

EMNOTHWENI

THE PULSE OF TRADE & INVESTMENT IN KWAZULU-NATAL



ISSUE 27

- COVID-19 BUSINESS SUPPORT FOR HIGH VALUE COMPANIES
- DEDICATED HELPDESK SUPPORTS KWAZULU-NATAL BUSINESSES NAVIGATE COVID-19 LOCKDOWN
- FROM CUTTING EDGE TOOLS TO MANUFACTURING AUTOMATED SANITISING UNITS
- ADAPTABILITY AND FITNESS HELP A YOUNG DURBAN COMPANY BEAT COVID-19

**KWAZULU-NATAL
IS OPEN FOR BUSINESS
IN THE NEW WORLD**

THE MANUFACTURING
SECTOR CONTRIBUTES

**20% OF
EMPLOYMENT**

TO THE
PROVINCE

SECTORS

AGRICULTURE/
BUSINESS SERVICES/
MANUFACTURING/
ENERGY AND WATER/
MINING AND BENEFICIATION/
TOURISM AND PROPERTY
DEVELOPMENT

**KNOWLEDGE
IS THE POWER**

**SELECT THE RIGHT
PARTNER AND LOCATION**

Trade & Investment KwaZulu-Natal is a South African trade and inward investment promotion agency (IPA), established to promote the province of KwaZulu-Natal as an investment destination and to facilitate trade by assisting local companies to access international markets.

**20
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TIKZN



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Disclaimer: This magazine is published in good faith and every effort has been made to ensure that the information was true and correct at the time of going to print.

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TOURISM AND PROPERTY
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02 **BUSIEST
PORTS**
IN AFRICA 

**KNOWLEDGE
IS THE POWER
TO
CONNECT
GLOBALLY**

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EDITOR'S NOTE

SANIBONANI!

Welcome to our 2020 second quarter edition of Emnothweni, which focuses on COVID-19. The impact it has had on the world and South Africa has been devastating. Our government moved quickly to try and control the early rapid spread of the disease to give the health system time to prepare. However, the various levels of lockdown, especially the first six weeks of level five, have wrought havoc with our economy. This we all know.



AYANDA ZUMA
General Manager: Marketing and Communication

AT A PROVINCIAL LEVEL OUR MEC FOR **ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS (EDTEA)** CONTINUES TO LOOK FOR THE MEANS TO ASSIST BUSINESSES AND FIND SOLUTIONS FOR KWAZULU-NATAL. TRADE & INVESTMENT KWAZULU-NATAL HAS WORKED CONSISTENTLY WITH EDTEA TO TRY AND ASSIST BUSINESSES.

We set up and run a helpdesk through the One-Stop-Shop that we manage on behalf of investSA.

At the start of the crisis we were absolutely swamped with calls from desperate businesses needing to know how to access various forms of assistance. Read page 9.

During April we were instrumental in setting up a series of 12 webinars – the brainchild of MEC Dube-Ncube covering each of the sectors of KZN's economy.

These brought together experts and businesses in these sectors to look for solutions that can be implemented to ensure we reignite our economy.

One of the messages that came through loudly in these webinars was the need to buy local and support local businesses.

Read page 26. We have also undertaken a combination of on-site and remote roadshows to 35 of KwaZulu-Natal's largest and key manufacturers to better understand the issues they are facing as a result of the Covid-19 pandemic.

The magazine is not all doom and gloom. We have looked at large and small businesses which have adapted to keep operating and save jobs. At a time when unemployment is at an all-time high it is vital to save every job we can.

The crisis has thrust internet-based technology to fore. People who have never bought online are now shopping online; meeting apps such as Microsoft Team Viewer and Zoom, among others have become popular, and webinars are proliferating.

Long before the pandemic, MEC Dube-Ncube was championing 4IR for the province. In our 4IR story (see page 15) we are warned to expect unprecedented technology change within 10 years.

How we adapt and innovate as individuals and businesses will determine how well we pull through and rebuild our economy.

We sincerely hope that you enjoy reading this edition. Your feedback, comments and suggestions are welcome. Please email Angel@tikzn.co.za

A handwritten signature in black ink that reads "Ayanda." The signature is stylized with a long horizontal line extending to the left and a loop at the end.

CHIEF EXECUTIVE OFFICER'S FOREWORD

THE OUTBREAK OF COVID-19 AND SUBSEQUENT LOCKDOWN HAS THROWN THE COUNTRY INTO A STATE OF CRISIS THAT HAS AFFECTED EVERYONE. ALTHOUGH THERE IS SOME RELIEF FROM THE LEVEL ONE OPENING OF BUSINESS AND THE EXTENSIVE RELIEF MEASURES PUT IN PLACE BY GOVERNMENT, THE FULL ECONOMIC IMPACT IS STILL TO BE FELT. EVERY DAY WE HEAR OR READ HOW BLEAK THE PICTURE IS.

IN CRISIS THERE IS OPPORTUNITY. THIS HAS BEEN THE CASE THROUGHOUT HISTORY. CRISES, FROM HEALTH TO WAR AND FINANCIAL, HAVE FORCED COUNTRIES AND PEOPLE TO FIND SOLUTIONS FOR A BETTER FUTURE.

A CRISIS IS DANGEROUS, EXPENSIVE AND DETRACTS FROM OTHER AGENDAS. THIS SUMS UP COVID-19. WHAT WE NEED IS TO GET OUR COLLECTIVE ADRENALINE FLOWING AND FOCUS OUR MINDS ON SOLVING THE PROBLEMS WE HAVE IN OUR BUSINESSES AND ECONOMY.

There is a big opportunity for business to look at doing business differently; to embrace technology especially information technology as a means for improving efficiency. Already lockdown has forced people to use online platforms, which they have not used before, to communicate and keep in touch.

This is a step forward and can become a new way of communicating in business. However, the platforms we have been using are all developed elsewhere in the world. Where are the South African-based platforms that we can drive with government support?

We also partnered with EDTEA to manage a business helpdesk through the One-Stop-Shop, which we run on behalf of investSA. Our role was to provide information and assist business in applying for the various relief funding schemes provided by provincial and national government. The Durban Chamber of Commerce and Industry and

the KwaZulu-Natal Business Council, through their private sector network are also assisting us with this and with other services such as IT, legal, marketing and access to finance support.

I certainly believe that the response to the crisis from government and, especially, MEC Dube-Ncube and her initiatives across all the EDTEA mandates, to business chambers and their members show that KwaZulu-Natal means business and is open for business and investment.

Over the decades South Africans have proven to be resilient, overcoming many hardships, and I believe that once again we will rise above this crisis. We can only hope that business and society learns that there is no going back to their old ways when this ends.

During a strategy session last year MEC Nomusa Dube-Ncube challenged us to think, not out of the box, but as if there



NEVILLE MATJIE
Chief Executive Officer

MEC for Economic Development Tourism and Environmental Affairs Ms Nomusa Dube-Ncube has moved swiftly to engage with KwaZulu-Natal business to understand the implications of lockdown on business and together with business find the opportunities that come as a result of the pandemic.

The first of an intensive week of 12 webinars kicked-off on Freedom Day. The webinars were a collective effort representing each of the sectors, including the creative and informal sectors, plus other critical issues such as red tape and funding. MEC Dube-Ncube made it clear from the outset that these webinars were not complaining sessions but an occasion for each sector to bring solutions to the table and to collectively look for new opportunities. Businesses have done this and the outcomes of these sessions are being included in a KwaZulu-Natal COVID-19 Recalibration and Recovery Plan, which will be driven by the Economic Sectors, Investment, Employment and Infrastructure Development Cluster.

was no box when looking at our role in KwaZulu-Natal and taking cognisance of what is happening in South Africa and globally when attracting investors.

I think all businesses need to approach the future in this way. How well we stand together and manage the impact of COVID-19 on our country will speak volumes to investors.

I want to end by thanking all the businesses who have stepped in to assist us and other smaller businesses who are struggling at the moment, at reduced or no cost, as well as all my staff who have worked tirelessly manning the helpdesk and assisting with webinars and keeping the Trade & Investment KwaZulu-Natal wheels turning.

NEVILLE MATJIE
Chief Executive Officer

YOUR KNOWLEDGE PARTNER IN BUSINESS



Trade & Investment KwaZulu-Natal | South Africa KwaZulu-Natal

KWAZULU-NATAL

INVESTMENT OPPORTUNITIES 2019 – 2021

SOUTH AFRICA KWAZULU-NATAL
28° 0' 0" S, 31° 0' 0" E

www.tikzn.co.za

PUTTING KZN ON THE MAP

Trade & Investment KwaZulu-Natal plays an instrumental role in promoting the province as the premier investment destination through promotion and packaging of investment opportunities, as well as providing professional expertise to potential international and local investors.

Tasked with sustainable growth in KwaZulu-Natal for the benefit of all its citizens, Trade & Investment KwaZulu-Natal's main responsibility is to enhance sector and industrial development through trade, investment and exports.

The strategically-located province is a catalyst for global trade and a portal between KwaZulu-Natal and the world.



GROWING THE PROVINCE THROUGH INVESTMENT

With two of the hemisphere's largest and busiest ports within its border, locally acclaimed attractions which enjoy an all-year-round idyllic climate, a magnificent coastline, heritage sites steeped in rich culture and the African township experience which have emerged strongly; KwaZulu-Natal's tourism sector is the main contributor to the local economy.

Not only is KwaZulu-Natal's year-round sub-tropical climate a major attraction, but investment has come in a variety of guises, inclusive of Durban's Point Waterfront Development, the Gateway Theatre of Shopping, the development of Umhlanga Ridge, La Lucia Office Park, Suncoast Casino, Sibaya Casino, the Liberty Midlands Mall and Dube TradePort, which are considered to be some of South Africa's top 10 investment opportunities.

As the only facility in Africa that combines an international airport, a dedicated cargo terminal, warehousing, offices, retail, hotels and agriculture, Dube TradePort has stimulated growth and investments in surrounding areas.

All these constitute investments of R1 billion or more, with investment opportunities such as the Richards Bay Industrial Development Zone offering potential investments in excess of R12 billion.

The ideal position to be the trade gateway to Africa, KwaZulu-Natal enjoys a large labour pool, competitive land and building costs, world-class transport and telecommunications infrastructure and diverse cultures.

A WORLD-CLASS BUSINESS LOCATION

A leader in export trade, KwaZulu-Natal engages with various stakeholders involved in international business relations, including intergovernmental agencies such as the Department of International Relations and Cooperation, the Department of Trade and Industry, South African Missions Abroad, Foreign Investment Promotion and International Diplomatic Missions.

Trade & Investment KwaZulu-Natal's Destination Marketing Unit works closely with various National and Provincial Departments, ensuring KwaZulu-Natal is positioned for direct air access which is critical in growing KwaZulu-Natal's economy.





In 2016 the global vitamins and dietary supplements market, dominated by the Asia-Pacific region, was valued at US\$132,8 billion and was projected to grow at a compound annual growth rate of 8,8% up to 2022, reaching \$220,3 billion - Insight Survey, a South African B2B market research company.

COVID-19 BUSINESS SUPPORT FOR HIGH VALUE COMPANIES

TRADE & INVESTMENT
KWAZULU-NATAL (TIKZN)
HAS EMBARKED ON AN
INFORMATION GATHERING
PROGRAMME IN WHICH IT
HAS VISITED 35 HIGH IMPACT
BUSINESSES ACROSS THE
PROVINCE IN ORDER TO
UNDERSTAND AND ASSESS
BUSINESS DISRUPTIONS
CAUSED BY COVID-19 AND
TO FIND WAYS TO ADDRESS
CHALLENGES.



The pandemic has really hit a number of companies hard and MEC, Nomusa Dube-Ncube, directed TIKZN to engage with companies to ascertain the extent and impact the Coronavirus pandemic has had on them.

This will then assist in creating interventions that would seek to assist businesses. It was evident that COVID-19 brought about tremendous economic shocks and created a huge burden on companies due to the sudden pausing of operations during the lockdown including limitation on the movement of goods.

“Although it’s still early days, it is pleasing to note that some businesses are overcoming this challenge and have geared themselves up for an operational restart. Companies have introduced risk-mitigating initiatives in line with the Disaster Management Act and relevant directives associated with their industries, which include but are

not limited to technologies for screening, strategies that improve customer and employee safety in order to mitigate against contamination,” said Neville Matjie, TIKZN Chief Executive.

To date, Trade & Investment KwaZulu-Natal, in partnership with the Department of Economic Development, Tourism and Environmental Affairs, Department of Labour and SAPS, has visited ten high value businesses within Durban Metro, King Cetshwayo and uMgungundlovu District municipalities. Some of the companies visited, include Toyota SA, Richards Bay Minerals, South 32, Bell Equipment, Sappi, Unilever, Mondi SA, Hulamin, SRF Packaging and Somta Tools.

These visits form part of the Business Retention and Expansion measures and are aimed at providing support and monitoring the impact of the disruption on business during the scourge of COVID-19.

Sihle Ngcamu, Executive Manager for Investment Promotion, said: “We have learnt a lot from these visits and also shared our experiences with businesses in an effort to improve business operations and safety at the workplace. Challenges faced by businesses have been beyond our imagination and the visits proved to be long overdue, we are taking stock of all requests made by businesses and have formulated an intervention plan.”

Already during the pandemic, companies have been creative in identifying “low-hanging fruits” that could be implemented in their operations or for import replacement.

Many businesses have changed their operations to accommodate the “new normal”, such as social distancing, regular sanitisation, and are reacting to the new patterns of consumer and worker behaviour and expectations that have emerged during this crisis.



ZIBUSE COMFORT NGIDI 1961 - 2020

Mr Zibuse Comfort Ngidi was the founding Partner and Director of Ngidi and Company Incorporated, a commercial law firm based in Pietermaritzburg and Pretoria. He was a valued member of Trade & Investment KwaZulu-Natal, offering a wealth of knowledge, experience and expertise in every contribution he made. His invaluable contributions to the Board and its Human Resources, as well as the Social and Ethics Committee, bears testament to his legacy of nobility and virtue. He will be sorely missed by all those who knew and worked with him.



In response to environmental concerns the soaps and detergents industry in South Africa has developed numerous 'green' products and progress has been made in the drive to make the industry cleaner, greener and more sustainable - WhoOwnsWhom SA 2017

JACK BE NIMBLE; JACK BE QUICK; SEIZE THE CHANCES BEGOT BY CHANGE

IS THE GLASS HALF EMPTY OR HALF FULL? BUSINESSES' ATTITUDE TOWARDS THE CURRENT COVID-19 SITUATION WOULD BE A DECIDING FACTOR IN THEIR SURVIVAL OR DEMISE.

Speaking to business during a trade and investment webinar hosted by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) recently, Francois Fouché, of Trade Research Advisory, a spin-off company of the North-West University, said there were "green shoots" amid the global economic gloom brought by the pandemic.

The weaker exchange rate was great for exports and exporters should make use of this opportunity. While the rand was likely to return to around R15-R16 to the dollar it remains unlikely to strengthen more than this, since South Africa lost its international investment grade credit rating in the early days of the pandemic.

However, the pandemic may escalate the US-China trade conflict. Because of the significantly higher bi-lateral tariffs between these two large trading partners, local exporters have cheaper access to China vs USA exporters, and local exporters have cheaper access to the USA vs Chinese exporters.

It would also be strategically astute to reduce reliance on China. Importers should consider diversifying their supply chain sources by finding or developing new suppliers. Exporters, too, should diversify their export markets and explore new and adjacent markets to China. These new markets may be smaller compared to China, but are growing fast and may ultimately lead to lower export earnings volatility, and thus less boom-bust exports and cycles.

Pointing out that more global pandemics may occur in future, Fouché emphasised the need for services-related companies to adapt to digital communication which is less sensitive to social distancing disruptions. "Those that adapt will survive, those that don't will suffer."

Cash is king at the moment and a determining factor for business survival. The quality of the product or service matters less, though this will revert once the lockdown disruptions have eased. Considering the dire social consequences of the pandemic Fouché said that bridging loans should be a

focus. Banks should aspire not to foreclose on mortgages, cars and other bank loans, if at all possible. With predictions that unemployment could increase by up to two million people, he appealed to businesses not to retrench all employees. "We need to prevent people from falling out of the employment pool because we all know how difficult it is to get back in." Reducing salaries instead of retrenching should be considered.

A prediction that the South African economy could contract by 10% as a result of the pandemic sounds dreadful, but even with this decline it is not as if the whole economy evaporated, although it will take some time to recover. "We have to focus on how we are going to change and adapt to the new normal. If digital is part of that change then we have to include it."

Globalisation is in retreat for the first time since WWII and it is likely that countries would retreat into isolation in the immediate wake of the pandemic. However, isolation as an economic strategy would cause more harm than good.

The global economy is expected to bounce back in 2021 by 5,8% with advanced economies and developing

countries/emerging markets expected to make a 4,5% and 6,6% comeback respectively. In this scenario Sub-Saharan Africa should have a 4,1% increase in economic growth, according to the IMF's latest global economic outlook.

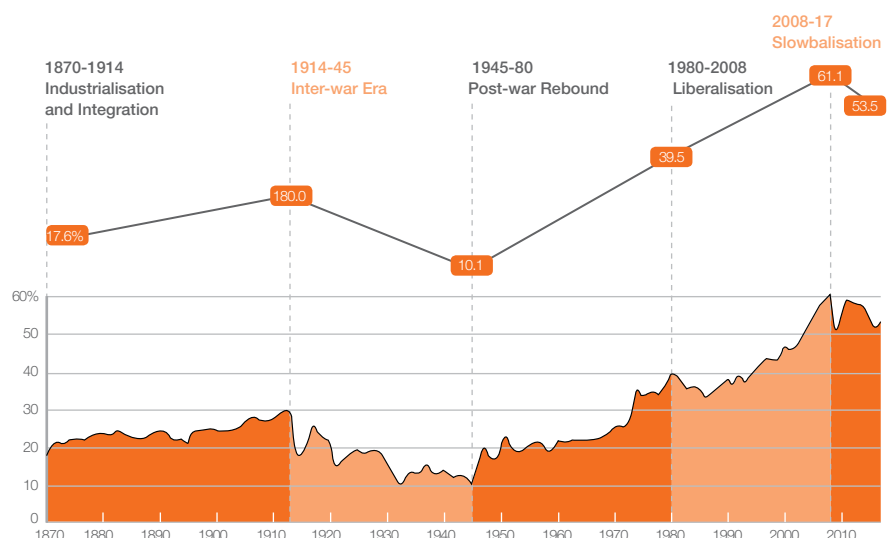
In a world where there is very little leadership, South Africa's government has shown exceptional leadership in dealing with this health crisis, but the jury is out on how it will deal with the economic crisis.

In these strange and exceptional times, governments had to take exceptional measures and stimulate the economy was the right thing to do, provided the resources could be deployed in an efficient manner.

Government has made available 10% of GDP in rescue schemes which should be used efficiently and without discrimination to help the economy. All businesses which received assistance should be closely monitored and all receipts of rescue packages should be kept.

The real leadership challenge will certainly remain in the country's economic rescue and recovery management over the next two to three years, said Fouché.

Trade openness index, 1870-2017



This PIE Chart was adapted from Professor Doug Irwin's blog post, "The pandemic adds momentum to the deglobalization trend" April 23 2020. Source: <https://www.piie.com/research/piie-charts/globalization-retreat-first-time-second-world-war>



The soaps and detergents industry in South Africa is highly concentrated with Unilever constituting 51%; whilst Colgate-Palmolive, Procter & Gamble and Bliss Chemicals (Pty) Ltd constitute 13%, 8% and 7% respectively of the total market share. In addition, there are several contract manufacturers and small- and medium-sized producers - TIPS Forum 2017: Industrialisation and Sustainable Growth

DEDICATED HELPDESK SUPPORTS KWAZULU-NATAL BUSINESSES NAVIGATE COVID-19 LOCKDOWN

SINCE THE START OF THE COVID-19 LOCKDOWN, NATIONAL GOVERNMENT HAS ANNOUNCED SEVERAL BUSINESS SUPPORT INITIATIVES AND RELIEF FUNDING SCHEMES AIMED AT MITIGATING THE NEGATIVE FINANCIAL IMPACT OF THE GLOBAL PANDEMIC ON THE SOUTH AFRICAN ECONOMY.

investSA
ONE STOP SHOP

KWAZULU-NATAL

The KZN COVID-19 business helpdesk, located within the investSA KwaZulu-Natal One-Stop-Shop (OSS), was launched in April to assist businesses in accessing financial relief.

"This pandemic has really hit a number of local companies hard and it is important that we assist by creating a platform aimed at assisting businesses to apply for relief measures through the OSS," said Neville Matjie, Chief Executive Officer of Trade & Investment KwaZulu-Natal (TIKZN).

"We do not guarantee the outcome, as the relief measures have their own requirements and screening processes. However, we endeavour to assist companies manoeuvre through the paperwork and compliance requirements of these instruments. The business community is urged to take advantage of this offering designed to service their needs at a single stop and under one roof," he said.

"Enquires have flooded in over the past two months. The helpdesk has assisted thousands of businesses, particularly informal traders, SMMEs and co-operatives, in interpreting government regulations, understanding the impact these may have on their businesses and navigating through the business support qualifying criteria and application processes," said Ndimiso

Mlambo, TIKZN's General Manager of the OSS.

"Since inception the helpdesk has fielded well over 2 500 business support enquiries monthly via telephone calls, emails and WhatsApp messages; assisted with the packaging of funding applications and facilitated the lodging of qualifying applications, with the relevant institutions", he said.

The initiative was made possible through collaboration with the private sector. Companies such as LNN Capital and others volunteered their services and augmented the capacity of the OSS team to deal with the influx of enquiries.

InvestSA's KwaZulu-Natal OSS is an initiative of the National Department of Trade and Industry (dti) in collaboration with the provincial department of Economic Development, Tourism and Environmental Affairs (EDTEA) and is administered by TIKZN. It aims to provide investors and local businesses with one-stop access to a range of government services, in order to facilitate trade and investment. There are also satellite offices at Dube TradePort and Richards Bay IDZ.

Mlambo, who was appointed to the OSS in January, has almost 20 years' experience in finance, investment and business

development, working in various public and private sector institutions.

Business support services, which are available at the KwaZulu-Natal OSS, include: CPIC, EDTEA to assist with Environmental Impact Assessment (EIA) applications; The Export Agency for assistance with import and export permit applications and VFS on behalf of the Department of Home Affairs for corporate visa applications. Representatives of SARS and the Department of Labour are also available to provide business services on selected days.

The OSS also assists businesses with proposals to access funding from the dti as well as from other government departments and development agencies. In providing business brokering services for catalytic investment projects, the OSS co-ordinates inputs from various role-players including investors, developers, industry, civil stakeholders and relevant provincial and municipal officials.

All businesses wanting to use the services of the investSA KwaZulu-Natal OSS, and the COVID-19 business helpdesk at TIKZN, can call **031- 368 9602** during office hours or email business.support@tikzn.co.za. Requests can also be logged on:

<http://www.tikzn.co.za/support-desk>



Early indications are that it may take between 12 and 24 months for the tourism sector to recover, according to the National Department of Tourism, which estimates that the sector has lost five to seven years in the number of tourists globally.

FROM CUTTING-EDGE TOOLS TO MANUFACTURING **AUTOMATED SANITISING UNITS**

PIETERMARITZBURG-BASED SOMTA TOOLS, MOVED OUT OF ITS TRADITIONAL FIELD OF CUTTING TOOLS TO SOLVE THE COVID-19 HAND-SANITISING PREDICAMENT OF BUSINESSES BY PRODUCING A FOOT PEDAL OPERATED HAND-SANI UNIT. NOW THE COMPANY HAS TAKEN THIS A STEP FURTHER, PRODUCING A TOUCHLESS (SENSOR OPERATED) HAND-SANITISER UNIT, DESIGNED FOR THE PUBLIC TRANSPORT SECTOR.

Somta Tools specialises in the design and manufacture of standard and custom tools for the industrial and “do it yourself” markets. Product categories can be summarised as drills, cutters, reamers, threading tools and toolbits, which are made in a wide range of sizes, using various materials (HSS and Solid Carbide) and Balzers PVD surface coatings to extend wear life.

The factory in Pietermaritzburg manufactures 7 000 standard items and a further 3 000 made-to-order items to serve local markets and export markets in over 70 countries world-wide.

“When lockdown level five brought the factory and staff complement of over 300 people to a standstill, we turned our thoughts to what could be manufactured in the essential items and personal protective equipment category”, said Allan Conolly, Somta Tools Managing Director.

Six weeks later when lockdown level four allowed non-essential factories to start up at 50% capacity, the tool manufacturing company was ready and swung into manufacturing a five litre, one litre and kiddy foot pedal-operated hand-sani unit. These are now rolling out to retail

shops, schools, clinics and a host of other businesses.

The majority of the company’s employees commute by taxi and they were very concerned for their health and that of other commuters. The transport sector is probably one of the highest risk areas for Covid-19 transmissibility simply because of high volumes of passengers in enclosed spaces.

There are over 250 000 minibus taxis on

provinces without the required permits.

It is the operator or conductor’s responsibility to stand at the door with a hand sprayer sanitising passenger hands. The development team applied its mind to the problem and developed an affordable easy-to-use touchless hand-sanitising unit which can be mounted in the doorway of the minibus and sprays sufficient sanitiser to ensure protection.

“To start with we spent time watching the sanitising process at the taxi rank and noticed that conductors were focused on spraying commuter hands rather than on getting passengers, and in some instances some passengers almost missed sanitisation.”

“Once we had a concept and initial product we hired a minibus, mounted the sanitising unit and tested it for six days transporting our staff to and from work. We ironed out any problems and made sure we were 100% confident in our product. We then approached SANTACO with the product and have included the Council’s suggested modifications,” said Conolly.

The unit is versatile and can be adapted to suit the user and a model for day-to-day short distance taxis, as well as long-distance taxis, has been developed. Somta Tools is looking at adaptations for bus and train transport, but it could be adapted for use in businesses.

The touchless sanitising unit has several other benefits. It is automated, thereby cutting the time taken to manually sanitise commuter hands, enabling the taxi to leave timeously; the taxi conductor can focus on getting passengers rather than sanitising; a measured amount of sanitiser is distributed each time ensuring proper sanitisation and enabling the taxi driver to calculate how long it will take before the sanitiser needs to be replaced; the unit can also use any type of sanitiser, meaning that taxis do not have to spend more on sanitiser and commuters will feel safer.

Somta Tools is geared up and ready to manufacture the units and is confident they can meet the potential demand. All the components are locally sourced eradicating delays in obtaining components.



Somta Tools employees, Faem Mahomed, the developer behind the touchless hand-sanitising unit, with salesman, Wiseman Maphumulo

South Africa’s roads with some 70% of households using this form of transport daily to go about their business, accounting for as many as 15 million commuter trips a day country-wide.

At level four lockdown, taxis were allowed to travel at 70% capacity without passengers needing to wear masks. More recently the South African National Taxic Council (SANTACO) instructed taxis to take full passenger loads and travel between



The Department of Tourism had devised a multi-phased approach starting with the domestic market solely focused on attractions such as day-visits to nearby open spaces and providing a sense of safety about being outdoors. It expands to regional and international, depending on particular criteria being met.

ADAPTABILITY AND FITNESS HELP A YOUNG DURBAN COMPANY BEAT COVID-19



Mario continues to compete at the highest national and international amateur level

MY BODY GURU, WHICH FOCUSES ON HEALTH, FITNESS AND SPORTS NUTRITION, IS A YOUNG BUSINESS HAVING STARTED IN DURBAN IN 2017.

The knowledge and expertise that goes into the formulation and production of its products, dates back over two decades.

A co-founder and driving force behind the research and development of the company's range of healthy foods, snacks and performance nutrition supplements is Mario van Biljon, Durban's own internationally-recognised body-builder.

With over 20 years of experience in the sports nutrition industry, he is one of the most well-respected opinion leaders in the body-building and sports performance nutrition industries in South Africa.

He has combined his sports passion with being a microbiologist to produce well known sports brands, such as Muscle Science and Scientific Sports Nutrition and Supa Shape.

The first business was sold to Cipla-Enaleni Pharmaceuticals (now Cipla Medpro) in 2004 and the second business to Ascendis in 2014.

With a focus on the upper LSM gym-going consumer, My Body Guru's sales have been increasing by between 50 and 100% month-on-month from the start in 2017.

This strong growth came to a crashing halt with the onset of Covid-19 and lockdown which has shut all gyms. "As much as 90% of my core business stopped. This was devastating," said Van Biljon.

Charles Darwin said it was not the fittest or the strongest that survived, but those that are the most adaptable and this applies equally to business. Faced with certain extinction the My Body Guru team looked at how they could adapt – and quickly.

"We considered what else we could do. We have our own, Good Manufacturing Practices (GMP) certified manufacturing facility in Cornubia Industrial Estate, Umhlanga, and we have the technical knowledge. The GMP ensures that our formulations and manufacturing meet food and health safety standards," he said.

Hand sanitiser was an obvious option, but one with several hurdles and ultimately an appeal for help from Trade & Investment KwaZulu-Natal (TIKZN).



"We found a good supply of Ethanol, but no sooner than we were ready, the local market was saturated."

"We looked to international prospects and found four to five good export opportunities to Mozambique, Botswana, Zambia and

Bahrain. At the same time, the export of essential products including hand sanitiser was limited."

"We applied to the International Trade Administration Commission (ITAC) for an export permit and were rejected three times."

"As we were already working with TIKZN on international opportunities for our health and fitness products, we appealed to them for help with the permits," said Van Biljon.

Francois Beatrix, TIKZN's Manager: Export Development, said it took persistent communication with ITAC to eventually get export permits approved for Mozambique, Botswana and Zambia.

Although initial communication with ITAC was unsuccessful in terms of the application for an export permit to Bahrain, sustained efforts were rewarded when this permit was eventually granted.

Although MBG eventually received the Bahrain export permit, it had taken two months and the lead had gone cold and the company is renegotiating the contract with French distributor, Carrefour, in Bahrain.

In April, MBG achieved 50% of its budgeted sales.

Of this, 80% was in hand sanitiser, which has now become a standard MBG product.

The company has also developed an immune support product, Defen-C, a powder vitamin-c and micronutrients to mix into a drink, and plan on producing a ready-made Defen-C drink.

MBG's products can be bought in selected supermarkets and pharmaceutical retailers, and online through platforms like Loot, Takealot and their own online store.

The enforced period lockdown has forced people into online buying and the company plans to expand its distribution channels.

Through Trade & Investment KwaZulu-Natal they are conducting virtual meetings with Amazon for it to become a vendor and they have approached Makro, which has set up its own online shopping store.



For the regional leg of the tourism industry's recovery, cross-border bans need to have been lifted and a globally accepted set of health protocols will need to have been adopted, says the Department of Tourism.

DESPITE CHALLENGES, HULAMIN IS SET TO PREVAIL



Rolled aluminum satisfies the demands for a comprehensive range of customised end user products, from truck body, roofing to foil, cans, can ends and tab among many other uses.

AFTER MANAGING A STORMY 2019 TO END ON AN UPWARD TRAJECTORY, JSE-LISTED ALUMINIUM SUPPLIER, HULAMIN, MAY HAVE BEEN LOOKING FORWARD TO A YEAR OF RECOVERY WITH STRONG DEMAND FOR ITS PRODUCTS LOCALLY AND INTERNATIONALLY. BUT THE OUTBREAK OF COVID-19 HAS POSED AN ADDITIONAL CHALLENGE.

Richard Jacob, Hulamin's Chief Executive, said: "The outbreak of the COVID-19 pandemic in late 2019 and early 2020 has had a serious impact on all Hulamin's markets. It is likely to significantly reduce sales volumes and counteract the benefits of cost savings that the company achieved in 2019, as well as the weaker Rand/Dollar exchange rate."

The 80-year old Pietermaritzburg-based company is a leading, mid-stream aluminium semi-fabricator and fabricator of aluminium products. It is the only major aluminium rolling operation in Sub-Saharan Africa and one of the largest mineral

beneficiating exporters in South Africa.

Hulamin exports 59% of its products to leading manufacturers around the world, focusing on specific product and end-use markets in the automotive, building, electrical, general engineering, packaging and renewable energy markets. It employs some 2 000 people and forms a mainstay of the KwaZulu-Natal economy.

With its financial results, up to 31 December 2019, released in June, Hulamin said that not only did the global and local economy slow throughout 2019, but its export sales to the United States were disrupted by blockages and over-stocking in the distribution channel.

This has since been resolved and customer demand for Hulamin's products remains healthy, with US customers remaining eager to procure Hulamin's flat-rolled and heat-treated aluminium products, said Jacob.

As part of its turn-around strategy, Hulamin reviewed its extrusions and rolled products businesses which resulted in the closure and consolidation of the Olifantsfontein extrusions operation into the Pietermaritzburg operations. The right sizing resulted in the retrenchment of 200 employees.

Some 59% of Hulamin's sales are to

international markets, with North America and Europe representing the largest export markets. These, along with South Africa, have been significantly negatively impacted by the Covid-19 pandemic as various degrees of lockdowns constrained consumer demand.

On the upside, exports are back to normal since the end of March and the export canstock and heat-treated plate volumes were marginally ahead of the same period last year, said Jacob.

Largely as a result of COVID-19, the group has seen reductions in sales volumes of around 33% in the four months to April 2020, compared against the same period in 2019.

The local market was the most significantly impacted, with reductions in volumes of around 45%. Automotive (-38%), local canstock (-57%) and distributor products (-51%) have been the most heavily impacted product categories.

About 45% of Hulamin's products are supplied into packaging applications including foil containers and cans. In South Africa it is the only supplier of aluminium material for the manufacture of aluminium cans.

When the country-wide lockdown was announced in March, quantities of



Using high-end technology and adding alloys, like silicon, Hualamin manufactures specialised products that are used in electric vehicles and in aircraft that offer WiFi. Chief Executive, Richard Jacob, estimates that Hualamin controls half the global market for ultra-high-end aluminium products.



Employees have their temperature checked as they arrive at work. This and a range of other Covid-19 precautions are in place at Hualamin.

customer-finished goods were retained on-and off-site in order to ensure customer supply continuity of food and beverage-related packaging products.

On 1 April 2020, Hualamin received a certificate from the Companies and Intellectual Properties Commission (CIPC), designating its packaging product operations as “essential services”.

This enabled a phased restart of packaging under strict Covid-19 work protocols and extensive testing of employees and contractors.

Protocols included compulsory COVID-19 induction for all employees returning to work from 7 April, screening, including comorbidities with medical staff advice and wearing of masks on-site to staff which included a mask, multivitamins, and 200ml sanitiser and sanitiser dispensing units were supplied to all departments. All work stations were issued with all-purpose cleaner and dispensing containers.

Each department has been deep-cleaned; the biometric access system replaced with a card access system and alcohol screening placed on hold. Social and physical distancing is followed in meeting rooms, clocking stations, canteens, plant entrances and clinics.

The Employee Assistance Programme (helpline) now also assists with Covid-19; coaching is given to employees directly affected with Covid-19 to assist them in returning to work and Covid-19 testing is offered to all employees at the expense of Hualamin.

To date, Hualamin has had 71 cases, 59 recoveries, 11 still in quarantine and one in ICU. Every case disrupts the area of operation in which it occurs to allow for deep-cleaning. Proactively, the company has been undertaking extensive testing of employees.

The pandemic has also affected the commodity price of aluminium and currencies, which all negatively impacted Hualamin’s cash and liquidity. Various measures have been put in place to improve its liquidity.

Presently, the group is able to operate up to full production capacity, whilst practicing the required protective measures to limit the spread of the virus on-site, and is therefore able to capitalise on opportunities available, although demand-side risk continues to exist.

Along with the onset of COVID-19 in March, US domestic aluminium producers filed a petition against imports of aluminium

common alloy sheet from 18 countries, including South Africa, which affects Hualamin. The petition claims material harm to the US aluminium industry and seeks tariff relief in the form of anti-dumping countervailing duties.

The total US common alloy sheet market is approximately 2 million tons per annum, of which domestic US producers have historically supplied less than 65% of the market.

Hualamin sells a range of products into the US, including common alloy sheet and its share of the common alloy market is less than 2%. The lions’ share of Hualamin’s exports to the US are high-end products.

Forecasts and assessment management have considered various scenarios through to the end of 2021, which included operational and demand limitations in South Africa, as well as in international markets, combined with different outcomes relating to the US anti-dumping duty investigation and the local application for duties on imports of rolled products.

While acknowledging that there are uncertainties in modelling the various different COVID-19 scenarios, Hualamin’s management remain confident that the group will remain liquid and solvent.

THE BUSINESSES THAT MAKE UP HUALAMIN

Hualamin Rolled Products produces a range of technologically sophisticated sheet, coil and plate. The majority of products are exported to customers in North America, Western Europe and the Far and Middle East for use in the packaging, automotive and engineering and construction industries.

Hualamin Containers is a leading downstream business focusing on the production of standard and customised rigid aluminium

foil containers for the local catering industry and for household use.

Hualamin Extrusions is a leading local supplier of standard and custom aluminium extrusions for use in largely the engineering and architectural markets.



Hulamin is one of the few producers world-wide of high-end aluminium products for electric cars. Its ultra-light heat-treated plates can withstand massive amounts of weight and heat and are in demand from an increasing number of electric vehicle producers for the battery box base plates/chassis.

RADICAL CHANGE EXPECTED IN LESS THAN A DECADE AS 4IR BITES

EARLY JULY SAW THE ROLL-OUT OF AN AMBITIOUS KWAZULU-NATAL PROVINCIAL GOVERNMENT PROGRAMME TO PROVIDE 20 500 WI-FI HOTSPOTS THROUGHOUT KWAZULU-NATAL AS IT ACTIONS ITS VISION TO BECOME A "SMART PROVINCE".

Six locations in Pietermaritzburg and one in Durban have been turned into free Wi-Fi hotspots as part of a proof of concept of the JL Dube Broadband project, unveiled on 9 July.



Nomusa Dube-Ncube MEC for Economic Development, Tourism and Environmental Affairs tries her hand at assembling an antenna at the launch of free Wi-Fi at Ohlange High School Inanda..

The hotspots are located in Vezokuhle Primary School and the youth centre in Edendale, Msunduzi taxi rank and library, Gateway Clinic, the Umgungundlovu District Municipality and Ohlange High School.

This roll-out by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) and the Department of Communications and Digital Technologies, follows on the heels of a 4IR webinar hosted by EDTEA in which experts addressed the question: Is KwaZulu-Natal and South Africa ready for 4IR? Outlining the current ICT status in KwaZulu-Natal, Mbulelo Hlobo, Supply Chain Manager at Broadband Infraco (BBI), one of the partners in the JL Dube Broadband project, said the situation needed to be improved drastically.

Research shows that the majority of households (48%) in the province access the internet via cell phone, while only 9% of households access the internet from home. "Nine percent of household connectivity at home is nothing. We need to connect the whole province," said Hlobo.

Other places of internet access include work, libraries and internet cafés two and more kilometers from home.

South Africa has one of the highest data costs in the world and is leading the top five in Africa. "Our people, mostly those living in poverty, are on the receiving end of this reality.

The internet connection is via slow speeds that increase the cost to download or use the internet. We all experience poor quality WhatsApp calls, hours waiting for downloads and disappearing data," he said.

Telecoms has the potential to address the social divide though bridging the digital divide. The World Economic Forum has forecast that \$12 trillion will be generated in the new digital economy. For people to have access to this new economy, they must be connected.

Hlobo pointed out that community-based networks could drop the cost of data and create new providers in the market, thus boosting competition. In all, the province aims to create 500 community-based networks owned and operated by SMMEs.

EDTEA, together with its entities Dube TradePort Corporation (Dube i-Connect) and Moses Kotane Institute of Technology, have joined forces with Broadband Infraco (BBI) and Mzansi ComNet to roll-out a cost-effective model of broadband infrastructure.

Chris Adendorff, Senior Futurist and Professor at Nelson Mandela University Business School, and Presidential Commissioner for the South African Fourth Industrial Revolution (4IR) explained that futurists use statistical methods to anticipate future scenarios.

He said that the fourth industrial revolution was



Pietermaritzburg-based Somta Tools will launch a new multi-purpose cutting tool range designed specifically to assist manufacturers who machine multiple material types. The range is a result of extensive development work between Somta Tools and Tokyo stock exchange-listed OSG Corporation.

already well underway. “Expect radical change. By 2030 half the jobs that exist today will not be around and 60% of the jobs required by then have not yet been invented.”

Critical to 4IR is 5G, and without it new technologies cannot be implemented, and data is at the heart of the new technological transformation. The major technologies shaping the new inter-connected data driven reality are the Internet of Things (IOT), Artificial Intelligence (AI), 5G, the Cloud, blockchain and distributed ledger.

It was critical that the latter were incorporated into IOT and AI. Adding another basic layer to Maslow’s hierarchy of needs, Adendorff said: “If we don’t have Wi-Fi accessible to everyone in KwaZulu-Natal, we cannot address the basic human needs.”

Looking at the technologies that are poised to impact society, Adendorff listed 3D printing. It is being used to produce Personal Protective Equipment; is being used to print human tissue; and in China it has been used to build 12 double storey low-cost houses in 24 hours. “Imagine the impact if we could do this for low-cost housing at a third of the current building price. It is predicted that in Dubai alone 25% of all construction will be 3D printed by 2030.”

International mega-trends include augmented reality, urbanisation solutions for the public, future mobility, automation, smart security, social trends, data and big data solutions and smart cards. These

will see rapid urbanisation, demographic and social change, climate change and resource scarcity, a shift in global power and technological breakthroughs.

By 2030 a growing number of highways will be designated for driverless vehicles. Mesh networks, pervasive mobile connections will deliver automated highways to improve safety, increase capacity and reduce congestion. In 2016 vehicles were partially automated. This year will see new vehicles become highly automated and by 2025 all vehicles will be fully automated. Autonomous vehicles are going to be the next big game-changer, said Adendorff.

“SMART CITIES AND TOWNS NEED SMART CITIZENS. WE CANNOT ESCAPE THE ECONOMIC AND SOCIAL ASPECTS OF THE FUTURE CHANGES AND WE NEED TO EXPLAIN IT TO OUR PEOPLE, SO THAT WHEN WE TALK ABOUT A SMART PROVINCE, PEOPLE UNDERSTAND. WE NEED TO FOCUS PLANNING ON THE NEW END-USER. GOVERNMENT’S ROLE IS TO SET THE PLATFORM AND THEN BUSINESS GETS INVOLVED.”

“We also cannot move towards a smart province unless we incorporate scenario planning that includes certainties,

uncertainties and risks so that a preferred solution is developed,” he said.

Turning to the skills required for the future, Adendorff said that 75% of jobs will still require maths, science and technology engineering. But the incompetency of youth in these skills was staggering. Of South African 15 year-olds, 42% were not proficient in maths; 35% were not proficient in science and 35% were not proficient in technology.

Modern learners are children of the screen. They think differently and will be trained differently.

We need to take into account the role of machine learning and artificial intelligence in education; even the classroom of the future will be different,” he said.

Looking at stumbling blocks to implementing smart cities and towns, Adendorff said the country’s debt and its unemployment were too high.

Currently there are 6,1 million unemployed youth. Youth training is, therefore, critical.

On the data front, Portia Matsena, Group ICT head for a private company, and panelist, Dr Sibongiseni Thotsejane, raised concerns about data – its sovereignty, ownership, protection and cyber security.

There was a great need to build and use South African capacity and technology in the fields of AI, robotics and machine learning, among other critical 4IR technologies.



Learners at Ohlange High School, Inanda, inspect a drone and construct a model solar system

DRIVING THE TRADE AND INVESTMENT IN KWAZULU-NATAL

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OSG, regarded as a global leader in the manufacture of round cutting tools, has continued with its R60 million investment plan, which started in June 2019, at its manufacturing partner Somta Tools.

ONLINE FASHION GIANT RE-ENGINEERS ITS E-COMMERCE PLATFORM IN RESPONSE TO COVID-19 LOCKDOWN

IN THE WAKE OF THE NATION-WIDE COVID-19 LOCKDOWN, PLANET54.COM, A PROUDLY KWAZULU-NATAL ONLINE SHOPPING STORE, REPURPOSED ITS ENTIRE E-COMMERCE PLATFORM TO PROVIDE SOUTH AFRICANS WITH FOOD AND ESSENTIAL GOODS AT WHOLESALE PRICES, DELIVERED AT A MINIMAL COST.



Laila Manjoo and Innocentia Manaka curate the latest products for Planet54.com, an organisation that aspires to being the Amazon of Africa in online fashion.

Planet54.com has gained popularity amongst online shoppers in recent years for its ground-breaking deals on trendy fashion, footwear and tech products. Since its inception in 2016, the virtual shopping mall has grown by 300% year-on-year to become the largest Shopify e-commerce platform in Africa. It offers more than 10 000 product types, targeting customers who want more value and more choice, for less.

At the start of the national COVID-19 lockdown, none of the products available on Planet54.com had been identified as “essential goods and services” resulting in a complete shut-down of its online sales. Recognising the growing demand for online-shopping and home deliveries of food and essential products, and observing the frustration of customers at the incapacity of food retailers to provide an efficient, affordable online shopping service, Planet 54.com mobilised its commercial partners and launched a dedicated food and essentials pop-up store, to close the gap.

The flexibility and adaptability of Planet54.com’s systems allowed the company to quickly move from fashion and accessories, to food and essential products, at prices that were extremely competitive against major retail supermarkets, during the Level 5 lockdown period. “Adapting our operations to respond to the crisis allowed us to retain the jobs and salaries of our 60 employees across administration, IT, customer-care and warehousing.

We also brought in additional courier services, allowing us to support other small businesses,” said MI Jeewa, Managing

Director of Planet54.

“We have committed to a 0% profit on all food items, a minimal mark-up on essential goods and a fixed delivery cost of R100 across the board,” said Jeewa. “We simply could not proceed with our business as usual. Planet54.com’s online shopping infrastructure and our proven track-record in championing the cause for online shoppers to access high-quality products at affordable prices, had placed us in the perfect position to make a real difference in the lives of people in this moment of our country’s history,” Jeewa added.

Planet54.com has gradually re-introduced its regular product lines, in line with government regulations, starting with winter clothes and shoes, and finally reinstating all product lines.

The food and hygiene product lines have now been fully integrated into the mainstay offering of Planet54.com. “Like many other businesses, the impact of COVID-19 has been extremely challenging on our normal operations. However, this period has also presented us with a perfect environment for growth into new markets, up-skilling our staff and diversifying our offering. Our historic customer base has responded well to the new product offerings and the new product lines have brought us new customers” said Planet54 Director, Shahil Maharaj.

In these exceptional circumstance we have decided to put the well-being of people before profit, and are extremely encouraged by the interest and support from our partners, who are willing to share

information about the shopping platform via their own communication channels to reach more people,” said Maharaj. To ensure compliance with COVID-19 hygiene and social distancing protocol and the safety of customers, Planet54.com has integrated sanitisation at every contact point, from packaging and dispatch through to a knock-and-drop delivery option.



Online orders of essential products being made up in the Planet54.com warehouse in Durban during lockdown level 5.



During lockdown and the temporary ban on the sale of non-essential products and services, South African consumers - some 37% - shopped more online, according to a recent Nielsen study on the impact of COVID-19 on consumer behaviour in South Africa.

STEPPING INTO THE FUTURE WITH FORESIGHT AND CONFIDENCE

DICK WHITTINGTON SHOES, OR DICKS AS IT IS FONDLY KNOWN BY THOSE WHO WORK THERE, IS EMBRACING THE FOURTH INDUSTRIAL REVOLUTION HEAD ON AIMING TO BECOME A “SMART” FACTORY.



Dick Whittington Shoes manufactures US shoe brand Johnston & Murphy, under licence, for Africa. This is one of several international licences that the company holds.

It has undertaken a detailed Industry 4.0 readiness assessment, which will highlight specific areas that need improvement and allow the development and implementation of a technology roadmap, whilst ensuring alignment with the company’s strategic goals.

Although the scope for growth in the foreseeable future looks trickier than ever before, the 72-year old Dicks story is evidence that with hard work and dedication, success is there for the taking, says managing director, Arveen Boodhoo.

From its early beginnings in 1948, hand-making 30 pairs of stich-down shoes a day, the company has become a major South African manufacturer of genuine Goodyear welted quality, branded men’s formal footwear and uniform/industrial footwear.

Behind its success is its reputation, earned over decades, for quality and value which has entrenched solid enduring relationships with its customers.

In 2002 it was bought from the Conshu Group by its current shareholders, some of whom were in management.

It continues as a successful BEE company in Pietermaritzburg, employing 450 people and producing over 40 000 shoe products a month.

Boodhoo says 1996 was a watershed year for Dicks, which was then in very bad shape.

“We had to make some really brave and bold decisions if the company was to prosper again. It was clear that China was to become the world’s factory. To survive, we had to up our game and concentrate on quality, to literally make the best shoes in the country, while providing outstanding customer service. We had to become customer-centric with a huge focus on branding.”

Today, the company is uniquely positioned in terms of marketing nine well-known niche brands to its target market, some of which are made under international licence from the USA and UK.

Looking to the future challenges of COVID-19

The day Trade & Investment KwaZulu-Natal visited Dicks, the factory was closed and the premises were being deep-cleaned and sanitised.

The previous afternoon management had received COVID-19 positive test results for a factory worker.

The employees who worked in proximity had been sent to hospital for swabbing/

testing and the company had traced the source of the infection to the house in which the COVID-19 positive employee lived.

This is a common story and a challenge for employers who implement disease prevention measures at the workplace, but have no control over employees’ after hours and home environment.

COVID-19 has had quite an adverse effect on most businesses, says Shamith Boodhoo, Accounts Director for Dick Whittington Shoes. “As you can see we’re supposed to be operating; we have a deadline to execute on orders but unfortunately we’ve had to push that out; but management is quite positive.”

For the high volume, low margin niche market shoe manufacturer, Covid-19 has impacted volumes. Retailers cancelled orders and the already embattled Edcon Group went into business rescue, leaving many suppliers with financial exposure.

However, it has not come as a surprise. The company anticipated that these were some of the things that were going to happen. Through the leadership of its managing director, Arveen Boodhoo, it timeously implemented a master plan and various cost-saving initiatives, says Tavonga Gonyora, Executive Director: Sales



Nielsen South Africa retailer lead, Gareth Paterson, says that South Africa's rapid evolution in online shopping makes it clear that technology adoption brought on by COVID-19 is paving the way for the sustained development of online shopping, in terms of infrastructure and consumer acceptance - themediaonline

and Marketing. Before they re-opened at lockdown level three, an intensive COVID-19 response policy was in place, ensuring the company adhered to the World Health Organisation's regulations.

Without knowing what is to come, as the disease peaks in the country, the shoe manufacturer is focusing on orders at hand. "The lives of our skilled staff come first and we are preparing for the possibility of another complete lockdown," says Gonyora.

With disposable income under pressure, buying high quality durable shoes may be on the back-burner, but Gonyora says: "Our customers know what they want in terms of quality and durability."

"They may make their shoes last a little longer and when things return to normal they will start buying shoes again."

The company is a prime contractor to the State. Over the past four decades it has

manufactured millions of pairs of boots and shoes worn by the armed forces, police force, navy, air force, private security companies and state-owned entities.

Made to strict standards demanded by the South African National Defence Force and audited by the South African Bureau of Standards, this footwear is made to withstand the toughest conditions.

This is a result of comprehensive engineering, top-quality materials and rigorous military testing.

Through synergies developed with Trade & Investment KwaZulu-Natal, Dick Whittington Shoes participated in several outward selling missions, one of these being to Zambia which resulted in orders for its military footwear.

TIKZN has also been instrumental in linking the company with Productivity SA programmes enabling it to put in place Just-in-Time polices, define productivity

for each unit and introduce a visual hourly productivity tracking system. With a large investment in technology and a focus on the implementation of best practices, it has stepped-up to become a world-class organisation.

"Whilst the DNA of our brands will always remain unaltered, we are well aware that there is room for new products and adjustments to the offering that are dictated by changing needs."

"This includes providing our customers with greater choice and fresh styling at really great prices."

"We need to stay focused, but continue to adapt to the changes that the world is undergoing."

"Our country needs us to sail on strongly now; taking on new challenges and exploring new opportunities to provide much needed jobs for our communities," says Boodhoo.



Gatz Crucial Gear is a 100% South African brand developed and manufactured by Dick Whittington Shoes.

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Revenue in the South African E-Commerce market is projected to reach US\$3,690 million in 2020 and grow at an annual rate of 10% until 2024, resulting in a projected market volume of US\$5,408 million by 2024, according to Statista, a global market researcher.

BATTERED CTFL SECTOR UNDER DURESS BUT R-CTFL MASTER PLAN 2030 MAKES FOR POSITIVE FUTURE

THE CLOTHING, TEXTILE, FOOTWEAR AND LEATHER (CTFL) SECTOR IS IN DISTRESS.

BUT, WITH HELP FROM GOVERNMENT, AND STRATEGIC PARTNERS ITS LEADERS ARE UPBEAT ABOUT THE OPPORTUNITIES AND THE FUTURE OF THE SECTOR.



Personal protective clothing being made by TCI Apparel, which has factories in Ezakheni- Ladysmith, Durban and Cape Town.

An urgent COVID-19 KwaZulu-Natal stimulus package for CTFL businesses, an industry which was in distress, was proposed by Herman Pillay, Chief Executive Officer of TCI Apparel and Vice Chairman of the Apparel and Textile Association of South Africa (ATASA).

In proposing the package on behalf of the sector in KwaZulu-Natal, Pillay said: "The duress which the CTFL sector is under should not be underestimated. The lockdown ban on clothing retail sales resulted in a mass cancellation of orders from retailers."

"This unprecedented crisis was never anticipated and manufacturers have no risk cover for loss of sales due to a pandemic. It has pushed manufacturers back to 1994 levels when the sector lost thousands of jobs as a result of the country's decision to join the World Trade Organisation, and there is an urgent need to assist the ailing CTFL sector. If this does not receive urgent attention the impact on job security will be catastrophic."

The CTFL sector is one of the biggest employers in the country. There are currently about 90 000 workers in formal employment in South Africa and 130 000 workers if the sector's informal employment is included. Of this, roughly 43% is based

in KwaZulu-Natal.

"Supply chains have been disrupted; import of raw material has been delayed or restricted; illegal imports and customs fraud, including Personal Protective Equipment (PPE) is still ongoing and the phased-in approach to returning to work means lower output, which is unsustainable in relation to fixed cost recovery."

"We are fighting a very difficult situation. In 2019 as many as 21 factories employing 1 523 people closed. Since January 2020 to date the National Bargaining Council has reported that 151 factories have closed in KwaZulu-Natal resulting in 3 052 job losses and a prominent provincial textile mill, Frame Knitting, established in 1968, retrenched all its workers in April this year", said Pillay.

He envisaged rescue packages to include bridging finance and working capital facilities for the manufacture of PPE, which was providing relief to companies with minimal fashion retail orders.

"We are happy to work with strategic partners and government to assist these businesses under duress. The package should extend to all companies, both small and large, that find themselves in this predicament and should include SMMEs

with traceable track-records, with the aim of securing jobs in the sector."

"Businesses receiving assistance should meet all the basic requirements like tax, COVID-19 health and safety and National Bargaining Council compliance standards. Assistance should also extend to co-operatives that comply with the letter and spirit of the Co-operative Act. I believe we are in a difficult and challenging position, but the private sector, together with government, can overcome and ride out this wave," he said.

On the positive side, Pillay sees opportunity for diversification from fashion wear to PPE manufacturing. Although this has not previously been a core line for local companies, many have reorganised and repurposed their workplace for this purpose.

There is high demand for PPE, especially from the health sector, SA National Defence Force and the Department of Basic Education. In general, government was looking for washable reusable masks to alleviate high consumer costs and in order to maintain environmental awareness.

The timing of the manufacture of PPE was perfect. Some of the textile mills experiencing capacity challenges



South Africa's largest E-Commerce segment is toys, hobby and DIY, with a projected market volume of US\$1,055 million in 2020 and a user penetration of 37%. This is expected to hit 50,8% by 2024, with an average spend per user being US\$168,28 - Statista

previously are now working to capacity on a shift system and there is an increased opportunity for both brownfield and greenfield investments into the sector.

Prior to the onset of the COVID-19 pandemic, the CTFL sector was already working on a national plan to revive the sector. The comprehensive revitalisation R-CTFL master plan 2030 aims to increase retail support for locally-made garments from the current 44% to 65% by 2030, creating thousands of jobs.

"Every retailer in South Africa is signatory to the master plan for the first time ever in South Africa," said Natasja Ambrosio, Head of Mr Prices' Sustainable Value Chain.

As a result of the lockdown restrictions, the retail industry is revising its forecasts but the commitment was still there. "We are threatened. There are complexities and we cannot under-estimate these. We don't have the answers but as a collective we can sort things out," she said.

One example of "sorting things out" was the commitment to help the country's cotton industry. In 2013 South Africa's cotton production had dropped to its lowest point of just 5 000 tons, largely because of cheap imports.

Over the past seven years, with commitment from retailers, production has increased by over 75% during tough economic times. "It shows that if stakeholders get together and put on the table what they want to achieve, it can be done," she said.

Steady Mkondiwe, of the National Bargaining Council for the clothing and textile manufacturing industry, pointed out that with the right technologies and skills, the sector would weather any storm. The sector was already in the

mind-set of restructuring for growth and needed to harness its opportunities well. The COVID-19 pandemic brings a lot of opportunities which can support the sector's growth initiative.

Opportunities included:

- The ability to create new jobs at R10 000 per person, versus the far higher costs in other sectors;
- Obtaining new and modern technology and;
- Improving on productivity losses in factories.

Among the gaps that had to be fixed if the sector was to grow were:

- The import of items such as zips and buttons;
- The division of the sector into rural and metro factories, making it harder for rural factories to attract people with the right skills and;
- The need for new and modern technology.

Kyle Ballard, Executive KZN Clothing and Textile Cluster (KZNCTC), said the cluster had developed a four-phased approach to the COVID-19 crisis. Phase one was defensive, providing online support to KZNCTC members – which had burgeoned to 75 as a result of the crisis – and establishing small focused problem-solving workgroups.

Phase two looked at the risks to the sector during and post-lockdown, including a recession. "Companies don't know what's coming."

"A 30% drop in market demand is expected post-lockdown. Recognising this, the cluster has developed risk analysis tools to understand the risks in the supply chain."

Phase three is designed to look at reviving

demand and creating a buyer-led recovery.

Phase four aims at protecting supply and entails a lot of detail and one-on-one discussions with companies to ensure that they are ready to abide by the new health and safety regulations. It also aims to ensure that local supply is prioritised by retail stores. Using the cluster, it is possible to share and develop knowledge very quickly and at scale.

Ballard said that the manufacture of PPE was a life-line for many companies in the sector and the wholesale import of PPE without import duty or VAT could not be accepted. These importers were currently dominating the market.

KwaZulu-Natal Finance MEC, Ravi Pillay, who convened the webinar, was very encouraged by some of the agreements reached at a national level within the clothing, textile, footwear and leather industry.

"They have grappled with some very serious issues and I would like to think that a basis on which the industry can move forward has been set. Inevitably there will be hurdles but the sector has the capacity, history and workforce. Demand and procurement were key challenges facing the industry."

"Some of the documents that have been circulated show the sector is quite far ahead and just needs to make the quantum leap. It's about creating and buying into a common vision and presenting the plan to government for its support."

"We don't have any choice, but to come together and find new ways of doing things, drawing on our history of creativity and resilience to overcome challenges," said Pillay.



A state-of-the-art fabric cutting machine used by TCI Apparel.



In a sense, formerly clear lines - between humans and machines, between ownership and non-ownership, between goods and services - will blur when information generated and used interchangeably by people and machines becomes universal - Prof Chris Adendorff, Digital Age Transformation System presentation

PROVINCIAL ROLE-PLAYERS DEVELOP A ROBUST COVID19 RECOVERY PLAN FOR HARD-HIT TOURISM INDUSTRY



IT IS NO SECRET THAT THE GLOBAL TOURISM INDUSTRY HAS BEEN ONE OF THE HARDEST-HIT BY THE IMPACT OF THE COVID-19 PANDEMIC.

Government and private sector tourism industry role-players have been hard at work to assess the current and potential fall-out of the closure of borders, grounding of flights and the restrictions of tourism business operations since the country first entered Level 5 Lockdown at the end of March this year.

Speaking at a briefing on 27 May, National Tourism Minister, Mmamoloko Kubayi-Ngubane, explained that domestic tourism will likely fully recover by December of this year, while international tourism is predicted to resume only in February 2021.

“Based on the COVID-19 epidemic’s expected trajectory, the first phase of the recovery for the sector will be driven by domestic tourism, followed by regional tourism and international tourism next year,” added Kubayi-Ngubane in a statement released on 30 May.

Kubayi-Ngubane explained that the Tourism

Department’s projections showed that almost 600 000 jobs are at risk if the sector doesn’t come into operation by September 2020.

The South African government has been working with the private sector to put in place a number of relief and response measures.

These include the tourism relief fund to help SMMEs in the tourism sector survive the crisis, as well as an additional financial relief mechanism for tourist guides to provide financial relief over a period of two to three months.

Restrictions are slowly easing under Level 3, which will benefit in reopening the tourism industry.

Domestic commercial flights have been opened for business travel, as well as long-distance public transport, including inter-provincial travel.

It was also recently announced that self-drive visits to game reserves are allowed, and some national parks are reopening to the public.

A recent nation-wide survey of the impact of COVID-19 on tourism businesses conducted by the National Department

of Tourism (NDT) and Tourism Business Council of South Africa (TBCSA), shows that over 63% of businesses have already closed on a temporary basis, while 54% down-scaled operations significantly and 28% of businesses were considering permanent closure.

The survey also revealed that 37% of businesses have reduced all their employees’ wages, while 33% have furloughed all their staff and 7% have made all their staff redundant.

The survey further revealed that the top three needs identified by KwaZulu-Natal tourism businesses are: support for cash flow (62,6%); financial support for recovery (59,7%); and tax reduction/deferments (47%).

It is estimated that tourism contributes almost 10% to KwaZulu-Natal’s GDP. The COVID-19 lockdown measures have affected the industry throughout the value chain, with guest houses, conference centres, hotels, creative industries, rental cars, safari enterprises, call centres and tour guides, amongst others, having been affected.

The hotel and restaurants sector, for example, employs 76 794 people, whilst the air transport and transport-supporting



The transportation system of the future will be built on collaboration among neighbours, communities, governments and traffic managers regarding everything from traffic planning to signal timing to commute planning – Prof Chris Adendorff Digital Age Transformation System presentation

activities employed about 18 188 in 2019. These two sectors contribute about 4,3% to the economy of the province.

In the conference centres, it is believed that the province lost more than R1 billion for cancelled events across the province.

Given the tremendous impact of the global pandemic on tourism, the KwaZulu-Natal Provincial Government has ensured that the sector remains a key area of focus within its plan to recalibrate the economic trajectory of the province and put in place measures to revitalize the economy.

AS PART OF THE PROVINCIAL GOVERNMENT'S EFFORTS IN TERMS OF A COVID-19 ECONOMIC RECALIBRATION AND RECOVERY PLAN, A DEDICATED TOURISM WORK-STREAM HAS BEEN ESTABLISHED BY THE KWAZULU-NATAL MEC FOR ECONOMIC

DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS, MS NOMUSA DUBE-NCUBE.

The Tourism Work-Stream is one of several driving the agenda of a Think Tank comprising experts from various sectors and industries who have volunteered their services to help re-calibrate the regional economy of the province.

The Think Tank was mandated to undertake a detailed analysis of their respective sectors and to propose a set of interventions necessary to invigorate the provincial economy.

The Tourism Working Group has undertaken a robust programme of industry analysis within the local and global contexts and has undertaken widespread stakeholder engagement in developing a tourism recovery plan for the province.

The draft plan was work-shopped at a webinar held on 30 April, which was hosted by Trade & Investment KwaZulu-

Natal CEO, Neville Matjie, on behalf of MEC Nomusa Dube-Ncube and the Department of Economic Development, Tourism and Environmental Affairs. Presentations were made by co-convenors, Bernadine Galliver, Slindilile Xulu and Graeme Watson.

The webinar was attended by public and private sector role-players and stakeholders within the KwaZulu-Natal tourism industry.

The proposed programmes and interventions in the KwaZulu-Natal Tourism Recovery Plan outlined short, medium and long-term interventions and rated each intervention as low, medium or high priority.

Key focus areas of the plan included: repurposing tourism infrastructure and resources; SMME support throughout the tourism value chain; business relief and support packages; enhanced industry communications; employee redirection, up-skilling and service delivery; promotions and marketing; sectoral lobbying; sectoral analysis and research to develop a post-COVID-19 tourism action plan, and infrastructure development and investments.





Africa is expected to produce 15 million to 20 million well-educated youths annually for the next 30 years. Compounding the challenge of job creation 4IR will create additional socio-economic and demographic impacts, resulting in major labour market disruptions, growth in new occupations, ways of working, skill requirements and tools to augment workers' capabilities - PwC Strategy&

KWAZULU-NATAL GOVERNMENT ASSESSES RED TAPE IMPACT WITHIN PROVINCIAL POLICY AND REGULATORY FRAMEWORK



THE PRIMARY GOAL OF THE KWAZULU-NATAL PROVINCIAL GOVERNMENT'S COVID-19 ECONOMIC RECALIBRATION AND RECOVERY PLAN, LED BY THE ECONOMIC SECTORS, INVESTMENT, EMPLOYMENT AND INFRASTRUCTURE DEVELOPMENT (ESIED) CLUSTER, IS THE RESUSCITATION AND TRANSFORMATION OF VARIOUS ECONOMIC SECTORS IN THE WAKE OF THE PANDEMIC, IN ORDER TO OVERCOME THE IMPACT AND STIMULATE ECONOMIC GROWTH.

A Think Tank of experts from various sectors and industries was established earlier this year to help with this process.

Amongst the key focus areas addressed through the provincial economic recovery planning process, was a critical assessment of the business enabling environment in KwaZulu-Natal.

A dedicated workstream was set up to look specifically at the impact of policy and regulatory red tape.

This critical issue was also one of the themes within a series of stakeholder webinars hosted by the MEC for Economic Development, Tourism and Environmental

Affairs, Nomusa Dube-Ncube. The Red Tape and Regulatory Unbundling Work-stream is geared at establishing a programme of action that would assist in creating a more business and investor-friendly environment within the province.

The programme aims to identify and address undue delays in statutory or regulatory applications and processes and resolve inefficiencies in governance procedures, in order to finalise mandatory decisions within a reasonable period of time.

The Red Tape Stakeholder Webinar, which took place on 28 April was attended by provincial MECs, members of provincial parliament, public sector officials, private business sectors, entrepreneurs and representatives of organised business, organised labour and civil society.

Speaking at the Red Tape Webinar, MEC Nomusa Dube-Ncube said: "With the incremental opening up of the economy, as we move through the various levels of the COVID-19 lockdown, it is imperative that we create an enabling environment that allows businesses to respond swiftly and to immediately begin operations, without unnecessary delay."

"In particular, we need to ensure that government application and regulatory systems are efficient, synchronised and agile to seamlessly support efforts to resuscitate the provincial economy. There is a need to focus strongly on integrating and igniting the informal sector, as well as in prioritising

localisation and promoting support for locally-based brands."

"Our government systems and support programmes must be viewed from the perspective of the recipients and the end-users they intend to serve", Dube-Ncube added.

Speaking at the start of the webinar, Neville Matjie, CEO of Trade & Investment KwaZulu-Natal, remarked: "Compliance with supply chain management processes and procedures often lead to unnecessary delays in kick-starting major investment and infrastructure development projects."

"There is a need for us to increase efficiency by streamlining these procedures in order to achieve a level of synchronisation within the mandatory regulatory framework and minimise delays in implementing catalytic, economy-boosting projects."

"Throughout the COVID-19 lockdown, we have seen the role of technology in streamlining processes and improving access to services. E-application and e-learning platforms have become the new way of doing business."

"We must embrace the role of technology in creating a cohesive and seamless experience for business, trade and investment in order to reduce the cumbersome administrative processes, without compromising on compliance and quality assurance," Matjie added.

The robust province-wide stakeholder engagement programme has revealed the most significant areas of concern to be addressed by the Red Tape & Regulatory Unbundling Work-stream.

In the short-term, these include a comprehensive review of: cumbersome supply chain management policies and procedures which may delay tenders or proposal processes; applications for the subdivision of agricultural land; environmental impact assessment studies; water use licence applications; development and road access approvals; building regulations and standards approvals; business establishment support and detailed information on incentives and concession packages, and the duplication and gaps in services delivered by government departments and agencies, as well as the need for more synergistic support to be given to catalytic projects.



Dr Vuyokazi Mahlati (1965-2020)

Dr. Vuyokazi (Vuyo) Mahlati was an entrepreneur, thought leader and public policy specialist. As an entrepreneur she was an award-winning pioneer in new innovations including Textiles and Media. She has been a board member of Trade & Investment KwaZulu Natal (TIKZN) since 2012. Her role in trade and investment facilitation dates back to the late 1990s, the Spatial Development Initiatives whilst at the Development Bank of Southern Africa (DBSA). She championed Pan African transformative investments as African Financial Group (AFG), where she was the Co-owner. These include value-chain based transactions in financial services, energy, agribusiness, forestry, and media. Dr. Vuyo was appointed in September 2015 by the South African President to serve her second term as the National Planning Commissioner for five years (till 2020). This follows her appointment in May 2010 – June 2015 as one of the inaugural members of the National Planning Commission that released South Africa's National Development Plan 2030. During her tenure as a Board Member at Trade & Investment KwaZulu-Natal she brought a wealth of experience and offered valuable contributions to the Board and its Committees. She will be sorely missed.



Smart technologies and digitalisation are shaping our lives and ways of working. Technology adoption, in both the formal and informal sectors, is imperative to business and its growth. By enabling greater efficiency, opportunity and profitability, the adoption of new technologies will differentiate the various skills, roles and jobs required - PwC Strategy&

AFRICAN INVESTOR RESUSCITATES LOCAL TOWEL MANUFACTURING OPERATION AHEAD OF GROWING DEMAND FOR LOCAL PRODUCTS



Preparation Department



Weaving Department



Dye House

THANKS TO A MAJOR INVESTMENT BY NORTEX SA, THE LARGEST TERRY TOWEL MANUFACTURING COMPANY IN SOUTHERN AFRICA, A LADYSMITH TOWELLING MANUFACTURER, FORMERLY ZORBATEX, HAS BEEN THROWN A LIFELINE AND IS NOW STEADYING ITSELF FOR GROWTH IN THE TOWEL PRODUCTS LOCAL MARKET.

Botswana-based Nortex SA acquired the assets and equipment of the liquidated KwaZulu-Natal towel maker as part of a business rescue deal which was concluded in February 2020.

Mukesh Josh, Nortex SA founder and Managing Director, said: "Nortex has been exporting quality towel products into the South African market for many years."

"The acquisition of the Ladysmith operation is part of a major asset expansion

programme that is aimed at vastly increasing the company's production capacity and positioning Nortex as a dominant player in the towel manufacturing sector within Southern Africa."

The Botswana-based, SABS ISO 9001:2015 certified company produces top quality terry towels, micro-cotton towels, knitted Snag Free® towels and baby napkins.

It was founded by Mr Josh, in 1990 following his move from Zimbabwe, where he had worked for several years as a textile engineer. The hard-working textile entrepreneur has grown the business steadily and organically, year-on-year and currently has his sights set on expanding into the USA and Europe.

"A cornerstone of the Nortex expansion programme is the critical objective of contributing to the local economy and creating employment and downstream business opportunities in the regions where we are located."

"The business rescue deal and the opportunity to invest in re-establishing the once thriving former Zorbatex factory and create jobs in the recovering South African textile industry, was an opportunity that

simply made good business sense", Josh added.

"It was unfortunate timing that the deal was finalised on the eve of South Africa's national COVID-19 lockdown and the business had to face the harsh knock-on impact of non-operational retailers cancelling substantial production orders."

"The upside however, was that it gave us the opportunity to fully equip and resource the Ladysmith operations to be ready for the rapidly growing demand for locally-produced products, in light of major challenges with global supply chains. We are also currently in the process of an exciting re-branding process which will see the KwaZulu-Natal produced products on the shelves under their very own local label, Joshtex Luxury Towels", said Josh.

Trade & Investment KwaZulu-Natal (TIKZN) has played a supportive role in the reopening of the Ladysmith operation, through its Business Retention and Expansion Unit, providing assistance with permit applications and securing local municipal services. TIKZN also assisted with funding for a water storage unit that provides critical water supply to the manufacturing plant.



A KwaZulu-Natal Economic and Business Impact Assessment Report conducted during the transition from COVID-19 level 4 to level 3 shows that 30,5% of both employers and employees are experiencing mental health issues, such as anxiety and despair.

The Nortex investment could not have come at a more opportune time for the long-plagued, former KwaZulu-Natal business, Zorbatex. The family-owned business which began in Hammarsdale in 1983, moved to the Ladysmith factory in 1987 as part of governments decentralisation programme. With grant funding from the Industrial Development Corporation, the business acquired and installed a manufacturing plant from Germany and underwent a major modernisation programme.

By 1993 the company had grown from being a R100 000 per month business with just 26 employees, to a thriving R8 million a month operation employing 550 people.

In 2012 Zorbatex was dealt a huge blow as a result of under-insured damage from a devastating fire. The ailing company struggled to recover over the next few years, amidst the rapidly declining local textile industry which was being increasingly eroded as a result of cheaper textile imports. In 2019, Zorbatex was

placed under Business Rescue. Six months later, the Nortex SA deal was concluded.

General Manager of Ladysmith-based Joshtex and former Managing Director of Zorbatex, Mike Wood, said: "Joshtex now provides a brand new opportunity for the local textile labour market. We are still in the process of fully resourcing the plant to full capacity and have made provision for 370 jobs in this financial year, of which 185 have been filled. We aim to grow this number to 550 employees in the next financial year."

"I am extremely encouraged by the focus of government and retail to drive localisation and to promote consumer culture of buying local. This bodes well for the local textiles industry in particular and for our economy in general", added Woods.

The 20 000m² Ladysmith factory currently produces a full range of towelling products, supplying major chain store and retailers, such as Mr Price, Sheet Street, Woolworths, Jet, Shoprite and Pick n Pay, as well as the

medical and hospitality industry.

Joshtex's mission is to manufacture world-class terry towels of outstanding quality that give its customers a competitive advantage through superior products. The company sets out satisfy and delight its customers with products of superior quality and performance.

Their soft bath sheets and towels aim to be a "delight to wrap up in after a long soak in the tub." Made from 100% African ring-spun cotton, they are not only softer to the touch, but offer higher absorbency. With summer around the corner, the company is rolling-out regular to oversized beach towels, from plain and sophisticated to vibrant and patterned.

Concern for the environment and the community forms part of the company's values and it strives to provide a safe workplace and promote healthy work habits, which is especially important in the current COVID-19 environment.



Towels in Production



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The Economic and Business Impact Assessment Report shows a 90% decline in demand for products and services resulting in reduced sustainability of business with 14,5% being liquidated or mothballed during the survey period; 45,7% of employees are severely affected with salary cuts introduced or employees temporarily laid off; 29,7% of employees required to take unpaid leave and only the UIF TERS support keeping wages 'normal'.

“OH SO BRIGHT” IS THE FUTURE FOR A PROUDLY-KWAZULU-NATAL HOMECARE MANUFACTURER



Bongi Shangase with her OhSoBright washing products at a trade-show.

DURBAN-BASED SHANGASE BRANDS HAS ITS SIGHTS SET ON ESTABLISHING ITS OHSO BRIGHT HOME-CARE BRAND AS THE PRODUCTS OF CHOICE IN EVERY HOME IN SOUTHERN AFRICA AND BEYOND.

The woman behind this growing brand is 54-year-old, KwaZulu-Natal-born, Bongi Shangase, a qualified chemist and co-founder of Shangase Brands.

Shangase's passion for household products was initially fuelled during her tenure with global household brand giant, Unilever, where she spent over 10 years in product development and later, in direct sales. In 2008 she branched out

on her own to pursue her entrepreneurial aspirations, initially developing and selling her own range of cosmetics.

In 2013 Shangase came across a sample of a branded detergent paste that sold millions of units in Central Africa and soon began testing and improving the product formulation to adapt it for the local and Southern African market.

The fledgling company initially kicked off production in a small manufacturing plant, which was set up in a garage, and continued to formulate, develop and test the product and paste concept.

“We went through numerous development cycles from 2013 to 2015. In 2016, together with my business partner, Manna Hoogenboezem, we finally launched a significantly improved stain removal

product that was far superior to what was then available in Central and Southern Africa.

“We initially tested the new formulation product amongst consumer groups within a small test market in Durban. The resoundingly positive feedback and return business gave us confidence that the OhSoBright laundry detergent paste could indeed compete with household detergent brands in the local market,” says Shangase.

The biggest challenge that the brand faces is convincing retail buyers that an emerging laundry paste can be competitive against more established brands on the shelves.

“The use of laundry paste is a new concept in South Africa and a tough concept to sell in a very established powder



The multi-billion rand soap, cleaning products, wax and polishes manufacturing industry in South Africa is dominated by large multi-national, fast-moving consumer goods players. There are currently around 250 players in the formal sector, employing some 16 000 people - WhoOwnsWhom SA 2017

detergents market. We know that our product performs better than many powder detergents currently on the market, but retail buyers are not always willing to give us the opportunity," she says.

The product's first big break into the mass market came when Masscash agreed to list OhSoBright in its wholesale division in KwaZulu-Natal.

This opened the door to various independent family and wholesale stores also stocking the product and allowed the brand to slowly build credibility amongst customers.

In 2018 Trade & Investment KwaZulu-Natal (TIKZN) welcomed OhSoBright into its Export Training and Support programme.

The company was invited to participate on the TIKZN pavilion at various consumer and trade shows, including the East Coast House and Garden Show, one of the

largest consumer shows in the province. The brand also received critical exposure at the Local Southern African Manufacturing Expo (Johannesburg in 2018) and was amongst the TIKZN delegation on a Trade Mission to Mauritius in 2018. Claude Moodley, Executive Manager: Export Promotion, said: "COVID-19 has brought South Africa's quest to promote and support localisation into sharp focus. The disruption of global supply chains has had a tremendously negative impact on various business sectors that have previously been heavily reliant on imported goods."

"As public and private sector role-players unite to support the massive process of resuscitating and growing our national and provincial economy, it is imperative that we prioritise opportunities for localisation and promote the demand for locally-produced goods, both within our province and beyond."

"Through Trade & Investment KwaZulu-

Natal's export training and support initiatives, we will continue to provide innovative KwaZulu-Natal brands, like OhSoBright, with platforms to reach a wider consumer base to promote the call to buy local, as well as to support their efforts to grow opportunities for export trade," added Moodley.

The company employs 59 people in its ISO 9001-2015-accredited factory and its OhSoBright products are currently sold regionally in SPAR, Choppies, Saverite, Jumbo Cash and Carry, TFS and a number of other independent stores. They have also been exported to Namibia, Malawi, Zimbabwe, Swaziland and Botswana.

In 2019 the product range was extended to include dishwashing liquid, tea tree gel, a multi-purpose spray and a motor vehicle shampoo. Prior to the COVID-19 outbreak, the company also introduced its Clean & Fresh hand sanitiser which was launched with great success.



Bongi Shangase and her son, Bonga, who provides trade and supply chain support, at a local manufacturing expo in July 2019 at NASREC, Johannesburg, as part of the TIKZN Pavilion

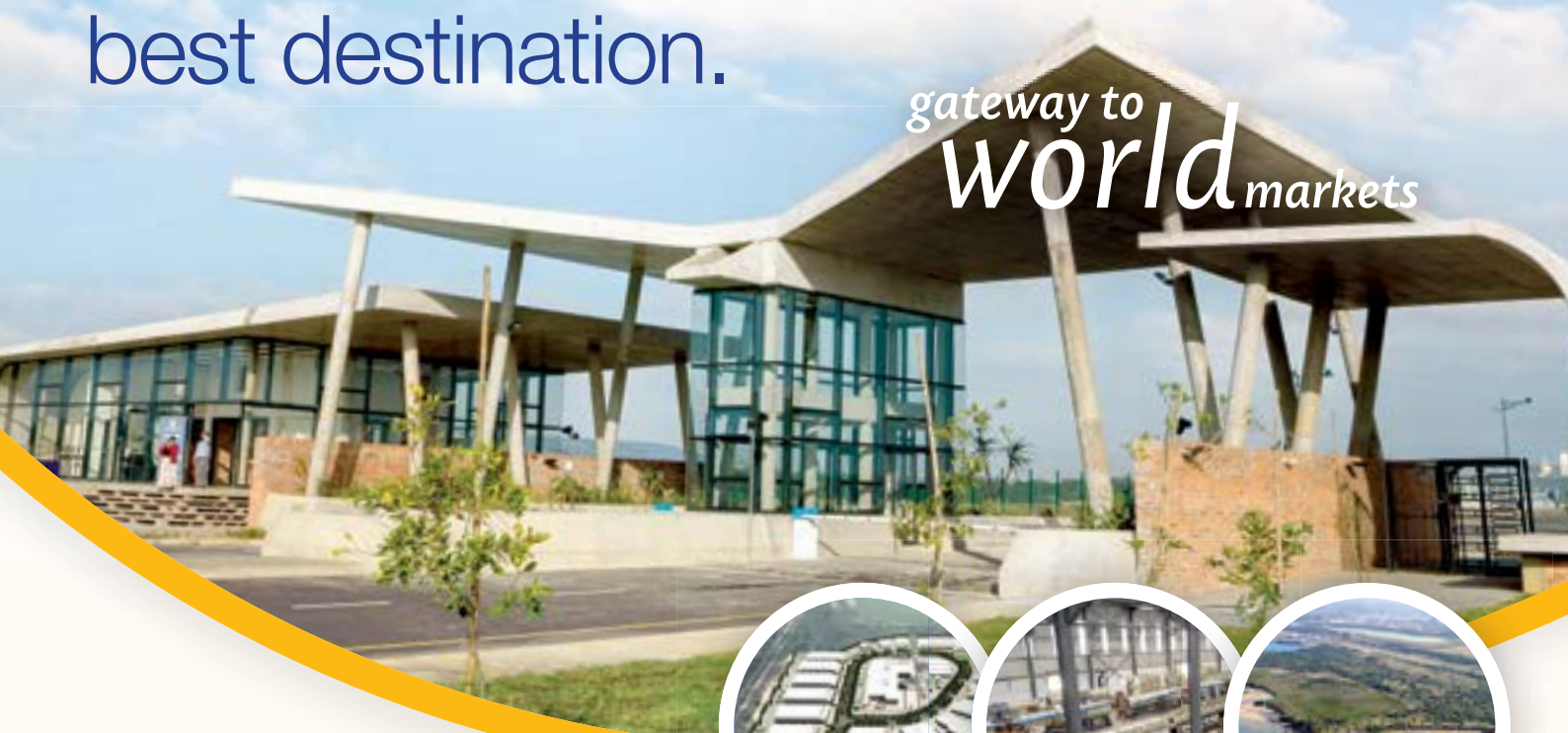


UPCOMING EVENTS NOV/DEC 2020

DATE	EVENT	VENUE
NOVEMBER 2020	EDTEA TOURISM AND INVESTMENT DISTRICT ACTIVATIONS	- HARRY GWALA - AMAJUBA - KING CETSHWAYO - ILEMBE
DECEMBER 2020	EDTEA TOURISM AND INVESTMENT DISTRICT ACTIVATIONS	- UMKHANYAKUDE - UMZINYATHI
NOVEMBER	KZN PREMIER AND MEC STAKEHOLDER ENGAGEMENT SESSIONS WITH: - BUSINESS - DIPLOMATIC CORP	- THE SAXON HOTEL/VIRTUAL TBC
NOVEMBER	INTERNATIONAL ORGANISATION DINNER	- SHERATON HOTEL, PRETORIA/VIRTUAL
12 NOVEMBER	ONLINE BUSINESS SEMINAR WITH SAUDI CHAMBER	- ZOOM
13 NOVEMBER 2020	LAUNCH OF HILTON HOTEL UMHLANGA ARCH	- UMHLANGA
16 – 20 NOVEMBER	SAIC LINKED ACTIVATIONS IN ETHEKWINI, AND ILEMBE DISTRICTS	- HYBRID
18 NOVEMBER 2020	SOUTH AFRICAN INVESTMENT CONFERENCE (SAIC)	- SANDTON
NOVEMBER	BILATERAL CHAMBER SHOWCASING OF KZN PRIORITY SECTOR PROJECTS	- THE CAPITAL 20 WEST, SANDTON/RADISSON BLU/MASLOW SANDTON
DECEMBER 2020	ILEMBE DISTRICT MUNICIPALITY CLOSED SESSION	- ILEMBE

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Ms Nomusa Dube-Ncube, MPL
KwaZulu-Natal MEC for Economic
Development, Tourism and
Environmental Affairs

SUPPORTING KWAZULU-NATAL SMALL AND MEDIUM COMPANIES DURING COVID-19

INVESTSA KWAZULU-NATAL BUSINESS SUPPORT DESK

Seeking relevant information or access to government-supported relief programmes and interventions? Trade & Investment KwaZulu-Natal, through the InvestSA KwaZulu-Natal desk, is here to guide you through the application processes.

Please visit www.tikzn.co.za/support-desk – designed to provide online assistance for businesses during the COVID-19 lockdown period.