooful decided to start his own business in 2008. A year later he sold the successful business to a big IT company.

“A rising star in the company and in this city”

Having agreed to stay on to ensure a smooth transition as the business changed ownership, Sooful then finally left the business in 2012. “This was when I started African Ideas. I like working in a small business and I like the niche it offers. My interest has always been in working to transform the sector and optimise technology,” he says.

He says it was while researching his new business idea that he first came across Gap.

“I always planned to employ young people. You always hear it being said that there are not enough skills, but I am constantly meeting young graduates with the qualifications for the job, but no work experience,” says Sooful. He says he decided not to go for employees with scarce skills, but to rather develop young graduates by getting them to work in his business.

The opportunity presented itself to Sooful in January when a position became available for a young intern in his business. He went online to the Gap website and created a profile.

“It was easy. I just needed to provide my contact details and basic business information,” he says of the registration process. Having done this he was then prompted to create a profile by listing the requirements for the vacancy his business had.

“The system then listed potential candidates that might best suit the kind of job profile he had created.”

“I was very impressed with the quality of the candidate I chose.”

How the GAP programme can help you

GAP is a graduate placement programme that places new graduates with small businesses in South Africa.

The programme aims to facilitate the placement of 24 000 graduates over the next three years, and to encourage the successful conversion of 30% of these into longer-term opportunities in approximately 8 500 small businesses.

It is facilitated by enterprise development specialists Fetola.

Gap is powered by a simple and user-friendly web platform whose mechanics are loosely based on those of online dating sites, where matches between parties are made based on similar preferences and profiling.

The intention is to help the business owner find the most suitable internship candidate in the shortest possible time.

Gap placement manager Chatal De Kock says that the programme ensures business owners meet all the necessary criteria for internship placements.

“Where they are lacking, we help to fill in the gaps,” De Kock says.

The Gap website includes a free resource library with a host of downloadable documents that cover such matters as job descriptions and employment contracts, sickness and leave forms, and disciplinary codes and procedures. Host businesses who place a Gap intern also have access to Pre & Post placement support from the Gap team.

Business owners who are keen to sign up as a host business or graduates who would like to sign up as interns can use the Gap website and register. Registration is free, quick and easy. A fee-paying service is also available to business owners who want Fetola to match a candidate to their business needs.

• Visit www.gogap.co.za for more information on Gap.

Fetola founder Catherine Winberg

Gap placement manager Chatal De Kock says that the programme ensures business owners meet all the necessary criteria for internship placements.

“We’re here to help out,” says De Kock.

“I was so impressed with her I flew her down for an interview”

Using the Gap system also saved me time and there was no cost involved for using the system,” says Sooful. The system proved ideal for him and his small team, which does not have a dedicated human resources person to handle job applications.

He recalls how different his previous approach was to using Gumtree to advertise vacancies when he applied for an intern via listings website Gumtree.

“When I used Gumtree, I had to go through so many applicants who were not even suited to the job, but they applied for it. With Gap I went through applicants who were all suited to and qualified for the job,” he says.

Sooful says he was also impressed by the pool of resources that the programme could offer him, such as access to sample contracts which he continues to use in his business today. “I had no idea how to draw up a contract of employment for an intern.

When I looked at the website I saw that it offered templates and these templates included contracts of employment for both interns and permanent workers, so that’s what I used,” says Sooful.

He adds that he can’t really talk about the disadvantages to the programme because there have not really been any for him.

“I am not sure if that is because of the programme or just the candidate,” says Sooful.

Since flying his employee to Cape Town from Port Elizabeth, he has not looked back.

After initially doing a telephonic interview, the employee came to Cape Town and has been doing well at his business.

“As we speak, she is being interviewed by e-nets on a project that she is involved in and she will also be heading up an off-site project for me soon,” says Sooful, adding that he has already recommended the programme to others.

• Visit www.africanideas.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
- Incentives and special discounts for development through for instance incentives and grants
- Development of small businesses through various DTI agencies such as Seda (see below in the directory)
- Direct support to entrepreneurs through incentive schemes and trade programmes
- Grants for black-owned businesses as well as for R&D, manufacturing and exporting

086 183 384
contactus@dti.gov.za
www.dti.gov.za

North West Development Corporation (NWDC)

- Small businesses of the North West Province
- Funding for new businesses
- General finance for the expansion of existing businesses
- Bridging finance
- Business advice, mentorship and coaching
- Must have valid tax clearance certificate, business profile, business plan and security in the form of a grant, life, fire, insurance policy or investment surety

018 381 3663
www.nwdc.co.za

The Business Place (TBP)

- Support to entrepreneurs through various national centres
- One-on-one support Business opportunities, relevant business information and resources
- Partner clients to the best suited business development service providers, government resources and financial institutions
- Free internet access for business research
- Legal advice, micro-MBA practical training, business-to-business networking opportunities, workshops
- Free use of the meeting and training rooms

011 833 0340
info@tbp.co.za
www.thebusinessplace.co.za

Free State Development Corporation (FDG)

- 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
- Incentives and special discounts for BEE companies

051 400 0800
lesley@fdg.co.za
www.fdg.co.za

Small Enterprise Finance Agency (Sefa)

- Government's primary small business funding agency
- Launched due to merger between agencies such as Vuka and Sarafu
- Direct lending products to small businesses
- Wholesale lending products aimed at intermediaries who have small businesses clients

086 000 7332
helpline@sefa.co.za
www.sefa.org.za

Limpopo Economic Development Agency (Leda)

- Finance to small businesses within the Limpopo 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

015 653 4700
www.leda.co.za

Royal Bafokeng Business Holdings Enterprise Partnerships (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 Phalabora for small business support services to startups, very small, survival, and micro businesses

www.batokogoholdings.com

National Empowerment Fund (NEF)

- Funding of black-owned and empowered businesses
- Woman-owned and other targeted business funding
- Investor Education/NEF iMbiz
- Post investment mentorship
- Be older than 18 years, the business must be economically viable and must not be involved in illegal practices, tobacco or gambling

011 303 8900
applications@nefund.co.za
www.nefund.co.za

Mupamalanga Economic Growth Agency (Mega)

- Supports qualifying businesses and individuals from Mupamalanga, who’ve been previously disadvantaged
- Funds housing, agricultural development and business growth
- From R10 000 to R5 million
- Valid South African identity document, be at least 18 years and be able to provide land or production facilities

013 752 2440
www.mega.gov.za

Companies and Intellectual Property Commission (CIPC)

- Provide accessible registration services for businesses, intellectual property and practitioners
- Managed 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 reach, effectively and efficiently monitor and enforce compliance with the laws the CIPC administers

086 100 2472
info@cipc.co.za
www.cipc.co.za

Small Enterprise Development Agency (Seda)

- Business development support for business owners
- Business development support for business owners
- Training programmes for startups, co- operatives and franchises
- Sponsorship between 60% and 95% of fees of an approved service provider
- Tender advice, networking and business linkages 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 identity Document

086 113 703
info@seda.org.za
www.seda.org.za

National Youth Development Agency (NYDA)

- Supports black South African youth between 14 and 35 years old with support and funding
- Mentorship, skills training, and entrepreneurial development
- Loan funding
- Health awareness programs
- Involvement in sport
- Business must be economically viable and cannot be involved in gambling, tobacco, property development or any illegal practices
- Be 14 years or younger and hold greater than 50% of the shares in the company and be operationally involved in the business

080 052 5252
www.nyda.gov.za

Sefa loan boosts IT firm

JAMES Matshubeng feared that his hard work in securing his first big contract would come to naught because he did not have the funds to complete the project – until the Small Enterprise Finance Agency (Sefa) stepped into help him.

With the help of a R100 000 loan from the agency Matshubeng – who owns IT firm Matoto Technologies – was not only was he able to complete the R400 000 contract, but was able to complete the contract two months ahead of schedule.

The contract was to fit a classroom at a Midrand primary school with about 40 computers, a server and proper wiring equipment.

"I was getting increasingly nervous as the deadline for the school's project was set for August this year, but by April I had still not started," says Matshubeng.

It was at this point that he made an appointment with Sefa's Johannesburg office.

"After completing the school's project was set for August this year, but by April I had still not started," says the IT entrepreneur who used his 10 years experience in this industry to start his own business in 2009.

He realised that he was short of money to purchase stock from the supplier. "My problem was that I had absolutely no money to even start working on the project.

I then the school that I applied for funding from Sefa," says Matshubeng.

The school supported him by providing half – about R200 000 – of the total operations costs. It was while scrambling for a way to secure a loan in January, that Matshubeng phoned the Presidential Hotline to seek advice.

The hotline referred him to the Small Enterprise Development Agency (Seda) who in turn referred Matshubeng to Seda's Johannesburg office.

"That's when the ball started rolling. After linking with Seda, I only had to submit the standard financial statements, an existing business plan after filling in the loan application form before returning it via e-mail," he says.

Within two weeks of contacting Seda, the agency responded by inviting the business owner for an interview with one of its officials.

After just three months his loan was approved, enabling Matoto Technologies to more than just deliver on its contract with the school. He admits that the application process took longer than he expected, but that in the end he was still glad that he had applied.

"By July I was able to start and finish installing proper wiring and equipment on one of the school’s classrooms and turn it into a fully-functioning computer laboratory,” he says.

James Matshubeng received a R100 000 loan from Seda.

For a man who used his local library as a base to do research, Matshubeng has big plans to open up satellite shops across the country which will target small businesses in need of IT services.

Seda – which was established in 2012 after a merger of the South African Micro Apex Fund, Khalsa and the Industrial Development Corporation’s small business lending portfolio – assists small businesses with funding of between R500 and R5 million.

For more information, visit www.sefa.org.za
Watch this space...

Business Connect website’s directory tab and complete a form requesting the name of their business, its services and contact information.

Business owners interested in using the Free Friday offering can post their information onto the Small Business Connect Facebook page every Friday. Mid October saw the Free Friday adverts at 184 and it was viewed by 14 520 Facebook followers.

Following the announcement that the directory service was to be launched later this month, the Facebook page readers all sounded excited about service.

"Yes, please, that will be awesome." — John Nkonko.

"It’s a great idea to connect people." — Michael Boonshill-Smith.

"Thirty days free sounds like a great plan. This way we will see results. Good or bad! I will definitely sign up." — Tshilipwa.

"I think it is long overdue. SBC is one of the best innovations around. Keep it up!" — Sidwell Xolile Tubinglana.

"If it’s free, I fully support it." — Ntate Marishane.

"Yes, please. This will push entrepreneurship!" — Penny Kroone Swartz.

"Good exposure, for sure." — Thandi Khaiile.

"Yes, yes, yes!" — Dwanda Norman.

"Let’s do it." — Regi Jerslaa.

• For more information on this new initiative go to www.SmallBusinessConnect.co.za or join the Small Business Connect Facebook Page www.facebook.com/SASBConnect.

SMALL BUSINESS CONNECT CHAMPION

SMALL Business Connect is so popular among Brits business owners that the Small Enterprise Development Agency’s (Seda) branch has to photocopy sections of the newspaper because original copies are scooped up quickly.

Julia Lehlo, a branch receptionist and this month’s Small Business Connect Champion, is the person who carries out this task.

She says that whenever the 100 business owners in the rural town visit her office weekly, they never leave without picking up a copy of the newspaper.

"I often have to keep one original copy of the newspaper so I can make photocopies to give to business owners when they ask for them – and they ask for copies almost every day," says Lehlo.

The branch has been assisting business owners in the area with business registration and access to information since it was set up in 2006.

Businesses operating in Brits are mostly rural-based, and with some parts lacking proper roads and transport systems, many entrepreneurs have to walk very far or spend a lot of money trying to get to places where they can access business information.

"Save for the existence of Seda in the area, Small Business Connect is also an excellent point of reference for both the business owners and Seda’s staff," says Lehlo.

It is for this reason, Lehlo says that she recommends the newspaper to the branch’s visitors.

She says that now whenever the 100 business owners in the rural town visit her office weekly, they never leave without picking up a copy of the newspaper.

And, what has been the feedback on the newspaper from business owners in the area?

"Business owners, especially startups, tell me that they always need the directory sections and the stories on mentoring and incubation. This is information that is almost never heard of in this area," says Lehlo.

The branch also assists business owners on the basics of business registration, access to information and funding and development opportunities.

Readers of the month

Zanele Ncapha

FRESH content is the reason a business owner is able to make good referrals to trainees at her business support centre.

This business owner is Zanele Ncapha – one of three Small Business Connect Readers of the month for November.

Ncapha is the executive director of non-profit organisation Youth Entrepreneur Development that was started in 2012. It assists young people in townships such as Gugulethu, Khayelitsha as well as Mitchells Plain with free business training.

"I was inspired by the stories in Small Business Connect and started reading the newspaper every month," says Ncapha.

"Love the way Small Business Connect brings me inspiration just by reading about other entrepreneurs who are thriving in their businesses."

Entrepreneur Tumelo SiliGa

Jacobi Mashalane

CURIOSITY. That’s what led Jacob Mashalane to read Small Business Connect.

He owns marketing business Massive Group.

"I realised how useful the content was. It connects me to other business people and relevant information," says Mashalane.

He says that he reads the newspaper to other business owners.

"I have always felt that somehow the information does not reach our area. I want to help bring information to my people. Small Business Connect is the best publication for every business owner and I can’t even count the number of referrals I have made," says Mashalane.

Zenzile Rens

A POPULAR North West motivational speaker uses Small Business Connect as inspiration for himself.

Entrepreneur Zenzile Rens says he loves reading the success stories in the newspaper. He is the owner of Masso Communications which specialises in motivational talks aimed at young people.

"As a business owner I get motivated from Small Business Connect’s stories each month. What I like about it is that it features real stories about real people and that’s the content I use when I deliver talks," says Rens.

He started his business in 2006 while studying at the North West University.

"Save for the existence of Seda in the area, Small Business Connect is also an excellent point of reference for both the business owners and Seda’s