

## DEVELOPMENT

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AS PART OF ITS MANDATE TO TRANSFORM THE SOUTH AFRICAN ECONOMY, THE DEPARTMENT OF TRADE & INDUSTRY (DTI) HAS PLAYED A VALUABLE ROLE IN SUPPORTING ENTREPRENEURS, FROM FUNDING TO NETWORKING

The dti was created to help transform the South African economy so that the country can compete on a global scale. Its vision is to ensure the country develops in a way that benefits all citizens.

The dti offers financial support. It also offers non-financial incentives and guidance, all of which are available on its website and can be accessed through the Incentive Development and Administration Division (IDAD) of the dti.

The dti InvestSA one-stop shop likewise

provides project support, facilitating linkages to various domestic sources of funding for establishment and for expansion. Through its foreign economic representatives, it facilitates international trade and export opportunities and foreign direct investment. With a focus on growing the economy, entrepreneurs are exposed through various channels – including the media – as this will increase their uptake and encourage expansion and thus more employment.



### ON YOUR MARKS, HANDSET, GO!

Even a seasoned entrepreneur like Dr Tim Tebeila can benefit from the dti's assistance. The former school teacher first ventured into business when he established Morethi Insurance Brokers. He later launched Tebeila Building Construction, which grew to become the biggest black company in the sector in SA within a few years.

He went on to establish mining company Sekoko Resources and secured R55 million in capital from Coal for Africa, which paved the way for its expansion. The firm entered a joint venture for two local coal projects with Australian exploration company Firestone Energy. Today, it is one of the leading mining and energy companies in SA.

When Tebeila decided to dip his toes into Africa's fast-growing mobile phone market, the dti approached Sekoko Mobile to offer its support.

The dti, through InvestSA, facilitated the reduction of red tape for funding that the entrepreneur had applied for from the IDC. The department also exposed the entrepreneur to opportunities within special economic zones, which are geared towards manufacturing for the export market. Going forward, Sekoko Mobile can look at tapping into some of the incentives of the dti, such as the Export Market Investment Assistance scheme aimed at developing export markets for South African manufactured products.

"The dti provided support because it was eager to promote proudly South African devices," explains Tebeila.

Sekoko designs the devices and outsources the manufacturing to different local companies. Its mobile division produces 3,5" 3G, 5" 3G, 5" LTE and 5,5" LTE cellphones. The manufacture of the first line of phones began in late 2015, with prices ranging



Dr Tim Tebeila



from R700-R4 000. The devices are available on a pre-order basis and are deliverable within four months to both individual clients and retailers buying in bulk. Tebeila says he's aiming to have his device in the hands of up to 15 million users by 2017.

Sekoko Mobile has also secured a number of international brand ambassadors, such as the Jamaican 400m hurdler and former Commonwealth Games champion Kaliese Spencer, who is marketing the Sekoko brand in her country and the USA. However, the dti remains the company's most important partner.





## IN THE BAG

Tshepo Mazibuko is another emerging entrepreneur who was helped by the dti. Although he didn't know exactly what he wanted to do when he resigned from his job, he was sure he wanted to build his own dream, instead of helping others build theirs.

"I wanted to start my own business," he says. "One day, I was taking a walk around Katlehong in Gauteng and noticed that there were a lot of plastic materials lying on the side of the road. Not only did they make the place look filthy, but kids and dogs were playing with the potentially hazardous waste. I decided to do something about it."

As part of his research into recycling, Mazibuko spoke to various companies and individuals who collected plastics for resale. He discovered that there was a gap in the market, especially in Katlehong, as there was no place nearby that could help the informal collectors sell their products. As a result, many of them became discouraged by the long distances they had to travel with their trolleys, which is why they stopped collecting recyclables altogether.

"I used a trolley to collect plastic waste from household dustbins," he recalls. "It was hard, but I needed to put food on the table and this proved to be the best thing I could have done. I learnt hands-on about the business and identified key success factors which would later differentiate my firm from competitors."

K1 Recycling began operating in 2009 and was formally registered in 2011. It manages and operates a buy-back centre

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in the Moshoeshoe section of Katlehong for recyclable materials, such as cardboard, plastic bottles and aluminium cans.

"My wife and I started with limited funding from our own pockets," Mazibuko says. "This allowed us to buy a second-hand bakkie and trailer, as well as second-hand machines. Because everything was used, breakdowns were constant, meaning we were often experiencing shutdowns."

Institutions were unwilling to fund the business because the market was informal and the couple was told that the risk was too high. Instead, they had to knock on every possible door, to the point where they lost count of the number of rejections.

"I heard about the dti through a friend who once engaged it and was assisted," he says. "I approached the department and explained the challenges we were facing. Community members were now becoming more involved in solid waste collection and we couldn't handle the growth."

Although the dti couldn't help with funding, Mazibuko had several follow-up meetings during which he was introduced to specialists for further advice that was vital for business growth. They also linked him to various institutions like Anglo Zimele,



Tshepo Mazibuko



whose funding in 2015 enabled the business to buy new vehicles and machinery.

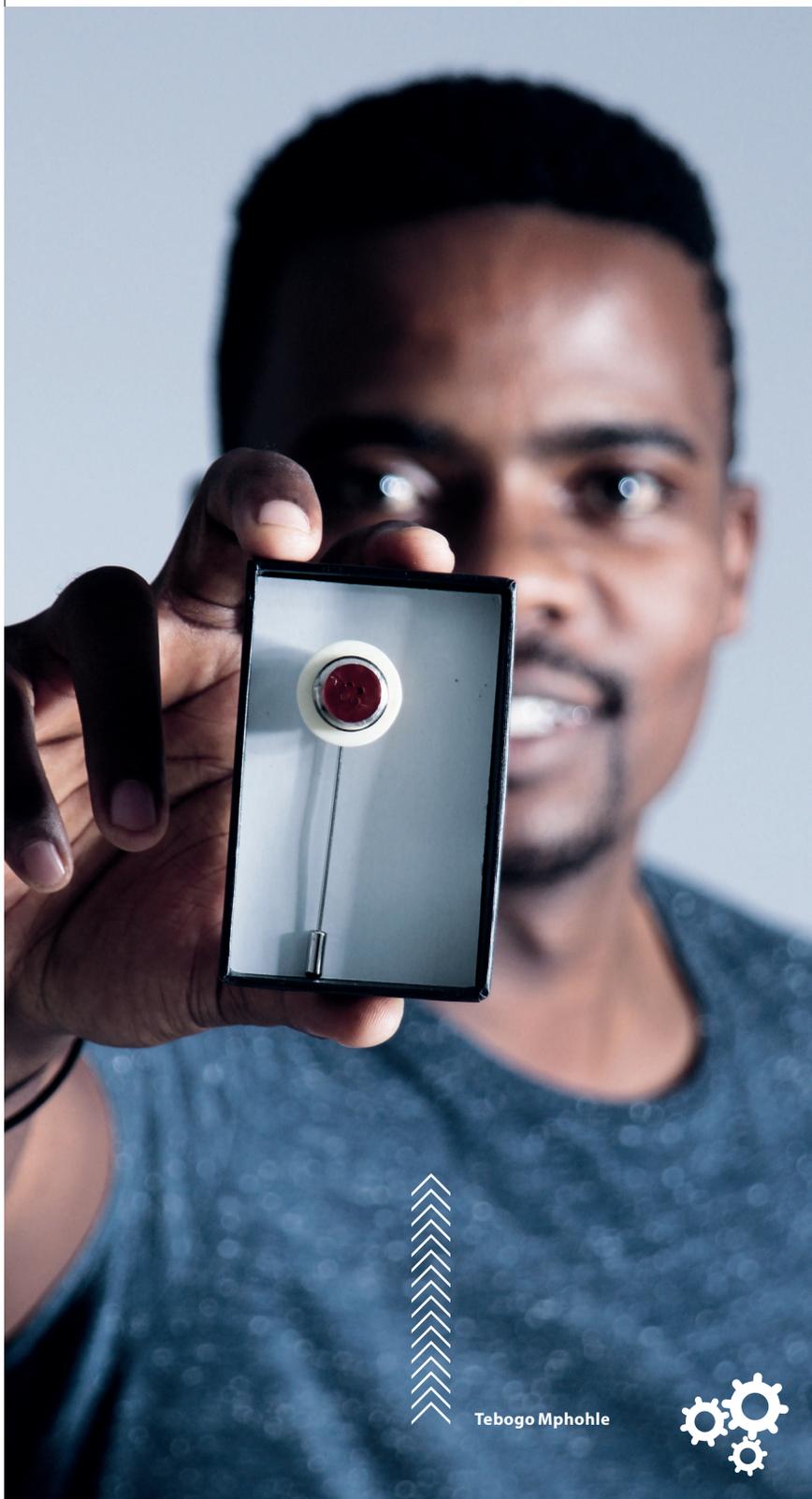
"We have now mastered the raw material collection part of the business and are ready to go into processing of the recyclables," he says. "We want to process the plastic material and produce pallets, which will be sold directly to manufacturers of plastic products. This will transform us into a value-adding business in the supply chain."

Indeed, Mazibuko believes it will be a game-changer for the business, allowing it to triple the number of people it employs. Furthermore, with more than 600 collectors supplying the business with over 100 tons of recyclable material per month, the number of these indirect jobs will also increase.

It's all thanks to the dti's understanding that the business is making a big impact on the community. When it starts manufacturing, the department will also help with exporting so that the business can spread its wings around the world.

"When I first met the dti team, they promised that they didn't intend on just helping us once – they wanted to be partners in seeing our dream becoming a reality over the long term," he says. "Indeed, they have kept to their word."

PHOTOGRAPHER: ANDILE MPHEMBU. GROOMING: LINDIWE SONKHLU



Tebogo Mphohle



### ON THE BUTTON

Tebogo Mphohle has also received help from the dti. Born in Soweto, he moved to the Vaal in 1992 and grew up in Evaton North in Gauteng. Household chores were an irritant and a drag for the 12-year-old Mphohle, but he learnt valuable skills: cooking, cleaning, washing and ironing his clothes and how to sew buttons onto his school shirts.

"I had the privilege of being around creatives at university," he says. "This shaped my thought patterns and I began to pick up design skills."

Mphohle later met his girlfriend, a stylist who suggested on Facebook that men should explore their fashion sense by going to their mothers' jewellery boxes, finding old brooches and using these as accessories. This advice proved useful when he found himself without a pin to wear to a work function in December last year.

"I rushed to my mother's jewellery box, but I couldn't find a brooch," Mphohle recalls. "I saw buttons of all shapes and sizes, so I used the skills I learnt as a 12-year-old to take three of them, sew them onto my jacket and create a lapel pin. The response vindicated my idea. From there, I was inspired to use everyday buttons to make sensible accessories and create 'million-dollar conversations' between the ordinary and the wealthy."

Mphohle's firm, 3rdbutton, designs and creates lapel pins using a variety of buttons – from ordinary to vintage and from new to old. With "let's put it together" as the motto, the business aims to bring style, dimension and functionality back to fashion. It's all about attention to detail, a dash of perfection and enhancing or completing people's looks.

"We want to be the first stop for accessories for well-dressed individuals and the preference of designers, stylists and prominent names in the industry," he explains.

Even though most of the buttons are unique and sometimes hard to source, 3rdbutton has been able to replicate designs according to specifications. The accessories are unisex, but women tended to feel left out at first. Happily for Mphohle, getting them to try them on made it easy to win them over, too.

"The dti played a facilitation role, providing guidance with regard to business plan and business profile development, linking my business to existing players in the fashion industry and alerting me to relevant platforms for exposure in order to establish a market for my product." **DM**

## A top dti resource

**INVESTSA:** InvestSA is a division of the dti that actively markets, promotes and facilitates investment in key, high-yielding growth sectors of the South African economy. Its support is geared towards fast-tracking projects and reducing governmental red tape.

Visit: [thedti.gov.za](http://thedti.gov.za)

