# CAPE 40<sup>TH</sup> Anniversary

# Business News

**FOUNDED 1980** 

TO SUBSCRIBE TO CAPE BUSINESS NEWS SMS Subscribe to 31013 or phone 021 250 0400

**JANUARY 2020** 

Computers on wheels

Be afraid?



**Superyacht Training Academy opens** 



Wine & Food Awards

Celebrate top performers.



# Winners share R13,65-m!



The SAB Foundation Social Innovation & Disability Empowerment Awards winners.

A total amount of R13 650 000 in funding was awarded to twenty finalists at the recent SAB Foundation Social Innovation and Disability Empowerment Awards 2019.

THE R1,3-million winners are Regenize, a free recycling service with a rewards system, The OptiShunt, a device that prevents blindness in glaucoma patients and Specialised Seating for Disabled Children, custom chair and tray tables for children with physical disabilities.

Specialised Seating for Disabled Children also won the People's Choice award voted by guests at the awards.

#### Social innovation award winners

The Social Innovation Awards are aimed at innovators, entrepreneurs and institutions with prototypes or early-stage businesses that solve a social problem.

First place Regenize was developed by Chad Robertson and business partner Nkazimlo Miti. A free and inclusive recycling solution that rewards people for sustainable behaviours by exchanging their recycling for a virtual currency, Remali, the value of which is determined by the weight of recyclables. Remali can be used to purchase a selection of vouchers ranging from airtime to data and groceries. To drive inclusivity, Regenize partners with waste mon McClunan, is an implantable de- 614 jobs," said SAB Foundation Director, pickers during the collection process, pro-

viding them with uniforms, transport and access to sorted recyclables.

Second placed PlastiBrick receives R900 000 to further an innovation by Kekeletso Tsiloane that uses recycled plastic to manufacture stock and maxi bricks that are strong, durable, fire retardant, and environmentally friendly.

In third place; Put It Out, a mini fire extinguisher designed by Toli Altounis. It is a cost effective, non-toxic and easy to use fire extinguisher devised to curb shack fires. The R750 000 will help put the extinguisher into the hands of those who are at risk

#### Disability empowerment award winners

The Disability Empowerment Awards are aimed at promoting social innovations that improve the quality of life for people with disabilities through assistive devices, training or employment

In joint first place were, Specialised Seating for Disabled Children and The OptiS-

Innovator, Mpho Mohlolo, developed Specialised Seating for Disabled Children. These chairs and tray tables are custom built for children with physical disabilities and are cost effective, strong and environmentally friendly.

The OptiShunt, designed by Dr Daevice that prevents blindness in glaucoma Bridgit Evans.

patients by draining excess fluid out of the eye while equalising pressure between the eye and the optic nerve. Glaucoma, an eye disease, is most severe among people in

"Winning the SAB Foundation Disability Empowerment Award provides us with the support we need to set the OptiShunt on a clear course to success, radically disrupt the current treatment of glaucoma and making a big impact in the fight against global blindness", said Dr McClunan.

Third placed ShowerBath won R750 000, which will help Xelda Rohrbeck roll out the use of a device which helps care-givers bath disabled individuals. A combination of a shower and bathtub, the innovation eases the stress of a caregiver as it eliminates electro-mechanical hoists and reduces the physical strain of having caregivers manually lift the individual.

Since 2010, the SAB Foundation has identified, supported and helped to scale social innovations which demonstrate a sustainable business model while solving a critical social problem. "To date, we have committed over R77 million towards promoting social innovation and supported 162 businesses that solve social issues and provide solutions to people with disabilities. Over and above this we are proud that these businesses have also created

#### **ABHO** donates its first classroom



WO years ago, the Atlantic Beach Home Owners (ABHO) Association – managers of the Atlantic Beach Golf Estate in Melkbosstrand - established the Annual Village Fair, with the objectives of furthering camaraderie amongst residents, while raising funds to purchase and donate pre-school class-rooms to assist its nearby community.

Now, after just two Village Fair's and having partnered with the Cipla Foundation, it has donated its very first Grade R classroom to Saxonsea Primary School in Atlantis.

The decision to assist Saxonsea Primary stemmed from a survey done amongst ABHO staff to establish where most of their children attend school.

Saxonsea's headmaster, Mr Gary Markus explained:

"We currently only have three Grade R classes, but six Grade 1 classes. Our aim is to have six Grade R classes that will move on to Grade 1 the following year.

Almost 60% of our Grade 1 learners have no formal schooling. They are not even attending any crèche or pre-primary school, because many of their parents cannot afford the costs.

Our academic results of Grade 1 give a clear distinction between the learners that attended Grade R at our school and those who haven't.

Learners with no formal preparatory schooling have such a big disadvantage, that they seldom reach their intended potential."

The first classroom was fully installed during October and Saxonsea primary hosted a ribbon-cutting event where all sponsors and other role-players attended, without which project wouldn't have been pos



#### IN THIS ISSUE

- 10 Automation Systems
- Food / Beverage / Wine
- 13 Agri-Processing Industry & **Supply Chain**
- 14 Warehousing & Storage Management
- Industrial Maintenance & Refurbishment
- Electrical industry
- Maritime & Ship Repair
- Water Engineering
- **Exhibitions & Conferences** for 2020
- 21 Plastics & Recycling
- Sustainable Business **Practice**
- On the Contrary
- The Other Side of the Coin

# Wesgraan rains profits

ONE of the high octane growth stories to monitor in 2020 is agricultural services group Kaap Agri's aggressive expansion of its fuel sales as well as an intriguing thrust into the specialist plastics segment.

Under the banner of The Fuel Company (TFC), Kaap Agri has grown its fuel sales hub into a R2.5bn revenue business.

In the year to September, TFC added five new and managed retail fuel sites to push total fuel volumes up 10,4% at owned and managed sites awaiting regulatory approval.

What's more, additional quick service restaurant offerings were added to further complement existing retail fuel

site offerings.

Overall TFC grew income by 36,4% and operating profit before tax increased 18%.

Kaap Agri CEO Sean Walsh explained that

profits had grown at a rate lower than revenue due largely to a combination of fuel price increases with regulated margins as well as the revenue impact of managed sites converting to owned sites.

Walsh believed pressure would remain on fuel volume sales. But Kaap Agri's enthusiasm for fuel sales expansion remains intact.

Walsh said further TFC site acquisitions were at various stages of conclusion "with a strong pipeline of new sites for the coming year".

"However, in addition to new sites, we have and will continue to capitalise on convenience store and quick service restaurant revenue and margin opportunities at existing

Kaap Agri's core 'Trading' segment fared satisfactorily in the year to end September, and looks set for further expansion in 2020.

Income in this division is generated by Agrimark retail branches, Forge Agri, Forge Build, Pakmark packaging material distribution centres as well as mechanisation services and spare parts distribution. Revenue increased by

20,6% year on year - but operating profit before tax dipped 0,4%. If the performance by Forge, which was acquired recently, is stripped out then revenue grew by 12,5%.

Walsh said one new Agrimark store was opened with a revamped retail format rolled out to four Agrimark stores.

Meanwhile, graan, Kaap Agri's grain handling and storage subsidiary – has made a swift recovery from its drought-induced profit downturn.

The business - which is also involved in seed processing and potato seed marketing - increased income by a whopping

91,5% to R840 million and more than doubled its contribution to Kaap Agri's operating profit before tax for the year to end September.

While the profit recovery was predicted after the prolonged drought (especially in the Western Cape, Kaap Agri must be given credit for investing in storage capacity to accommodate the bumper 'recovery' harvest. An additional 10 000 tons was added to the grain storage capacity.

But CEO Sean Walsh cautioned not to expect a repeat performance in the financial year ahead.

He pointed out that the latest harvest estimates indicated a likelihood of a slightly below average wheat harvest for the new year across the total Swartland region due to poor late season rainfall and abnormally high temperatures during key periods.

that Wesgraan's lower wheat yield would Kaap Agri's profit before tax by approximately 2% to

After financial year end, Kaap Agri also made an interesting move in launching Tego Plastics, which will initially produce high-quality, food grade plastic bulk bins for the agricultural market.

Walsh said this would be done through an moulding injection manufacturing process. He added that there was an opportunity to manufacture additional solid form products at a later stage. "This is in line with our strategy to diversify our manufactured product range non-irrigation into agri-related products." Kaap Agri has allocated R95 million in capital expenditure to this venture, which could be a key development for the group in 2020 and

# Steeled for uncertainty



Image credit: ftwonline

THE fragile West Coast economy will begin 2020 on a brittle footing with steel giant Arcellor Mital's decision to close down its unviable Saldanha Steel plant.

The R6,8bn Saldanha Steel facility, located around 10 km away from the Langebaan Lagoon, was commissioned in 1998 with a capacity to produce 1.25 million tons of hotrolled carbon steel coil per year. The product is earmarked mainly for the export market, ArcMitt had concluded market - mainly due to and was the first steel the first phase of the raw material and regundary government and organticipation in depressed

merge the 'Corex' and 'Midrex' technologies that replace the need for blast furnaces and coke ovens.

The first signs of bad news for Saldanha Steel came in September when ArcMitt declared a "strategic asset footprint review of its South African operations with a view to determining "the operational and financial sustainability of certain of its major operating sites".

mid-November

not good for the Western Cape economy.

To quote the steel "Following due deliberation and consideration, the decision has been made to undertake an orderly and commercial wind-down of steel operations at Saldanha Works, ultimately placing the operation on care and maintenance.'

ArcMitt noted Saldanha had lost its structural competitive cost advantage to effectively compete in the export

ity - which turned over R8.7 billion in the 2018 financial year when almost 1.1million tons of steel was produced - was suffering severe financial losses and these were forecast to continue for the foreseeable future.

ArcMitt immediately went about the process of winding down Saldanha's steel operations to a state of care and maintenance. This process, the group said, would probably be completed during the first quarter of 2020.

Almost 1 000 workers will affected by developments, which would be devastating in an area where there are relatively few large scale employers.

contractual The domestic steel sales orders from Saldanha will now be fulfilled from ArcMitt's Vanderbijlpark Works.

ArcMitt pointed out that the "difficult decision" on Saldanha was taken in the context of constructive ongoing engagements with key

alternative to the dire situation in the South African steel industry.

ArcMitt stressed that it realised the importance of Saldanha to the region, and would, as far as reasonably possible, make every effort to minimise the impact of the orderly and commercial wind-down.

Since the decision to close down the Saldanha Steel plant, there have been protests by local workers and support from government urging ArcMitt to reconsider their decision.

Government itself is probably too cash strapped to deal comprehensively with a Saldanha Steel rescue package. Besides parastatal problems like Eskom and South African Airways have priority.

The only possible solution, at this delicate juncture, is finding an investor willing to take the Saldanha Works off ArcMitt. That seems highly unlikely – especially with Chinese competition rendering production facility to review, and the news was lated prices. The facilised labour - to find export markets increas-

ingly unviable.

CBN understands that provincial and local government did their level best to ensure the Saldanha plant endured including exploring ways to reduce electricity charges and water tariffs.

ArcMitt, itself, also worked hard at finding traction at Saldanha.

These efforts might well be critical should trading conditions in the steel industry firm up, and the Saldanha plant find itself the target of opportunistic investors.

According to the group's 2018 annual report, strenuous efforts were undertaken to ease the plant's "chief bottleneck" in its inability to produce sufficient quantities of liquid iron (which required the introduction of scrap, and dramatically slowed the Conarc furnace process).

ArcMitt indicated that the business transformation programme set a debottleneckingimprovement target for Saldanha at a sustainable R277 million per annum.

The group said that by

financial year-end some 45% of this target had been achieved in terms of improved yields and reduced electricity consumption.

ArcMitt also took maintenance at the Saldanha plant very seriously - which probably means the operating assets are still in good

The 2018 annual report noted the Saldanha plant would serve as the company-wide test bed for transforming the group's maintenance practices, investments and processes.

In this regard, maintenance improvements introduced in 2018 concentrated on Saldanha's hot strip mill where ArcMitt said "the results were almost immediate and substantial (with) stoppages... being cut with minimal capital expenditure".

While Saldanha Steel's closure is a bleak development for the West Coast economy, if the plant can be continue to be adequately maintained then the chances of a new backer emerg ing in better times are at least reasonable.



Tel: 021 981 6559 www.atlanticsteam.co.za robert@atlanticsteam.co.za











# Clubbing in for Mykonos

WITH the spectre of the Saldanha Steel closure hanging darkly over the West Coast economy, the Club Mykonos Langebaan (CML) leisure property development is showing encouraging signs of vibrancy and, more importantly, additional investment.

Trematon Capital Investments - the owner of CML - indicated in its latest annual report that the intrinsic value of the development increased slightly due to increases in property values as a result of continued rental income growth in both the boatyard and marina as well as new commercial tenants.

Trematon

Arnold Shapiro said the Club Mykonos resort had been incrementally improved over the past eight years with the most recent improvement being the main public areas on the waterfront. "These needed a facelift to bring it up to standard with the rest of the property."

Shapiro said strategic decision to install a major franchise on the waterfront led to engagement with various national franchises. "We are pleased to announce that the Cape Town Fish Market at Club Mykonos is now operational along with a newer franchise called Kapstadt Brauhaus." He said these new leases required significant capital expenditure. But he believed the results appeared to be "very pleasing" with early indications that the Club Mykonos Waterfront will become a major leisure attraction in the area.

Shapiro disclosed initial trading at the new franchises had been positive. "We are confident that this will bring new clients to the resort and improve the overall guest experience.'

He also reckoned the new franchises would help CML entice more group and conferencing business to the resort to increase midweek occupancies.

CML's contribution to Trematon's profit grew by a sprightly 22.4% to R13.1 million – underlining the success of the newer investments.

Shaprio noted that the Club Mykonos Marina and Boatyard continued to show strong growth even in the current difficult economic conditions. "They are both integral parts of the Club Mykonos resort and remain fully let with a substantial waiting

He said a major refurbishment of the marina terrace restaurants was also completed at the end of September after CML secured a longterm lease agreement with the Cape Town Fish Market and Kapstadt Brauhaus.



The Club Mykonos Boatyard, which comprises 257 lockup storage units in various sizes as well as safe outdoor storage - has started installing a powerful 726 kW solar plant. Shapiro explained that this

would see CML being less reliant on availability of power from Eskom, and also mitigate any supply constraints from the beleaguered power utility for any future developments.

Shapiro confirmed

that CML continued to explore potential development of the remaining zoned land. "This will unlock further value and add to the already positive annuity income contribution that CML provides Trematon."

# Say curtains to dust and insects

THE ineffective control of dust and insects, coupled with variances in temperature, result in hygiene as well as health and safety compliance problems.

Wim Dessing, sales executive at Apex Strip Curtains & Doors, says that high quality strip curtains offer an affordable and viable solution for a number of these applications.

"Our Balledge® PVC strip curtains are equally at home in the food, pharmaceutical and heavy engineering industries as effective control mechanisms against various foreign elements," Dessing

Apex General Purpose Strip Curtains are transparent allowing unimpaired visibility. This eliminates accidental collisions between pedestrians and vehicles, while at the same time the specially formulated PVC provides durability for extended longevity.

Six specific elements are controlled by using Apex General Purpose Strip Curtains: humidity; noise; temperature; hygiene; dust; insects; health and safety.

In highly sensitive environments as pharmaceutical or printing, control of the level of humidity is critical to ensure a high quality level of

finished product.

Noisy machinery, especially in the printing and engineering environments, can be effectively enclosed with PVC strip curtains without obstructing the operator and hindering production.

"Tests have, in fact, shown that noise levels can be reduced over a range from 7 to 15 decibels to improve working conditions," Dessing says.

In food processing and handling facilities, such as the dairy industry, keeping temperature at specific optimum levels can mean the difference between an acceptable product and one which must be rejected due to spoiling.

"Temperature control is crucial to the quality of valuable perishable cargoes destined for either export or domestic use," Dessing adds.

"In addition, it's important to ensure hygiene in such facilities and Apex General Purpose Strip Curtains have been found to contribute towards attaining acceptably high levels of hygiene," Dessing says.

Temperature control is equally important in food preparation and storage, cold storage and freezer areas as well as in refrig-

erated trucks. Apex General Purpose Strip Curtains have a patented reinforced edge, referred to as the Balledge®, which ensures an overlapping secure seal whereby cold air is kept in and warm air is kept out to ensure maximum thermal control," Dessing

says. pharmaceutical In and chemical plants PVC strip curtains are used to ensure dust free and hygienic manufacturing areas. The curtains are also used around pill packaging areas, in powder rooms, mixing rooms and warehouses.

"Maintaining a dust free environment is also important in the handling and packaging areas of manufacturing plants where clean surfaces are required to obtain adequate sealing of packaging material," Dessing says.

In the food processing sector, there is a definite need for strip curtains in wash areas, deboning sections, mixing rooms, vacuum facilities, packing holding and freezer rooms or delivery trucks.

Open areas at dust filtration and extraction units can be enclosed using PVC strips and other applications are found in mine hostels, kitchens, food preparation areas and workshops.



Apex Strip Curtains have been found to contribute towards attaining acceptably high levels of hygiene.





### Motor system efficiency high on global agenda

WITH electric motors consuming almost 70% of industry's energy, companies are always looking for better motor efficiencies. For many years, motor efficiency has been well defined; however, when driven by a variable speed drive (VSD), the VSD efficiency and the total efficiency of the VSD and the motor has not been well understood. For many years, motor

efficiency has been well defined. Choosing the right product combination can also be more difficult as manufacturers' data is not always easily comparable. This is where the international IEC61800-9 standard comes to the rescue, according to global motor and VSD manufacturer WEG.

The IEC61800-9 standard – based heavily on the previous EN 50598 standard – gives manufacturers a clear framework for grading a complete motor system. End-users can compare the overall efficiency of a manufacturer's products, irrespective of design and component selection.

The IEC61800-9 standard uses the Extended Product (EP) approach. This considers the efficiency of the Motor System, which is comprised of the Motor, the Basic Drive Module (BDM) and the Complete Drive Module (CDM). Together, these make up the Power Drives System (PDS), which also includes any switchgear and controls.

This terminology sounds confusing but is just a technical way to say: Switchgear + VSD + Motor. The efficiency levels are defined by considering eight different operating points, covering low to high speed and torque. The user can easily compare his application load and speed requirements to the motor system defined speed and torque points.

The EP approach employs a semi-analytical model to calculate the efficiency of each of the components at the operating points of the driven equipment. The calculations are also based on tested and verified values. This results in the most efficient component selection for the application.

Using this standard, the user may be assured that:

 A motor complies with the defined motor efficiency levels of IE1, IE2, IE3, IE4 or IE5;  A VSD complies with VSD efficiency IE0, IE1 or IE2; and

The manufacturer's motor and VSD used in combination will meet or exceed a system energy standard of IES0, IES1 or IES2.

Using this EP approach, the European Commission expects the increasing use of more efficient systems to help achieve its targets for carbon dioxide (CO2) reduction. In line with these efforts, WEG VSDs and IE2 motors in combination achieve IES2. significantly, And WEG's VSDs and IE3 efficient motors exceed the highest system levels of efficiency. Additionally, WEG has product lines that exceed even IE4 and IE5 classifications.

Recognising that global population growth and economic development is driving up energy demand around the world, the European Union has set stringent targets to reduce CO2 emissions. These aim to cut emissions by 40% by the year 2030. This means creating more renewable energy sources, and also increasing the energy efficiency of industrial systems. Studies suggest that almost half of global energy consumption comes from industry - followed by commercial and residential use.

The EC's regulation 640/2009 already requires that all electric motors operated from a variable speed drive or inverter must adhere to a minimum of IE2 to be eligible for sale. Fixed-speed applications must meet a minimum of IE3 to comply.

Where a motor does not operate at its nominal torque and speed, the variable speed drive represents a significant opportunity for energy optimisa-tion. In addition, the greater the range of speed variation results in a greater PDS efficiency. Using WEG's IE2 motors with any WEG variable speed drive can achieve an efficiency classification of IÉS2. However, using other WEG lines of motors with the right drive, much better levels of efficiency can be reached.

WEG has a complete line of variable speed drives which exceed the IE2 requirements outlined in the IEC61800-9 standard. When combined with its robust and reliable motor line, the products create an integrated solution for all applications.



Zest WEG Group is able to offer a range of standard off-the-shelf products as well as end-to-end energy solutions by leveraging best practice engineering and manufacturing capabilities.

All products are engineered to facilitate a safe and reliable environment with operational stability and the highest possible production levels as an objective. Reduced maintenance and ease of serviceability assist in lowering the total cost of ownership.











www.zestweg.com Tel: 0861 009378



# Fantas-tech prospects for 2020

TWO of Cape Town's cutting edge technology companies are racing into 2020 with significant tail-winds at their backs. Cape Town-based broadcasting group eMedia Holdings - which owns free-to-air television station e.tv and the eNCA 24 hour news channel - is sending out a strong profit signal for 2020.

In the interim period to end September eMedia showed an astounding 120% increase in profit from continuing operations of R102 million off a much slimmer 6.6% increase in revenue to R1.23 billion.

What must be noted is that eMedia's profits were banked despite the group still incurring significant losses on its continued investment in its multi-channel business - OpenView and e. tv multi-channel. These important ventures cost eMedia some R81 mil-

While the OpenView free satellite channel is still operating at a loss, eMedia reported that 'set top box' (or decoder) activations continued to grow steadily to reach almost 1.78 million activations at the end of Sep-

But the big profit spinner for eMedia was e. tv, which saw its market share increasing to 18.5% from 16.3% a year ago. e. tv's biggest rival, the state owned South African Broadcasting Corporation (SABC), endured its own fiscal challenges during the period - which might have hindered programming and given e. tv a gap to re-gain market share.

The group also indicated that e.tv's advertising revenue saw a 4% increase year-on-year in a challenging economic environment.

CEO Khalik Sherrif said programming and other cost of sales increased by 6.3% from R239.6 million to R254.7 million. "Management is reviewing the schedule in order to maximise slots that are currently unprofitable."

He said the new 18:30 drama series, 'Isipho', as well as the dubbed 17:30 Afrikaans telenovela were launched in July. 'Initial ratings are encouraging for both time

There was also good news at eNCA. Sherrif said eNCA continued to perform well and remained the most watched 24-hour news station on DStv.

He said costs continued to be well maintained with cost of sales showing a 0.3% increase and amounting to R134 million compared to R133.6 million in the prior period.

Sherrif said eNCA had finished an intensive strategic restructuring process - including a new line-up, short-form branded content inserts and programmes.

The Openview satellite platform is a work in progress - but there is a positive picture emerging. Sherrif said advertising revenue had shown significant improvement - increasing by 62% from R57.9 million in the previous year to R93.8 mil-

noted: "Open He

News has started to grow its audience and has been rebranded to e.tv News and Sport with the inclusion of the English Premier League from August and other sports content coming in the next six months." Sherrif reckoned box activations would soon surpass the 1.8 million mark. "With this ever-improving rollout and the increased market share of the oth-

er e.tv curated channels,

the platform is well posi-

Another Cape Townbased technology stalwart, PBT Group, also showed its mettle. In the half-year to end September PBT reported much improved total revenue of R321 million with profit before tax more than doubling to R34 million.

CEO Pierre de Wet said the interim period had been of great importance to the group as its strategic positioning for the next two years had been endorsed by recognition in the data landscape. "It has been acknowledged that the well-established terminology, data science, can only be enabled through efficient data engineering, the latter being the cornerstone of PBT Group's intellectual property developed over the past 20 years.

De Wet said various projects undertaken during the financial year to date had proven that although data science, machine learning and Internet of Things will play an important role in the future of all business-related data initiatives, data engineering remained the foundation and base to successfully enable and apply these new business techniques.

He said PBT had also

successfully adjusted its data engineering techniques to make its service offering applicable to most industries on-premise, as well as for cloud platforms such as Azure, Amazon Web Services (AWS) and Google Cloud Platform (GCP).

De Wet said that in growth-restrained South African economy, the demand for PBT's services exploded during this period.





































































#### Make a **commitment to safety. JOIN TODAY!**

#### For more information contact:

Connie Jonker: Tel: 011 396 8251 Email: connie.jonker@safehousesa.co.za Barry O'Leary: Tel: 011 396 8117 Email: barry.oleary@safehousesa.co.za

www.safehousesa.co.za

### Letters to the Editor

### Regarding 'Goreballs isn't a suburb of Glasgow'

CBN October 2019

Dear Editor

I am an avid reader of your Monthly Cape Business Newspaper that is delivered to our company. It is one of the few publications that I can digest cover to cover and the adverts are also very relevant and quite helpful.

I do however; have a small concern I would

like to raise. As I said, I read the newspaper from cover to cover which includes the articles at the back written by Keith Bryer. I see he is not a supporter of the climate change belief system and in October had a full go at Al Gore. I too am not necessarily a fan of any politician but I think his comments

seem to be quite narrow in his focus. He is making Al Gore out to be a fraud who is only in it for the money, and as a result concludes that because Al Gore is a fraud, then Climate Change is also a fraud and we should just carry on living and polluting like we are.

I am 46 years old halfway through com-

pleting a BA in Environmental Management (to add to my BCom) at UNISA because I personally think we are in for a rough time, and I can tell you that what I have learnt so far, is quite scary. There is real scientific proof (not just from Al Gore) that climate change is really happening so I

would really encourage Kieth to do a bit more research before he taints the Cape Business News with a possible personal agenda that might reflect bad on the newspaper. He is correct in stating that he will not be around to see the devastation of what lies ahead, and the interesting thing is that most climate

change deniers, are of the older generation. Our current economic model of natural resource exploitation is dominated by big business who don't want to change the way we treat the environment.

Some interesting articles that he might find useful include The Brundtland Report, Kyoto Protocal, Mon-

treal Protocol as well as many other articles listed on the United Nations Environmental Programme. The UN actually employs scientists...not movie stars. http://www.unenvironment.org

Again, thanks for a great publication.

Kind regards Edmund Steven

### Regarding 'The dirty underbelly of free energy'

CBN November 2019

Dear Editor

I am fairly open minded and like to see both sides of the story, however I truly believe the article written recently on the Dirty Underbelly of Renewable Energy should NOT have been published by a reputable tabloid such as yourselves.

I would not mind if it contained significant facts or truly scientific arguments, however it is an article of cleverly worded rhetoric with very little in the way of supportive fact or science. Indeed there is room for debate on what the extent and the outcome of excessive carbon will be, this I will not dispute. Clearly the planet has

the ability to sequestrate carbon to an extent, but there is no rational mind that cannot consider that there must be a consequence to releasing millions of years' worth of naturally sequestrated carbon and burning it to make energy in the space of 200 years into an atmosphere which is effectively only as thick as the distance from Parow to Cape Town i.e approx. 15 km. It also comes down to doing what is right and clearly with the population numbers of humans on Earth we need at least a few to care about our legacy and footprint on this planet.

Your article is not only biased and written to sound clever, rather than intellectual, but is far from balanced and totally unhelpful in a City where reasonable environmental practise is still developing from an embryo. I suggest you give the journalist the "Donald Trump" award for the worst drivel of the year!

Regards Steve Horwood

And the author responds...

I agree that I can get very hot under the collar regarding climate zealots. It is because I object to intolerance in any form and hold freedom of speech sacred, as our Constitution and Bill of Rights recognizes.

I question whether

zealots of the climate change belief system have the interests of humanity at heart. They seem instead to require a totalitarian control over just about everything. They also are quite open about the totalitarian Nirvana they wish to impose on the rest of us, re-enforced presumably by Green commissars.

To those who think such a fate could not possibly be in store for us; to those who believe there is nothing to fear from a mass movement of climate believers who divide the world between saints and sinners; I point at the end result of all those great and good intellectuals who 100 years ago fell in love with the promises of communism and/or fascism.

Both ideologies seemed to offer answers for absolutely everything, real or imagined, as long as we all obeyed their leaders 'orders, kept our mouths shut and let them tell us what to do and when to do it.

The world has been in this territory many times before, usually when religion of one sort or another was placed on a pinnacle. Every time it ended in tears.

I am not sure if history is a sub set of a B.Com degree but I would bet my knowledge of history that the claim that humans are changing the climate has moved from the rational sphere of science to the irrational space of dogma – not to be challenged for fear of excommuni-

cation.

What is remarkable and welcome is that there remains a core of brave climatologists who challenge the theory at the risk of their careers and plenty of historians who point to earlier preindustrial periods when the world was warmer that it is today.

Historians and climate scientists alike raise an eyebrow at the idea that an unproven theory of manmade global warming must be true because of a consensus among believers. If science was about consensus among believers, priests and nuns would still have us believing that the sun revolves around a flat Earth, Galileo's findings would have been burnt and the telescope remained banned to this day as an instrument of the devil.

Lastly, it is alas true that older people are the main doubters but that is because they have a memory going back 70 years, rather than 25. What they object to is being treated as heretics and told to shut up – or else

Regards, Keith Bryer

(Response edited for length- Ed.)



### Financing that backs entrepreneurs.

Growth Finance . Bridging Finance . Specialised Asset Finance



www.spartan.co.za

Authorised FSP 47631 Registered Credit Provider NCRCP8669

### CAPE BUSINESS NEWS

Cape Business
News, founded
in 1980, is
primarily a
promotional
vehicle for
companies
that have the
Cape Business
community as a
primary target
market.

#### **ADVERTISING**

For all your advertising requirements, contact our Sales Team on 021 250 0400

E-Mail: sales@cbn.co.za

### Computers on wheels – don't be intimidated



THE advent of Artificial Intelligence into the world we live in is furiously gaining momentum, where products like Google Duplex, Amazon Alexa, and others are finding residence in more and more mobility applications.

Everyday cars are becoming more and more technologically advanced. But, says Hedley Judd, National Director of the Tyre, Equipment, Parts Association (TEPA), an association of the Retail Motor Industry Organisation (RMI), this should not be intimidating but rather exciting news for motorists.

The motor vehicle has an Engine Control Unit (ECU), Body Control Module (BCM), screens of different types, and of course the communication system to the outside world, either via a WIFI-linked hotspot or a Bluetooth link to the cell network. "The ECU and the BCM are both effectively computers with processors and memory that are programmed to function according to set rules depending on the external input from the engine or the vehicle via the driver. The screens referred to are the infotainment screen and nowadays in many vehicles the instrument cluster has become a computerlike screen as well. Finally, the communication language would be understandable to the drivers of today's vehicles."

Data is continuously stored by the ECU and BCM units. Judd says this is where, when coupled to the external world via a connection of some description, your vehicle is then able to provide you with reactive information such as brakes or tyres that need replacing, or that the vehicle needs a service. "Your vehicle will then assist you in scheduling the appointments for the repairs or servicing."

"The following scenario may very well

The driver is alerted to the need to take action. If the driver refuses a repeat alert is set for a later time. If the driver agrees then the vehicle communicates with the home computer to establish a suitable time slot for the work based upon prior knowledge of the typical duration of the work required. The home computer that is connected to an interactive device, then calls the service provider and sets up the appointment for the work to be done.

Next part of the technology is when the vehicle arrives at the workshop. Instead of a person at the counter there is an automated AI system (eg Google Duplex) that will welcome the driver, confirm the details and open the job card for the work to be done.

Once the work is done the AI system will invoice the job to the driver and confirm that the car is ready for collection either by a call or text message. When the driver collects the car the AI system will confirm the method of payment and complete the transaction," says Judd.

essence, vehicle knows when it needs attention and, with the drivers consent, uses connectivity with a linked system to schedule, book and confirm the appointment for the work to be

The AI system in the workshop takes control of the job and ensures all parts are available in advance and then manages the customer interaction both inbound and outbound. The vehicle's on-board computer is finally informed by the AI system of the work performed and the data is reset for the next period.

The AI system will then follow-up with a customer satisfaction survey after a set period to generate data on the service levels of the business.

# Eskom debt restructuring report due

CRO Advisors has concluded that Eskom has devolved into an operationally dvsfunctional, financially insolvent, unreliable and corrupt entity.

Eskom's ~R500bn on balance sheet debt, ~R128bn off balance sheet debt, and R1 072bn in unavoidable cost over next five years, represents a staggering 76% of South Africa's total current debt.

Africa's South total debt obligations are ~R5,3 trillion (\$353bn), including Eskom's liabilities and capital requirements, excluding other substantial cash requirements for other failing State-Owned Companies, excluding sizable tax collection gaps and other sizable growing fiscal gaps.

Eskom must undergo independent detailed and comprehensive "Forensic Audit" on behalf of all creditors, vendors and stakeholders.

Eskom is "not ready" to be decoupled or broken up into separate operating companies at this time due to the severe financial, operational challenges, corruption, fraud and malfeasance facing the Company.

CRO Advisors Eskom Restructuring Analysis Timeline includes:

- CRO Advisors Issues South Africa Country Review. IMF Warnings, and Eskom Insolvency Notices on 5.8.19
- CRO Advisors

Issues Volume I: Eskom Independent CRO (ICRO) Restructuring Report on 17.10.19

- CRO Advisors to Issue Eskom Debt Restructuring Report by 31.12.19
- CRO Advisors to Issue Volume II: Integrated Resources Plan (IRP) Revisions and South Africa Electricity Market Design by 31.01.20

#### **About CRO Advisors:**

CRO Advisors work with Sovereign Governments, Institutional Investors and other with stakeholders exposure to the Global Energy & Infrastructure sector.

The Firm engages

with Sovereign Wealth Funds, Private Equity and Specialized Lending Funds to mobilize large pools of capital for our clients as part of our restructuring and turnaround mandates. CRO Advisors are specialists in the most complex restructuring and recapitalization of distressed Sovereign Government Assets, and Infrastructure companies and assets globally. Focus is on very large and complex debt and operational restructuring's in the Energy & Infrastructure sectors, including Power Generation, Transmission, Distribution, Natural Gas Pipeline, Fuel Storage Terminals, and other critical infra-

structure assets.

The full public version of the CRO Advisors Eskom Restructuring Update may be found at:

https://www.dropbox.com/s/n7vs48xk4ohnbur/Eskom CRO%20Advisors%20 Restructuring%20Update.pdf?dl=0

### Daikin turns 50

ATTENDING 50th anniversary function of the establishment of Daikin Air Conditioners in South Africa recently, was a host of local and international dignitaries.

These comprised Belgian Ambassador, Didier Vanderhasselt, Alan Winde, Premier of the Western Cape, Dan Plato, Executive Mayor of Cape Town and Frans Hoorelbeke - Chairman, Member of the Board of Directors Daikin Europe N.V. (pictured). Daikin executives included Koen Van Wynendaele Managing Director of Daikin South Af-



rica and from Daikin Europe NV, Wim Deschacht - joint Vice President with Peter Van Den Broecke -

BOD member DASA Vice President and and Anthony Dimou - General Manager

The event was held at the prestigious Mount Nelson Hotel and was celebrated by 156



#### THE MOST COMPLETE STAINLESS STEEL STOCKHOLDING IN THE WESTERN CAPE



Daily delivery service as far as West Coast, Boland, Overberg, Peninsula

Assistance with material selection and technical advice from an experienced and qualified team





Fast turnaround time for collections at NDE's warehouse





### Keep used oil out of the environment

SELF-EMPLOYED mechanics operating in urban township areas of the Western Cape and Gauteng seem to be enjoying booming business if a recent research survey is anything to go by.

The ROSE Foundation (Recycling Oil Saves the Environment) recently commissioned an in-depth survey on independent mechanics informally operating from their homes in Langa, Khayelitsha, Phillipi, Mitchells Plain, Soweto and Alexandra, and the results reveal a thriving industry, with backyard mechanics servicing up to 20 cars per week in some instances.

Concerns about environmental contamination

However, increased business generates increased volumes of dirty used oil that the mechanics have to store and dispose of. Used oil is a hazardous substance - containing a host of harmful chemical compounds and carcinogens, one litre of used oil can contaminate one million litres of water.

The ROSE Foundation is most concerned about how mechanics are getting rid of their



oil. "We know that this segment of the market is not very compliant – mostly because they aren't aware of how hazardous used oil is and they don't know how to dispose of it correctly," says Bubele Nyiba, CEO of The ROSE Foundation.

"In our survey, we asked questions about their volumes of new oil purchased, their buying preferences and most importantly their approach to the collecting, storage and recycling of their used motor oil so we can approach them correctly."

"When they're busy, independent mechanics can purchase up to 30 litres of new oil a day. Accurate figures around the volumes of used oil generated are not easily available and we have to estimate these figures based on the number of cars being serviced and new oil purchased," says Nyiba.

"It was worrying to see that the majority of the mechanics surveyed are only vaguely aware of, or concerned with the hazards of used oil. The survey revealed that there is little to no understanding about the harmful effects of used oil on the environment, and although these mechanics are capturing used oil in a variety of make-shift containers it is done to keep the oil out of their yard – often due to pressure from wives and family members about the unsightliness of spilt used oil."

According to Nyiba, while some admitted to having poured the oil down the drain in the past, most said they had stopped this habit for fear of the oil clogging their drains. Some disposed of their used oil by pouring it out into nearby open land, but noted that the grass no longer grew in the area, and others said that they had sold or given their used oil away to people who used it to preserve the wood on their wendy houses or had painted it onto their dogs to kill fleas. "These are all practices that are harmful and allow the used oil to make its way directly into the environment," says Nyiba.

A few of the mechanics said that they did try to take the oil to drop-off points but it is was hassle for them, costing them time and money for petrol to drive to those locations.

"The ROSE Foundation is extremely concerned about used oil that generated by independent mechanics, that is not being responsibly recycled - we will focus on educating and assisting this market with compliance."

"The ROSE Foundation is urging all independent mechanics and anyone who works on their cars to please think twice about what they do with used oil. Put it in a drum or old oil can or any clean container with a tight lid and take it to the nearest drop off point, at a local depot, municipal garden refuse site, or auto workshop. Or call the ROSE Foundation on (021) 448 7492 and ask about a collector coming to take it away for you." concludes

### **Superyacht Training Academy launches**

WITH growing interest in Cape Town as a port, the number of superyachts and cruise ships docking at the V&A Waterfront is steadily increasing and with it, the need for suitably trained local staff to work on them. Superyachts are also often available for charter so a well-trained staff crew able to cater to guests at a high standard of comfort is essential.

The newly launched Superyacht Training Academy - a partnership collaboration between the V&A Waterfront, the Superyacht Culinary Academy and the Ocean Star Sailing Academy- is dedicated to developing the essential skills required by superyacht crew.

The Academy is located in the Nautilus building on West Quay Road, overlooking the Waterfront's Synchrolift dry dock on the one side, and close to the V&A Marina yacht basin on the other.

The interior of the Academy has been fitted out to resemble actual on-board facilities in scale and dimension. Students therefore become accustomed to working within the confined spaces of a real yacht. The training kitchen is also equipped



just as a galley kitchen would be.

David Green, the V&A Waterfront's CEO said, "Coastal cities around the world compete to attract Superyachts because while the boats are in port they support tourism and local businesses with operational and leisure spending as well as providing a sought after spectacle in the harbour. Cape Town is also home to almost 70% of the local boat-building industry, sustaining technical skills required to service all types of ocean-going craft and driving the standards of excellence necessary to thrive in this sector.

"This answers the call from Government to accelerate the economic potential of the ocean economy through destination marketing, maritime skills training, job creation and stimulating the

boat building industry.

"The V&A Waterfront already nurtures an ecosystem that support all the requirements of the industry and we are already seeing growth in overall interest from superyacht owners. They look for new destinations and challenges and many newer superyachts are now built for exploration to places like Antarctica. Cape Town is perfectly positioned midway between South America on the one side and New Zealand on the other, plus we are relatively closer to European markets than they are" said Green.

The City has all the boat-building expertise. Local boat -builder Robertson and Caine is currently filling an international order for 200 luxury boats by next year and delivers an estimated three 40- foot luxury catamarans overseas every week.

Green said "This is another step in building and equipping facilities at the Waterfront to accommodate this industry. We would see many more superyachts visiting the city if the owners and captains know that well -trained local and international staff are available to them."

#### Training

Training will focus on the three key entry points vital for a career in the industry, namely Deckhands Chefs. and Stewardesses.. In addition to basic training in each segment, the Academy will also ensure that students are armed with their basic marine training and safety licences, without which they will not be employed on boats.

The Academy is working with International Yacht Training

{IYT) Worldwide, the Royal Yachting Association (RYA), and South African Maritime Safety Authority (SAMSA) to ensure the local training is on par with global standards, and approved by the Marine and Coastal Agency (MCA).

According to a report compiled for the V&A Waterfront by Marinexell:

- The growth of super yachts in the 60 m-90 m range, from 2006 to 2022, would be from 130 to 359.
- The growth of super yachts 90 m and larger range, from 2006 to 2022, would be from 33 to 86.
- Over the period 2013 to 2017 the growth of the fleet has been constant, with an average of 140 new vessels entering the fleet each year, representing an annual growth of 3% in volume. 2013 (4637 vessels) 2017 (5225 vessels).

As a comparative statistic, New Zealand industry in 2013 was worth:

- Refit and maintenance R824 million
- Berthing R723 million.

### City empowers local businesses through Vendor **Database Workshops**

IN a bid to empower local businesses with the necessary skills to do business with the City, workshops have been hosted in Somerset West and Mfuleni. The aim of these Vendor Database Workshops is to ensure that emerging businesses possess the necessary skills to conduct business with the City.

These workshops are conducted in an environment where businesses acquire practical exposure in completing requests for quotations and tenders.

In addition, participants are encouraged to register on the City's Community Vendor Database for business opportunities to the maximum of R100 000.00.

'The need to support vendors is in line with the City's commitment to empower and ensure growth for small businesses. After receiving numerous complaints from small

#### Engen and Clicks partner in loyalty programme

ENGEN and Clicks have announced a new partnership which rewards motorists every time they fill up and swipe their Clicks ClubCard at participating Engen service stations.

Engen operates over 1 000 service stations across South Africa.

To sweeten the deal, for the first two months of the partnership - during December 2019 and January 2020 - Clicks Club-Card members can earn double points every day when they fill up with Engen Primax Unleaded or Engen Dynamic Diesel 50ppm at participating Engen service stations. Exactly what you get:

- 1 litre = 1 point.For every litre of Engen Primax Unleaded or Engen Dynamic Diesel 50ppm earns one ClubCard point.
- Double points every day from 1 December 2019 to 31 January 2020 (1 litre = 2 points).
- Cashback is loaded six times a year and can be redeemed online at www. clicks.co.za and at all Clicks, Claire's and Body Shop stores nationwide.

businesses that they are unable to secure business opportunities with the City, we have now created the Community Vendor Support programme to create opportunities for contractors in their local communities and

wards,' said the City's

Mayoral Committee • Benefitting from Member for Urban Management, Alderman Grant Twigg.

The workshops addressed the following topics:

- How the City and Government tender processes work
- the new Preferential Procurement Framework
- Completing a tender document
- · How a tender is evaluated
- Writing a winning tender

A number of these workshops took place during November in: Khayelitsha, Mitchell's Plain, and Strand and have been attended by approximately 150 local businesses.

'The City's aim is to assist small emerging businesses to develop

and gain experience so that they are equipped on all levels to eventually be able to tender for larger projects.

'We are seeing more and more people take to informal trading in the food sector. By hosting these workshops, we want to ensure that traders are compliant with food and other related legislation in order to create a safer environment for the preparation and selling of food,' said Mayoral Committee Member for Urban Management, Councillor Grant Twigg.

### **LEADING BRAND HOSES & COUPLINGS**

Serving the CHEMICAL | OIL | FUEL | GASES | CRYOGENIC | FOOD & BEVERAGE & PHARMACEUTICAL Sectors Throughout Southern Africa

SOLE REPRESENTATIVES OF THE LARGEST COUPLING & HOSE MANUFACTURERS WORLDWIDE



**RUBBER & COMPOSITE HOSES, DRY-BREAK, DRY-DISCONNECT, BREAK-AWAY & EMERGENCY RELEASE COUPLINGS** 

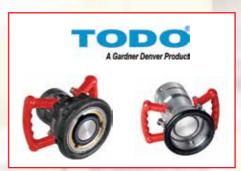


#### **DRY-BREAK & DRY-DISCONNECT COUPLINGS**

Dry-Break (- ¾" to 8") ■ Dry-Disconnect (- ¾" to 8") ■ Break-Away (- ¾" to 16") Emergency Release (- 2" to 16")







#### **BREAK-AWAY & EMERGENCY RELEASE COUPLINGS**

Safeguard the plant, personnel & environment should a tanker / vessel depart whilst a hose or loading arm is still connected.







#### **HOSES & HOSE ASSEMBLIES**

Industrial Rubber ■ High Pressure Rubber ■ Sub-Sea & Floating ■ Dock ■ Stainless Steel Braided ■ Fuel-Flex Composite Hoses manufactured to EN13765.



#### Tel: +27 (0) 11 792 2196





Gauteng: Laser Park (Honeydew) & Alrode sales@soliflo.co.za www.soliflo.co.za

Kwa-Zulu Natal: Durban

sales@fuelflex.co.za www.fuelflex.co.za



# Speeding up production

PRINT and labellers eliminate the need for employees to print and stick labels onto products and packaging. Instead, labels carrying barcodes, serial numbers, QR codes, personalised message and even graphics are applied directly to packaging. This means manufacturers can print and apply labels on demand, reducing storage needs for stock and product variant labels.

The 2200 Series of print and apply labellers from Markem-Imaje, and locally available from Pyrotec Pack-Mark, builds on the proven concept of providing reliability, efficiency and ease of use with thousands of units installed in demanding 24/7 environments. The 2200 Series takes print and apply to the next stage of evolution, giving

### **Partners** simplify change

THE new Rockwell Automation Digital Partner Program connects companies to expertise and solutions from market leaders like Accenture, Microsoft, PTC, ANSYS, and EPLAN to streamline the implementation and enhance the quality of digital ini-

Through the Digital Partner Program, businesses can consult with industry advisors to create roadmaps for their digital initiatives and learn how industrial IoT concepts like digital twin, the factory of the future and a connected workforce can improve their uptime and efficiency. During implementation, businesses have access to integrated hardware, software and turnkey systems from industry leaders that improve business performance leveraging their existing assets.

"Seamlessly connecting all levels of a business and turning raw data into powerful insights happens when devices are integrated and data is standardised," said Blake Moret, CEO and chairman of Rockwell Automation. "No one vendor can do this alone. Instead, companies need an ecosystem of proven partners with the right mix of expertise and technologies to expand what's humanly possible. We're proud to expand our work with existing strategic alliance partners like Microsoft and PTC, and add new partners like Accenture, ANSYS, and EPLAN in this effort."

customers a wide range of interchangeable applicators, optimised operational intervention and unparalleled application

The main benefits of the 2200 Series is its print and application rates of up to 125 packs/min regardless of the data's complexity or content. Each unit comes with a standard 18-month warranty with up to a five-year warranty extension, and it's simple media path allows operators to reload label and ribbon rolls in less than 40 seconds. The 560 m ribbon and label rolls outclass market standards of 450 m, which means line stoppages are reduced

When operated in conjunction with Markem-Imaje's CoLOS® software solutions, product data integrity is ensured, as is an easy connection to central data management and enterprise databases.

Using the new colour touch screen CoLOS

Terminal® enables easy selection of labels to be printed, and powerful data management through an intuitive user interface.

What's more, labellers are designed to be over 95% recyclable, they have a built-in realtime clock, 10 individual programmable counters and a choice of thermal

or direct thermal prin methods. The 2200 Series also supports al major linear barcode and 2D barcodes.

Applicators come in a choice of tamp blow, wipe or tamj blow for top, side and front applications. The also offer corner wrap for two adjacent side applications.





we have the strength, skill and flexibility to perform at our best, every time.

#### FROMM PACKAGING SYSTEMS

In addition to our world renowned packaging machinery and equipment, we have built a reputation for our customised and widely used Automated Solutions which are suited to almost any industrial application.

Contact us today for more information. Tel: 011 452 4828 • www.fromm-pack.co.za



### Krispy Kreme remains triumphant despite international brands taking strain in the South African market



have seen the plight of international retail brands in the current South African market over the years with many brands losing market share and exiting the country. Krispy Kreme is bucking this trend and here's why:

The globally famous doughnut shop plays in the "sweet treat" space and its clear conceptual difference means competitors are few and far between. The success of the brand is a pleasant surprise considering the limited offering of only doughnuts, coffee and frozen beverages. Prudent site selection has led to the establishment of 19 outlets situated in prime retail locations around the country. Krispy Kreme South Africa are keeping pace with their legislated development milestones with the recent establishment in the Cape Town market finalizing the brand's establishment in major metros.

The plan was to establish 3 factory stores, 27 fresh shops / kiosks & 1 commissary over 5 years.

Achieved thus far since the brand's inception in 2015, we have seen 1 commissary in JHB with double the capacity as planned, 1 commissary in CT, 3 factory stores and 16 fresh shops / kiosks.

> The addition of freshly made Krispy Kreme doughnuts conveniently available at retail partners, Pick n Pay supermarkets and Engen forecourt convenience stores means the product is accessible to a greater market.

> When asked what has made Krispy Kreme so successful

in S.A. thus far, managing director, Gerry Thomas said: "Krispy Kreme South Africa has been able to maintain interest and brand strength via product innovation and at the same time maintain high guest experience levels. Via these 2 mechanisms, we have been able to create brand / consumer lovalty and have become a "household" name and therefore a "default" purchase."

The brand's strict adherence to the Krispy Kreme brand identity from both a local and global perspective has sustained the brand's success. Along with the conceptual differences, including the development of unique products, high barrier to competitor entry due to proprietary ingredients and production machinery / methods, consistent innovation and a huge focus on guest experience.

Ahead of the brand's 5th year birthday this year, here are some highlights of the brand's top achievements:

KKSA earned the right to supply pre-packaged fresh doughnuts into 3rd party retail outlets (Pick N Pay & Engen). Only KK's established markets such as the USA, UK and Australia have these rights,

- KKSA digital development with particular reference to its application and its capabilities,
- Achieving exponential growth in a tough economic climate,
- Krispy Kreme Global classify KKSA as a "top ten market" from an execution, product innovation and store fit out point of view.

Ultimately. global operation is a favourite in the South African market, and its most valuable asset are its dedicated 480 People employees. development has and will continue to contribute tremendously to the sustenance of the long-term success of the business.

# More aquaculture ripples

THE year ahead might see some big splashes in the local aquaculture segment.

The past year saw a spate of activity with Premier Fishing & Brands putting finishing touches to its expansion plans for its Gansbaai abalone farm AVI-controlled I&J pushing production at its Danger Point abalone facility.

Sea Harvest firmly behind Viking diversified Fishing's aquaculture operations, and Abagold made great strides in rebuilding its business after the devastating red tide incident in early 2018.

But perhaps the most intriguing development transpired just before year end when the Agri-Vie Fund I, the Africa food and agribusiness investment fund managed by the pan-African private equity investment firm, Exeo Capital sold its interest in the well-established aquaculture venture, HIK Abalone Farm (HIK).

The partnership vastly expanded the HIK operation, presumably allowing Agri-Vie a rather nifty exit

Agri-Vie's stake was sold to Port Elizabethbased empowerment group African Pioneer

Group, which already controls Pioneer Fish-

Exeo Capital partner Izak Strauss reminded that the decision to invest in HIK was based on a number of factors. "With the ocean's natural resources coming under increasing pressure, we have long had a keen interest in investing in good, viable aquaculture proj-

HIK was founded in the late nineties in Hermanus.

"Most of their income was dollarbased, which promised a good rand hedge for the fund"

disclosed Strauss that over the eight-year investment term, Agri-Vie invested a total sum of R41.5 million in two tranches. "We achieved an excellent return that is in line with expectations for private equity invest-ments."

Peter Inglis, the long-serving chairman of HIK, said that the development of an abalone farm was highly capital intensive during expansion phases. "This is primarily because the revenue stream lags capital expenditure by a number of years, making organic growth very slow."



He said the investment by Agri-Vie enabled HIK to advance the expansion cycle by the development of a second farm. This allowed the company's production to increase from 80 tons per year to 300 tons per year.

"We have derived a significant benefit from the association with Agri-Vie over the past six years, not only in terms of financial muscle but also in terms of financial management and reporting structures. HIK are now in a position to play a major role in the farmed abalone indus-

Interestingly, HIK exit by Agri-Vie does not spell the end of its 'seafood' investing endeavours.

Last year the Agri-Vie Fund II concluded an investment into TerraSan - a fastgrowing aquaculture company operating on the South and West coasts of South Africa. TerraSan also has pelagic operations, and Saldanha Group's fish and shaking.

canning business. The

continued investment into the expansion of local aquaculture operations is made all the more intriguing by the potential for further corporate action.

Oceana Group, now one of the world's largest fishing companies, has openly admitted it is seeking an entry into the aquaculture sector.

While clearly has big ambitions in aquaculture, the group has stressed it would not be rushed into deals and would prefer to make an entry by partnering an existing player in the sector.

CBN wonders if Oceana will want to make its much anticipated splash in the aquaculture sector in 2020...or watch and recently acquired the wait for further moving

### Business News





### Wine & food tourism conference celebrates top performers

NINE of South Africa's top wine and food tourism providers were named honourees in the inaugural Wine & Food Tourism Conference Awards at the close of this year's Wine and Food Tourism Conference recently. They were presented with their trophies by Blacky Komani, chairperson of the Tourism Business Council of South Africa (TBCSA).

Drawn from Stellenbosch, Paarl, Franschhoek, the Overberg, the West Coast and the Karoo to include a mix of well-established favourites and hidden gems, they were chosen for having created outstanding and positively memorable tourist experiences that were an inspiration to others in the industry.

According to tourism doyenne Margi Biggs, who convened the judging panel of wine, hospitality and marketing specialists, the nine honourees were selected from exceptionally strong contenders across the spectrum - from those offering wine tastings and wine and food pairings to fully fledged restaurants and accommodation. The panel was chaired by Jean-Pierre Rossouw, publisher of Rossouw's Restaurants and the Platter's South African Wine Guide.

Said Biggs: "We were delighted by the calibre of entries in this, the first year of our awards. We hope they serve to provide a benchmark to which the growing number of participants in the industry can aspire to and, in this way encourage the numerous businesses in this tourism sector to better their efforts."

She explained that the awards had been established to help



Seated from left to right, Salomé Geldenhuys (Creation Wines), Abigail Bisogno (Spice Route Destination), Suné Strydom (Spice Route Destination), Jean-Pierre Rossouw (chair of the Wine & Food Tourism Awards judging panel), Vida Basson (Delaire Graff Estate), Lisa Ker (Die Tuishuise & Victoria Manor) Standing from left to right, Ruben Saul (Fryer's Cove), Jan van Zyl (Fryer's Cove), Margi Biggs (convenor of the Wine & Food Tourism Conference and Awards), Roger Boonzaaier (Leeu Collection), Conrad Meyer (Leeu Collection),

Mareli Roux (La Motte), Chris Thomson (Waterford Estate) and Sasha van Zyl

boost wine and food tourism confidence and advance service standards and train-

(Grootbos Private Nature Reserve)

this country's highest labour-absorbing sectors. "They support the goals of the Touring. Tourism is one of ism Business Council of SA's strategy to double the number of international tourists by 2030 and so create around 2 million jobs directly and indirectly. Wine and food tourism, especially, has the potential to contribute to this goal."

The panel honoured the best of three contenders in each of three categories: Service Excellence that goes to the very heart of the experience at a personto-person level; The Authentic South African Experience that focuses on uniquely South African people, places and moments; and Innovation that boosts experiences, excites and delights guests, while allowing them new offerings.

"That the group of nine included both veterans and newbies is very encouraging. It reflects the ability of our well-established tourism providers to refresh, renew and remain relevant, while at the same time showing that there are newer players capable of competing to the highest standards."

The honourees are:

#### Service Excellence

Waterford Estate, Stellenbosch Delaire Graff Estate, Stellenbosch Leeu Collection, Franschhoek

#### The Authentic South **African Experience**

Grootbos Nature Reserve, Gansbaai, Overberg La Motte, Franschhoek Die Tuishuise & Victoria Manor, Cradock,

#### **Innovation**

Creation Wines, Hemel en Aarde, Overberg Fryer's Cove, Doringbaai, West Coast Spice Route Destination, Paarl

### New range of dry running conveyor components



BMG's new range of dry running conveyor components for the food and beverage sector.

BMG's Light Materials Handling division has launched a new range of dry running conveyor components for the food and beverage sector that offer high productivity, low energy and reduced water consumption, as well as a safe and hygienic work environment.

Also introduced is a new condition monitoring system, which has been developed to automatically monitor the coefficient of friction of bottling or canning lines, ensuring consistently high productivity levels.

"In recognition of the importance of optimal safety, hygiene, sus-tainability and efficient total cost of ownership (TCO) BMG has further improved its range, through the development of new products, to meet the latest global requirements," Ryan Forsyth, Business Unit Manager, Light

Materials Handling division, BMG. "Our new range of dry running belts, with approval for direct food contact from leading global manufacturers, have important advantages over our original and conventional acetal chains and belts. These features include higher chemical and abrasion resistance, lower friction, greater strength and extended service

"The reduced coefficient of friction of dry running conveyor components enables end-users to reduce or eliminate chain and belt lubrication, providing a true dry running Improved conveyor. sliding properties result in reduced power consumption, increased wear life, lower dust generation and the ability to run at higher speeds, with higher loads. Other advantages over acetal chains and belts, are improved product stability and efficient flow."

This advanced technology reduces the need for soap, water and chemical-based lubrication, resulting in dry equipment and floors, thus a safer work environment, with sustainability improvements, reduced bacteria growth and further cost savings.

Running dry also eliminates the need for regular maintenance and component replacement, because a dry operation is easier on conveyor bearings, frames and the chain or belt, with excellent chemical resistance and extended operating life.

BMG's new condition monitoring device continuously measures the coefficient of friction, to ensure efficient handling and flow of all container types, including PET, glass and cans. Variations in the coefficient of friction are reliable indicators of changing conditions and even pollution of the conveyor, especially in dry running lines.

This device is a complete unit, with sliders, which can be mounted on a conveyor and integrated into the line control system, to temporarily or continuously monitor friction. The condition monitoring unit is programmed to collect performance data, obtain data for trouble-shooting or to act as continuous input for the line controls. It can also be used as a stand-alone or portable device for spot measurements, without the need for operator inter-

Obtained data is then used to calculate the average value, as well as the standard deviation and the trend. These values trigger an alarm if pre-set limits are reached and based on this signal; the user can check the situation and take corrective action before efficiency is compromised.

Another key feature is an easy-to-define optimum cleaning regime called 'Smart Cleaning'. Long-term line conditions can be analysed using data obtained through ethernet or Modbus connections.

A permanent control process of realtime monitoring of the line condition helps to maintain optimum conditions, ensuring high efficiency of conveying in food and beverage plants.

### Stainless steel - popular grades for corrosion resistance and hygiene



Hygienic stainless steel silos in 304/304L and 316/316L sheet and coil which is available from NDE.

STAINLESS steel is used widely for hygiene in the Cape's many food and beverage processing industries.

The two most popular hygienic grades are 304/304L and 316/316L because they have:

- Good corrosion resistance
- · Good weldability
- · Good availability
- Good hygienic properties

The main application for 304/304L and 316/316L stainless steel is tanks – process and storage tanks and silos where 304/304L is mainly used. 316/316L is used in more corrosive environments such as those containing salt, as in the fishing industry.

The Cape wine

industry uses both grades in their white wine tanks - 304/304L for the tank body and 316/316L for the roof where white wine fumes form on the surface.

i ne nigner corrosion resistance of 316/316L is used in the meat industry where salt is added.

Sometimes even greater corrosion resistance is needed, when Duplex 2205 stainless steel is used for higher salt content such as boerewors and sausage.

Knowing the grades can only come with vears of experience so it is important to choose a stainless steel supplier with this knowledge.

"There are over 500 stainless steel grades and finishes so it is vital to choose the correct grade to prevent costly problems further down the line," says Andries Schreuder, manager of NDE Stainless Steel in Montague Gardens.

NDE has supplied comprehensive stock of stainless steel flat products, sections, pipes and fittings, and tubing to Cape food and beverage companies for many years, with a reputation for technical advice and fast turnaround times.

"We also function as a buyer/buying department for our customers - eliminating the need to employ buyers in-house - and we supply credit easily with longer or more flexible payment options than banking institutions."

### Poultry sector masterplan launch promises increased production, job creation

THE Association of Meat Importers and Exporters (AMIE) has welcomed the introduction of a new poultry sector masterplan which was devised by the DTI, brokered by Trade and Industry Minister, Ebrahim Patel and Agriculture, Reform and Land Development Rural Minister Thoko Didiza.

The masterplan process included AMIE, the South African Poultry Association (SAPA), several government departments, organised labour and other parties with an interest in the local chicken industry.

"The masterplan is an industry framework that will ensure that chicken, which has become a staple protein in millions of local homes, will retain its place as South Africa's favourite food. Importantly, the sector will remain a significant customer of the local feed and food processing industries. More opportunities will be created so that smallfarmers establish a foothold and contribute meaningfully to the sector," says Paul Matthew, CEO of AMIE.

"At the same time, large players in the local broiler industry have had issues of major concern addressed. New opportunities for their products have been identified, and in time, additional markets will be opened to these pro-



ducers." said that Matthew the masterplan takes account of several structural and other problems within the industry. Some of the most critical challenges

Feed costs, primarily maize and soya, which are significant components of broiler production costs.

include:

- Lost export opportunities: Although South Africa has tariff-free access to Europe, the country does not conform to the sanitary, and phyto-sanitary requirements of the European market and Europe is, therefore, closed to our chicken products. Exports to other countries are also low, making up only 2% of total production.
- Transformation: Although black ownership in the sector and across the value chain has increased the plan maintains that these activities can be

further improved by taking advantage of readily available

Priorities have been identified through five pillars that will be instrumental in refocusing the poultry sector and building its future:

opportunities.

- 1. Establishing partnerships to increase production and availability of feed and simultaneously ensuring that workers are provided with training and development opportunities.
- 2. Driving domestic demand and the affordability of local broiler products.
- 3. By the end of March 2020, establishing the safety and veterinary requirements within markets offering producers opportunities for exporting their chicken products, meeting their needs, and commencing exports. AMIE will be central to assisting with these and helping ensure that EU requirements

are implemented.

- 4. Introducing measures to enhance the regulatory environment and ensure compliance. This will include making products traceable and announcing measures to ensure that the industry as a whole complies with trade requirements.
- 5. Protecting the local chicken industry by considering specific, rather than ad valorem tariffs; simplifying trade systems; undertaking anti-dumping measures where appropriate, and considering the introduction of import licences to support compliance. "The objectives

of the plan hinged increasing local chicken consumption and so growing the demand for chicken, while also addressing the exporting of locallyproduced cooked and raw chicken products. Target markets will include SADC countries and those within the African Continental Free Trade Area (ACFTA)area and the Middle East. Gearing up locally will also open European markets."

"AMIE, because of its expertise in the import and exporting arena, is well-positioned to assist in this regard," says Matthew adding that the effectiveness of any plan

relies on its ability to be implemented and monitored.

"The

masterplan provides a new, sound foundation for the expansion and benefit of all within the poultry industry. Its effectiveness will be ensured by the provision for the establishment of a Poultry Master Plan Council which will be led by the Ministers of Trade, Industry and Competition and the Minister of Agriculture, Land Reform and Rural Development. This body, which will include delegates from all interested poultry organisations, will meet quarterly to oversee implementation the of the plan in the first year of its introduction. Thereafter, progress will be monitored biannually.'

"Receiving attention will be the implementation agreed plans, introduction of required additional actions and bringing South Africa's facilities up to European specification."

"AMIE fully supports the introduction of the plan. We are committed to fully participating in a process that holds benefits for the entire poultry sector and will guarantee that chicken remains the staple, affordable meat of choice for South African consum-

Reprinted from Bizcommunity.com

### Company expanding its global fungicide portfolio



GOWAN Crop Protection Limited, an affiliate of Gowan Company, L.L.C., has announced that it has entered into agreements with Bayer AG to acquire rights to the active ingredients Fenamidone and Pencycuron. The acquisition includes product registrations and trademarks including Consento™, Reason™, Monceren™, and Prestige™, and related intellectual property and labels for both fungicides. The transactions closed December 1st, although Bayer and Gowan will work together over the next several months to facilitate an orderly hand-off and to maintain quality customer service in all geographies. The financial terms of the agreements were not disclosed.

Pencycuron is a foliar and seed treatment product for the control of diseases originating from Rhizoctania solani in various crops including cotton, rice, potatoes, turf and vegetables. It has broad presence in Japan, Brazil, India and Russia, among other countries.

Fenamidone is a product for control of diseases originating from water molds or the oomycetes class of fungi, key among them being downy mildew, late blight and early blight on grapes, vegetables, potatoes and ornamentals. With sales in the USA, Mexico, India, Russia, and Brazil, Fenamidone is a critical tool for many growers around the world.

A cornerstone of Gowan's Muddy Boots philosophy is to help growers combat the challenges of pests and diseases. Gowan believes this acquisition will expand its core product offering and allow the company to better serve growers' needs.

### AIU secures R350 million worth of investment deals

Statement from Western Cape Minister of Agriculture, Dr Ivan Meyer.

I am pleased to ince's unemployment announce that Wesgro, the Western Cape Government's maninternational trade and investment promotion agency, has helped secure R350 million worth of agriinvestment deals into the Western Cape during the first half of the year.

Despite tough economic times and a crippling drought, the Agribusiness Investment Unit (AIU) is more than halfway to reaching their target of R500 million for the year.

I am also proud to reveal that as a result of the investment secured, 525 direct jobs is expected to be created. This is welcomed news, as we seek to lower our provrate even further.

agribusiness The sector is a key component of the Western Cape's economy and is responsible for 220 734 jobs in the province with 216 088 in primary agriculture, which equals 16.4% of all jobs in the Prov-

The following four companies have signed declarations setting out their expected investment and job creation impact during the first two quarters:

- Almond Creamery - is South Africa's home of locally made plant-based nut milk. They have invested R20 million which in turn will create 20 jobs.
- Felbridge (Pty)

Ltd - is a medicinal cannabis cultivator. They have invested R120 million, which in turn will create 150 jobs.

- Italian Cheese Academy - produces and sells Italian cheese. They have invested R 10 million, which in turn will create 5
- Tomis Group is a market leader in the supply of quality lamb and beef products. They have invested R200 million, which in turn will create 350 jobs.

"During 2018 agribusiness in the Western Cape contributed R37 billion worth of exports which makes up an estimated 29%

"Despite tough economic times and a crippling drought, the Agribusiness Investment Unit (AIU) is more than halfway to reaching their target of R500 million for the year."

of all outputs in the province. The sector is a key economic driver and positively impacts the employment rate. This being said, Wesgro is committed to prioritising and growing the industry further. We would also like to thank the Department of Agriculture for their continued support," says Tim Harris, CEO of Wesgro.



Lack of storage space - think up! Dexion (Cape Town head office based). Warehouse solutions, shelving and racking suppliers to South Africa and Africa. Many warehouses and storage facilities in South Africa utilise the ground level but fail to recognise the free space above. We at Dexion provide a number of solutions to improve on utilising the cube efficiently. One being our rack supported structure with inter linking walkways to create multi level picking.

Think Dexion think up!



Contact us: Tel: +27 (0) 21 552-0220 ron@dexioncape.co.za

### Rebuilt forklifts make cents

HELUKABEL recently took delivery of two rebuilt Doosan BR16JW forklifts from Goscor Lift Truck Company (GLTC). The units made economic sense for the German cable importer and distributor, considering its warehousing and storage application doesn't necessarily buying new machinery.

As the costs of doing business keep rising, especially in constrained economic conditions, the thought of purchasing new materials handling equipment (MHE) may be out of question for many, especially when the application doesn't necessarily warrant buying new. To survive the tide of such a downward economic cycle, there has been a clear shift towards rebuilt/ refurbished equipment. In fact, the trend is not unique to the local market, but it's a global phenomenon as companies find it a costeffective way to stretch



Doosan BR16JW handover with Habib Chagan of HELUKABEL SA.

their capital to service their operations.

"We needed upgrade our lifting equipment, and these units were the most suited for our warehousing and storage needs," explains Habib Chagan of HELUKA-BEL. "The cost was obviously the main reason for opting for these machines, and also the fact that the

type of industry we are in doesn't necessarily warrant us buying new machinery, as they get changed regularly."

"Buying a rebuilt forklift makes economic sense, especially for our type of warehousing and storage needs. When the rebuilding work is carried out by a credible supplier like GLTC, one can be rest assured that the equipment will offer the best possible production during its second life," adds Cha-

All refurbishments are completed in-house by experienced GLTC technicians and close attention is paid to the quality and long-term utility as each component receives the necessary attention to increase the lifetime. Refurbishing services span across all the forklift brands in the GLTC stable. These include Crown, Doosan and Bendi.

In conclusion, Chagan is happy with performance of the machines. He is equally satisfied with the service provided by GLTC. "Goscor has given us very good service. I would recommend them anytime to anyone looking for quality, rebuilt forklifts, and will most certainly consider them again on my next purchase," concludes Chagan.

Customers will be encouraged to bring their own reusable container, but for those who might forget theirs, the store will offer free paper bags and a range of reusable containers that can be purchased, such as a Consol jar.

PICK N PAY is pilot-

ing a new packaging-free zone. The 'pick

and weigh' shopping

experience will provide

customers with the op-

portunity to purchase

a wide range of quality

products without any

This trial - currently

taking place in the

newly revamped Pick n

Pay Constantia store in

Cape Town – is another

step forward in Pick

n Pay's efforts to lead

the change in reducing

packaging and plastic

There will be 88 dry

grocery products across

15 different categories

from which custom-

ers can choose. This

includes dry baking

goods, cereals, dried

fruit, flour, grains,

ground coffee beans,

nuts, pasta, pulses and

beans, rice, seeds, spic-

es, superfoods, olive oil

and vinegar. Each cat-

egory will have a range

of products, including

gluten-free options.

waste.

product packaging.

"This is an innovative concept for a traditional supermarket, and we are really excited to help our customers reduce their packaging footprint," says Paula Disberry, Retail Executive: Commercial at Pick n

Packaging-free zone

introduced

She says that all the products are sourced directly from suppliers and are delivered to the store in large reusable containers before being decanted into containers in the packagingfree zone. This means that no new packaging is used in delivering the items to the store.

During the trial, Pick n Pay hopes to identify the top 20 or 30 products and roll out packaging-free zones to more stores across the

"We will closely monitor customer appetite for this offering and based on their feedback, will decide how to expand this offering. While all items are non-perishable with a naturally long shelf life, food waste is still a concern because without packaging, products will have a shorter shelf life."

believes Disberry customers will embrace the opportunity to purchase packaging-free products, judging by the positive reaction to the 'nude' fruit and vegetable produce wall trial Pick n Pay ran in July this year to measure customers' readiness to switch from prepackaged food to loose products.

"The number of stores offering customers a 'nude' fruit and vegetable produce wall



has more than doubled since our trial launched, from just 13 stores to 29.

"Stores have also extended the range to offer 24 seasonal loose PnP fruit and vegetables, up from 12 products. At this special section in the store, free paper bags are provided or customers can purchase a PnP reusable netted freshproduce bags (R7,50) or bring their own clear and sealable container," says Disberry.

"Through trials such as these, we believe we can find viable and sustainable alternatives for our customers. There are no easy or quick fixes, but we remain committed to working in collaboration with our customers, industry bodies and suppliers to help minimise the impact on our environment," concludes Dis-

### How will 5G revolutionize your supply chain?

By Barry Kukkuk -CTO, Netstock.

**INDUSTRY 4.0 brings** us phenomenal developments in technology, including cyber-physical systems, the Internet of things and cloud computing. All, in theory, designed to automate processes to increase and improve efficiencies. However, for Industry 4 to be optimized to its full potential, it is reliant on a fast and reliable network. Enter – 5G, the next big thing that is set to be the real gamechanger. 5G is the connective tissue with all things IoT, linking and controlling robots, medical devices, industrial and agricultural equipment.

5G is a software-defined network that potentially replace the need for all cables as it will operate mainly in the cloud and will provide 100% more capacity than 4G. To put this into perspective - if you wanted to download a 2-hour movie using 3G, it would take you 26 hours, on 4G - 6 minutes, and on 5G, it would take you all of 3.5 seconds. Not only will internet capacity be upgraded, but response times will also be improved dramatically. The response time or latency rate is the delay between the

sending and receiving of information. On 4G, the response time is just under 50 milliseconds - 5G brings this down to 1 millisecond. Although this doesn't sound like much, consider for a moment, the safety factor in self-driving cars. They require a continuous stream of real-time data to enable split-second decision making. The difference between 50 milliseconds and 1 millisecond plays a fundamental difference in the outcome.

5G technology is still in its infancy. Network operators have started infrastructure setup with a few pilot projects in some cities in the USA, UK, and South Korea but infrastructure complexities and costs are high, the full rollout will still take a few more years.

Warehousing, manufacturing, and distribution are industries built to take advantage of Industry 4.0. Sensor-driven equipment enabling faster turnaround times for repairs and the ability to detect problems before they occur is an example of IoT devices commonly seen in supply chain companies. Faster speeds and reduced latency improvements will make a significant impact on these operational efficiencies.

 Higher bandwidth Ways in which 5G will

transform supply chain operations

· Reduced latency times and broader coverage will increase the use of smart devices, which will ultimately improve operational efficiencies and increased digitalization in your business

5G paves the way for

- low-cost connected sensors. Sensors designed to monitor a product from the production line to the warehouse through distribution to the final retailer>s shelf. The location and condition of the goods can be tracked in real-time, providing 100% visibility of your inventory, supply chain, and sales. This will allow you to minimize your risk. The analysis of this data can provide incredible insights to streamline operations further.
- Delivery vehicles will be able to react quickly to real-time data via a 5G network than what they are currently able to do which means safer and more reliable autonomous
- Drones will become viable as a last-mile delivery mechanism
- connection will

- support intelligent transportation systems creating a secure and effective operations environment for Port operations
- Augmented reality applications in your warehouse will be more efficient due to the reduced latency times and will help to improve the user experience with AR applications and lower the chances of operational errors.

Supply chain companies that have already embraced digitization, will have a better chance of leveraging the benefits of 5G. It will bring enhancements to their existing functions and make them even more efficient. These companies should look to beef up their data infrastructures to handle the massive amounts of additional data that will be flooding in as a result of 5G.

The good news for companies that have not yet started their digital journey is that 5G is still in its infancy and a good few years away. However, if you want your business to survive and be a player in the industry, you need to look at your digital strategy and start implementing new technologies now.

# Storage Solution?

Dexion offers efficient, cost effective solutions of all your storage requirements. Dexion racking is designed and manufactured in compliance with the S.E.M.A code of practice, providing you with a quality, fully adjustable storage solution.

- Static Racking
- Shelving
- Mezzanine Floors
- Conveyors
- Mobile Racking
- Mobile Archive Shelving
- Small Parts Storage
- Lockers



Smarter thinking.

Racking & Shelving Tel: 021 552 0220 Fax: 086 517 2949 E-mail: ron@dexioncape.co.za

### Horses for courses – are bigger warehouses worth it?

**FACTORIES** and warehouses are wider than ever, and existing buildings are being extended to make them longer. Both trends beg questions about increases in productivity – are they in proportion to the higher costs of construction?

Crane manufacturer Condra claims to provide at least part of the answer, supplying the overhead travelling machines that service these larger buildings.

Though the company still delivers many cranes with traditional spans of around 17 m, there are an increasing number of orders double-girder machines, greater than 25 metres in span. Managing director Marc Kleiner says that he has in recent years seen buildings measuring as much as 26 m by 28 m served by a single crane.

His opinion is that the economy of building factories of such a size is debatable, because as the span of the overhead crane increases to match factory width, so too does the cost of the factory structure needed to support its weight.

"And the crane itself also becomes more Kleiner expensive," added.

"For example, the 3 t girder needed for a 17 m span increases in weight to 12 t when the span becomes 25 m - a fourfold weight increase to service a 47 percent increase in factory width - and additional power is also needed to move the heavier crane."

In the case of factory extensions serviced by a second overhead crane, a similar question hangs over whether the intended increases in productivity are actually achieved, because cranes operating in tandem can lead to production logjams.

Kleiner explained: "The thinking is that you put up the initial building which is, say, a two-bay layout, and incorporate planning to extend it at a later date and install a second crane to service an additional two bays.

But what often happens is that goods in Bay One cannot be moved to Bay Three because of the second crane working in Bay Two," he said.

Turning to factories with more modest widths, Kleiner said that single-girder overhead cranes are often a costeffective alternative to the double-girder ideal.

In Bulgaria, Condra's subsidiary there has recently delivered single-girder cranes to an engineering company (a 5 t machine), and to a steel trading company (two machines with capacities of 5 t and 3,2 t). Spans of these cranes range between 11 and 13,8 m. More singlegirder machines are

under manufacture. Kleiner emphasised the functional design of this type of crane: "The single-girder design is both durable and robust, and is an effective solution in standard factory applications.

"Of course, the double-girder design provides the advantages of greater stability, lift precision and lifetime durability, but these benefits come at a higher initial price that is later justified many times over by a much extended useful

"A tight budget may therefore dictate con-

sideration of the singlegirder design, which in many cases will be adequate."

Kleiner said that single-girder designs were usually fitted with Titan short-headroom (SH) series hoists, underslung to maximise vertical lift by absorbing the dimensions of motor and cable drum into the space of the girder depth.

SH-Series hoist profiles are some 20% less than that of other underslung hoist mod-

Titan hoists lift a maximum load of 16 t and incorporate refinements such as automatic rope tensioning, smooth travel, built-in load limiter, standardised direct drive and universal car-



Very wide-span crane nearing completion in Condra's Johannesburg factory.



portal cranes | bridge cranes | cantilever cranes | hoists | end-carriages single & double-girder overhead travelling cranes | crane components

# **Innovative panel** sectional doors

INDUSTRIAL door and loading dock solutions specialist, Maxiflex was approached by producer and exporter of citrus in the Eastern Cape, Endulini Fruit, who required a certified air tight door for its steri room chambers

Roger Pheiffer, Sales Executive at Maxiflex's Port Elizabeth branch explains the client's application: "The steri cooling process takes place in three chambers where optimal air tightness is essential. ASSA ABLOY's overhead sectional door comes standard with a 4-way sealing which prevents any air from escaping from the chambers. making it the perfect solution. Furthermore, the unique way in which the panels interlock offers an additional sealing advantage. These exceptional sealing features ensure that optimal internal temperatures are maintained to prevent product spoilage. Pheiffer highlights that these smart designs deliver energy savings in terms of temperature control as well as assist in the prevention of dirt and dust ingress. He adds that additional seals are an option on these doors, depending on the degree of air tightness



required by each specific application.

The flexible overhead sectional doors also offer a number state-of-the-art features that deliver enhanced efficiencies and extended life span even in the most challenging environments. Available in steel or aluminium, and purpose-fit for warehouses, logistics centres and various premises. business these doors are available in various options including wide low threshold pass-doors, normal pass-doors and full vision panels with acrylic or hardened glass windows.

The door boasts a variety of access and automation options. Pheiffer points out that although this was an interior application, features such as wind-resistant reinforced panels (with thicknesses of 42 mm),

MERWRE

**ELECTRIC CHAIN HOISTS,** 

MANUAL CHAIN BLOCKS AND

a class 3 certification for water tightness, and wind load and air permeability ensure optimal performance at the lowest total cost of ownership, even in exterior installations. Pheiffer explains that the door has been tested according to EN12426 with a test result of 6m3/m2/h giving it a classification 3. "Combined with an additional sealing kit around the door leaf, the air permeability will reach below 3 m<sup>3</sup>/ m<sup>2</sup>/h and therefore can be classified in class 4."

The doors were installed according to the producer's installation requirements by Maxiflex, a certi-fied ASSA ABLOY Entrance Systems Distributor, in three days and well on time. According to Pheiffer, the doors will be serviced and maintained on a (at least) yearly

# Bearing the load

SKF South Africa is highly optimistic about the growth opportunities on the sub-continent says the global bearings and rotating technology specialist which offers an extensive bearing portfolio incorporating the latest technology and premium materials and components. "We remain com-

mitted to developing and fine-tuning our bearing suite in order to remain in step with 4IR as well as our customers' widely diverse requirements," states Chris Lubbe, Engineering Manager at SKF South Africa. "Placing digitalisation at the forefront of design, we integrate a wide host of technologies into our offerings."

Bearings are critical components; their failure can result in other component failure, leading to costly downtime, equipment repair or replacement. Lubbe further points out that with advanced technologies packed into the bearings, the importance of correct equipment care is more crucial than ever before to ensure optimal machine performance, reliability, availability and extended lifespan. Alongside accurate seating, fitment and alignment, appropriate maintenance and lubrication as well as equipment monitoring are also essential. "In a nut shell, if you treat your bearings right, the entire operation, from start to finish, will run smoothly and the benefits will reflect in your bottom line."

SKF offers a wide selection of products such as auto-lubrication, dismounting and alignment tools as well as advanced condition monitoring systems which enable customers to 24/7 remotely view their equipment's machine health, check if units are operating correctly and detect issues such as primary bearing defects, velocity vibrations and temperature problems. Bringing together bearings (the hardware) and system performonitoring mance (the software), condition monitoring systems assist custom-



ers to swiftly identify faults so that it can be timeously dealt with to prevent costly machine damage and extended operational downtime. Furthermore, this smart software allows the SKF team round-the-clock access to information presented as a detailed analysis enabling them to notify and guide the customer to problems so that repairs can be done during planned maintenance.

Lubbe points out that as condition-based maintenance is often reserved for only the most critical assets, SKF's Multilog IMX range brings condition monitoring to applications that would previously have been out of reach. "Available in 8, 16 and 32 channels. this flexible system can be applied across a broad spectrum of applications and industries."

SKF provides full customer training, from basic bearings and maintenance to vibration analysis at BINDT-accredited training centre in Boksburg.

"We can say with confidence that as a single-source supplier offering a turnkey solutions portfolio, SKF holds the competitive edge in the market," affirms Lubbe. "And for our customers and end-users, this means enhanced productivity and production leading to lowest total cost of ownership and sustainable profitability."

## Vibration sensor simplifies asset monitoring

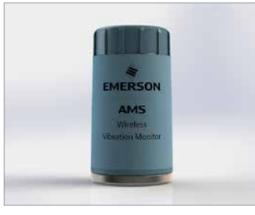
NEW wireless vibration monitor uses embedded analytics to forecast when, how, and why assets may fail, freeing up resources while enhancing insight into operational performance

Emerson has introduced the AMS Wireless Vibration Monitor, a low-cost, easy-to-deploy vibration sensor that perprescriptive analytics on vibration data using native software to automatically identify failure modes and prevent potential problems involving rotating assets. The new compact device makes it economically feasible to fully monitor motors, pumps, fans and other critical plant equipment to reduce downtime and achieve more reliable operations. organisa-

Many tions lack the analysis expertise to translate vibration data into asset health. The AMS Wireless Vibration Monitor provides a solution by collecting and contextualising vibration data to generate actionable information. By applying Emerson's patented PeakVue™ Plus technology, the device not only identifies when and how assets will fail, but also why. Technicians - regardless of expertise -can quickly and clearly identify and prioritise common mechanical issues such as bearing defects, gear wear, under-lubrication and pump cavitation, enabling them to focus more on operationscritical tasks.

"Thanks to the embedded prescriptive analytics, plant managers can add wireless vibration monitoring to their maintenance toolbox without having to train current staff to perform complex analysis," said Robert Skeirik, director of machinery health solutions product management with Emerson's **Automation Solutions** business.

of Emer-Users Plantweb™ Optics asset performance platform allows conveniently receive machinery health alerts anywhere with a mobile device. These alerts can also be aggregated with data and asset health



information from other sensors and systems, allowing users to run analytics on all types of assets from a single application. This provides a more complete picture of the operation's overall health while generating specific alerts when processes or performance are at risk. Plantweb Optics is part of Emerson's Plantweb digital ecosystem, which leverages IIoT technologies, software, and services to expand digital intelligence throughout a workforce.

The AMS Wireless Vibration Monitor operates on a plant's existing WirelessHART® network and fully supports the vibration analytools included in Emerson's AMS Machine Works software. It uses a triaxial sensor to capture data in three dimensions to generate a complete picture of the machine condition.

The AMS Wireless Vibration Monitor is the latest addition to Emerson's comprehensive health monitoring portfolio, which includes the AMS Asset Monitor and AMS 6500 ATG. Together, these devices help organizations fully monitor the health of machinery equipment, from essential assets to operations-critical assets that can have immediate impact on safety and production.



### **Electrical window means** safe compliance

COMTEST says with Fluke's new PQ400 Electrical Measurement Window, a permanently installed interface, technicians have safe and near-instant access to electrical panels for making critical power quality and energy measurements. The PQ400 installs using a standard step drill bit and electro-hydraulic hole punch (114.3 mm, 4.5-inch hole diameter), and allows users to make three-phase voltage, current and ground connects covering most measurement configurations. Once installed, users can simply unlock the window cover, lift the lid, and connect the voltage leads of the logger or analyzer. Then, connect the leads for the current sensors and start making critical measurements. Once complete, the voltage and current connections are simply removed from the front panel interface and the window lid locked, leaving the internal connections in place for future use.

The Fluke PQ400 Electrical Measurement Window enables the connection of three measurement phase equipment to energized panels, without the need to open the panel door, wear supplemenpersonal protective equipment (PPE).

- · Reduce the risk of arc-flash and electrocution, while increasing the safety for personnel
- Decrease maintenance costs and reduce downtime by making critical power quality and energy measurements without opening the panel door, enabling logging and moni-



toring at any timewithout disrupting operations

- Reduce work permit requirements and processes by reducing the hazards associated with taking measurements on open panels, saving time and effort
- Increase measurement efficiency and reduce the need for arc-flash PPE1. saving time, increasing efficiency and increasing operator comfort.

PQ400's Key features:

- Permanently connected voltage and current sensors located inside the electrical panel allows for power quality and energy measurements using the external access points without opening the panel door, reducing operator risk
- Voltage and current connections for three-phase voltages, neutral and ground cover most measurement scenarios
- Automatic probe detection for Fluke 1740 and 1730 series power quality and energy loggers and compatible clamps, eliminates the need to open cabinet to check the clamp

### **DIN** rail power supply options

AUTOMATED production systems require power supplies with high stability and safety protection. DIN rail power supply series for such demanding applications are available from Delta Electronics, distributed locally by ElectroMechanica (EM).

The CliQ DIN rail power supply series offers state-of-the-art design to withstand harsh industrial environments, EM Product William Cameron explains. The rugged metal or plastic case is both shock- and vibration-resistant in accordance with IEC 60068-2.

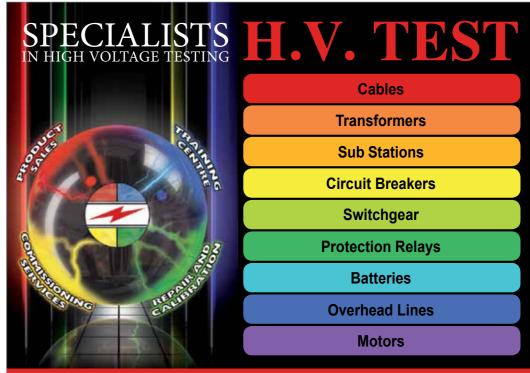
The Delta CliQ II DIN rail power supply series has an IP20 protection level. The Delta CliQ III series is designed

with high power density and smart overload protection features. All the models in the series are encased in rugged yet lightweight, full corrosion-resistant aluminium casings.

Delta's Chrome DIN rail power supply series is designed for use in compact cabinets, which are adopted widely in home automation applications and the food-and-beverage industry. Current available specifications are with 5 V, 12 V, and 24 V output voltage, for power ratings from 10 W to 100 W.

The series offers double isolated input. This means that no earth connection is required, resulting in low leakage current.

- Full 360 degree rotation allows the PQ400 window to be oriented in any direction
- CAT IV, 600V and CATIII 1,000V rating according to IEC61010-2-30
- Compatibility with standard 4mm shrouded safety-socket voltage test leads makes it easier to make voltage connections, increases safety by reducing the risk of accidently touching live electrical components, and reduces the need for purchasing specialized voltage leads



Website: www.hvtest.co.za Tel: +27 (11) 782 1010 Email: marketing@hvtest.co.za



#### DISTRIBUTION BOARDS AND MOTOR CONTROL CENTERS THAT COMPLY WITH INTERNATIONAL STANDARDS AND CERTIFICATION, MANUFACTURED IN SOUTH AFRICA FOR AFRICA

Intelligent distribution boards for smart cities, buildings, energy management, metering and automation

Data-driven systems seamlessly link to industrial and building automation systems and lifecycles

- Schneider Electric: PRISMA partner and PME certified
- Siemens: SIVACON technology partner on S8 low-voltage (LV) switchboards

#### Totally Integrated Power (TIP) for Industries:

- Mining Buildings
- · Oil and Gas
- Chemical
- Automation · Data Centers

· Harbours and Ships

- · System Speed Flexibility
  - Quality
  - Efficiency

#### Digital Industry Services improve and increase:

- Security · Overall Equipment
- Effectiveness (OEE)

#### Partnerships/Suppliers









#### Contact us for information/quote on:

· retrofit, modernisation and optimisation services to an existing plant new LV's DB's









### **Collision prevention technologies** paper released



IN their latest initiative to improve safety, reduce equipment and minidamage mize disruption at the world's ports and terminals, the Port Equipment Manufacturers Association (PEMA), International Handling Cargo Coordination Association (ICHCA) and international transport and logistics insurers TT Club have released an information paper detailing the growing number of non-contact, state-ofthe-art collision prevention technologies.

Drawing on the expertise of relevant stakeholders - PEMA representing container crane and technology manufacturers,

TT Club and ICHCA International representing container terminals - the paper calls for such technologies to be installed on new and existing equipment.

'Collision Prevention at Ports and Terminals' is available for download (https:// www.pema.org/downloads/), as well as from the ICHCA and TT Club websites. This is the latest joint paper published by organisations, 'Recommended with Minimum Safety Features for Quay Container Cranes' being released earlier this week.

The paper does not carry any binding obligations, and is inde-

pendent of the various local, national and international regulatory regimes on the design, manufacture, specification and operation of the equipment types, which must also be adhered to. Adoption of technologies to enhance risk reduction and safety, which is the primary focus of the document, must also go together with the development of robust operational safety processes.

Container terminals are inherently associated with potential safety risk, with vehicles and heavy equipment operating in close proximity. However, given that terminal plant is broadly similar and typically performs similar tasks, it is possible to model different types of collisions and place them in a matrix. To determine what may occur in each part of a terminal, the paper specifies the equipment and personnel likely to be involved in each area; and for each combination of machinery and personnel, the document analyses possible collision types and shares

latest technologies to help prevent collisions.

Founded in 2004, PEMA provides a forum and public voice for the global port equipment and technology The Association has seen strong growth in recent years, and now has 110 member companies representing all facets of the industry, including crane, equipment and component manufacturers, automation, software and technology providers, consultants and other experts.

**ICHCA** International is the only global association dedicated to the promotion of safety and efficiency in the handling and movement of goods by all modes and throughout the supply chain.

TT Club is the international transport and logistics industry's leading provider of insurance and related risk management services. Established in 1968, the Club's membership comprises vessel operators, ports and terminals, road, and airfreight rail operators, logistics companies and container lessors.

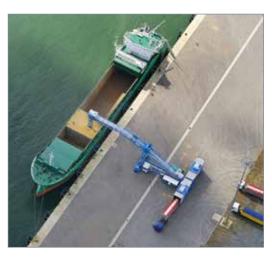
### Latest cargo and handling equipment

"WE have seen a global trend in port infrastructure improvement initiatives, for maritime authorities to consider many critical factors in the selection of capital equipment - apart from a machine's performance merits," says Ken Mouritzen, managing director, BLTWORLD. "In addition to handling efficiencies, important features to consider in the selection of handling equipment, include the machine's durability for operation in harsh marine conditions, its certification for safe use in potentially explosive atmospheres and the alleviation of environmental damage from fugitive dust.

"BLTWORLD's service to the shipping encompasses sector a detailed analysis of the port's supply chain requirements, prior to the recommendation of equipment for improved efficiencies. Our team, with a thorough understanding of port logistics, offers custom-designed solutions designed to enhance handling performance and improve on-site safety, in line with the environmental latest regulations.

"A recent success for BLTWORLD, was the delivery last year, of four new Samson Eco Hoppers to Kenya's Port of Mombasa, which are used for the discharge of dry bulk materials. This equipment, which has significantly improved efficiencies of dry bulk cargo handling at the port, also mitigates environmental damage from fugitive dust.

Samson shiploaders have minimal impact on existing port operations because they can be moved clear of the berth when they are not in use. Diverse cargoes can also be handled without cross contamination. These ship-



Samson shiploaders have minimal impact on existing port operations because they can be moved clear of the berth when they are not in use.

loaders have integrated specialised facilities to speed up vessel loading and trimming, which significantly reduces freight rates. Shortened loading periods enable fast ship turnaround, which also lowers harbour charges.

The Stormajor's cantilevered slewing outloading boom enables a stockpiling stacking capacity up to a 15 m height, with minimal machine movements and loading rates to 1,500 tons per hour. Integrated trimming systems with rotating chutes, radial thrower or dust-controlled solutions, allow accurate cargo placement, with minimal environmental pollution.

In port operations, BLTWORLD's terminal tractors are used to safely move heavyweight trailered cargo to and from vessels and storage areas, to speed up operations across docks and throughout container terminals.

BLTWORLD's Mobicon mobile container handling system efficiently lifts loads onto and off trucks and carries containers around sites at harbours. Containers can be efficiently moved through warehouse doors, effectively taking the container to the stock or the stock to the receiving point. This capability also increases goods security and safety.

These container handlers ensure improved productivity, faster handling times and reduced capital investment costs. Maintenance requirements are minimal and safety for workers, equipment and containers, is significantly improved.

Meclift heavy lifting variable reach trucks and side reach stackers machines are designed for swift, efficient and safe handling of heavy loads at ports. Unlike conventional forklift trucks, these machines can drive into containers, or reach inside a container, for easy loading and unloading of goods and equipment.

BLTWORLD's ranges of materials handling equipment for the shipping sector also includes a fleet of refurbished forklift trucks, container handlers and reach stackers. With banks now offering limited finance options, there is a growing trend for companies to rent equipment, rather than make a substantial investment in new machinery.

### **Angolan Navy contract**



Namdock's three floating dry docks where the repair of Angolan Navy vessels will

In September 2019, in a milestone agreement, Namdock concluded a contract to maintain and repair the vessels of the Marinha de Guerra Angolana (MGA), the Angolan Navy.



### Non-thermal plasma – the panacea for wastewater treatment?

**DECLINING** water supplies is one of the most ominous and persistent challenges we are globally facing.

The UN World Water Development Report 2019 states that over 2 bn people live in countries that suffer from high water stress and further refers to estimates that approximately 4 bn people experience severe water scarcity at least one month of the year. Globally more than 80% of all wastewater is discharged to the environment without being treated.

Climate change is predicted to amplify the extremes, rendering wet areas wetter and dry areas dryer, which accelerates the water stress growth rate in the latter. Compared in numbers, insufficient access to clean water and inadequate sanitation are reported to grossly overweight the attributable deaths resulted from droughts, floods, earthquakes, epidemics and conflicts.

Oil & gas, agriculture and fast fashion are examples of heavily polluting industries that contribute to the prob-



lem by consumption of extreme amounts of water, but the modern society also introduces special pollutants to the environment from its daily functions. Growing concern and increasing public awareness is earned by microplastics and pharmaceutical residues that accumulate in aquatic environments and pose threats of littleknown consequences.

Advanced oxidation processes (AOPs) make an emerging group of technologies for battling many of the problems with water pollution. These processes rely on harnessing the oxidative power of hydroxyl radicals for degradation of organic pollutants like pharmaceuticals.

One seemingly exotic way to generate these supreme oxidants is to bring the treated water in contact with non-thermal plasma. This futuristic approach has been clearing its way from academic research into industrial applications for quite some time now, and it is finally about to be seen in practice.

Flowrox Corona has been extensively studied for various applications in water and wastewater treatment to address the above challenges. Dozens of pharmaceuticals have been observed to completely degrade in Flowrox Corona plasma treatment, and textile industry wastewaters have been observed to effectively lose colour and cut down total organic content. Phenolic substances, fuel additives, dissolved oil components and numerous other special pollutants are easy targets. Flowrox Corona is energy efficient and low-main-

### Water crisis looms again

ON September 2nd 2019, eNCA reported that the province of Gauteng could soon be facing a water crisis along the same lines as the Western Cape last year. Experts have said that water sharing may just become a reality, as the entire population draws water from the same Vaal River Sys-

#### A growing World needs growth planning

In the Gauteng eNCA report, Mike Muller adjunct professor at the University of Witswatersrand - had this to say on the Vaal River System:

"The same amount of water has to be shared with a larger number of people and there's only one way you can deal with that, people have to use less water."

Kalmbach, Hans Chairman of the Executive Board for Hansgrohe, addressed the company's stance in

their Sustainability Report, reaffirming the German company's commitment to the environment - a commitment which now spans 118 years.

"Since founded in 1901 in Schiltach, right in the heart of the Black Forest, we have been working and acting in harmony with the environment. Our business activities have always obliged us to be mindful, and to save and preserve resources. And this is how we act - out of a sense of conviction.'

#### Words in action

The company dropped water waste from 8.17 m<sup>3</sup> to 7.11 m<sup>3</sup> in a single calendar year. They also dropped their water consumption 193 626 m³ to 172 840 m3 in the same year.

#### **Products for the future**

Hansgrohe have developed ranges of EcoS- mart products which reduce water consumption and waste; as well as other products geared towards making Mother Nature that much safer.

"The responsible use of water is essential for the Hansgrohe Group. We are actively committed to reducing the consumption of water in the production of our products," says the report.

Some examples include the Croma, Metris and Talis ranges - all replete with EcoSmart technology. EcoS- mart is an incredibly important innovation from Hansgrohe, as it reduces flow rates in products in order to save water... which saves energy... which saves money!

In fact EcoSmart products consume up to 60% less water than conventional products, with a lower hot water consumption adds to massive energy savings in the long run; and the lower CO<sub>2</sub> emissions are better for the environment.

### Pumping to save mutton

A six-year drought is bringing the farmers of Sutherland, in the Karoo to their knees. Farmers generally prepare for a one to two-year drought, but the current drought has pushed them to their limits.

Sheep are dying in such high numbers, due to hunger or being unable to fight bacteria, that they have dropped from 400 000 before the drought, to the 57 000 counted on April 8.

The drought's impact is not only felt by the animals, but also by the local community.

#### Save the sheep

The local community of Sutherland and surwere directly responsible for the Save the Sheep campaign - a campaign launched to create awareness of the situation the area and its farming communities are facing.

Although the donations have helped a lot, the situation is so severe that sponsored feed itself is not enough, as the intervals of food delivery could not suffice the sustainability of the feeding needs of the community. A savings fund had been established, and a borehole campaign put in place. Funds raised for

this borehole campaign have since been used to acquire more feed, at the lowest possible price for farmers in the area.

Save the Sheep has been registered as a Non-Profit Organisation, and are now able help farmers in the area not just with feed, but by gaining donations to assist in the drilling of more boreholes, and the sinking of

#### **Grundfos bringing relief**

All in all, around 208 holes are planned for the area with pumps needed for the area. With little to no funds available, buying a pump is out of reach for most farmers who are struggling to even create an income in current circumstances. Farmers in the area had approached Grundfos with this dilemma.

Grundfos and Gift of the Givers together with Save The Sheep, offered to assist with drilling for water in the area, for all farmers who would need it. Borehole water in the area is usually lifted by wind pumps, but these unfortunately do not allow for pipes to be sunk deep enough to access the available

Grundfos, along with Gift of the Givers have

water.

been assisting with drilling boreholes and the installation of pumps.

"Nothing prepares you for what these farmers are going through. To see tears, roll over the cheeks of a farmer at the first site of water, really affirms why we do what we do." said marketing manager Willandri Cockroft, Grundfos South Africa.

Gift of the Givers' promise was not to leave the farm unless water was made available. Currently just over 130 holes left to be bored. Success wasn't always guaranteed as it was difficult to find the water table with enough water flow.

Grundfos installation agents are putting together pumps with all infrastructure in place already, to the point where all the farmer needs to do is put the pump in the hole and connect the switch. This means that in less than 45 minutes, the whole pump is set up, and water is flowing.

The first 30 pumps have been bought, and at the current rate is pumping more water than was expected. Starting with Sutherland, the goal is to spread to the rest of the Karoo, providing much needed relief as far as possible.

### BORELINE the flexible rising main

- 300m LENGTHS
- EASY STORAGE
- EASY HANDLING
- EASY TRANSPORT
- 5-YEAR WARRANTY
- LOW FRICTION LOSS
- HIGH TENSILE STRENGTH
- POTABLE WATER APPROVED













hose.manufacturers

solutions+alliances



BORELINE is a Flexible Riser of exceptional strength and durability that makes the installation of submersible pumps simple and fast. Specially designed to replace Steel Risers, BORELINE is completely inert to rust and due to

its flexibility, no internal scaling can take place.

## **Local RFID access** control solutions

By Dave Joyce, Managing Member at NimbleTech.



When it comes to technology, local is best

While RFID (Radio frequency identification) access control systems are not new, the vast majority of those available have to be imported at significant expense. They cannot be easily customised and support is time consuming and costly. Locally developed solutions offer the ability to customise a complete access control system quickly and cost effectively.

intelligently An designed system can make use of inexpensive technology readily available in

the market, includ-Android-based mobile devices that have built-in scanners. This further reduces the cost and speeds up the time to implementation. A solution can be delivered as a fully managed service, with all of the necessary back-end software and physical components and a completely customised offering, for a fraction of the cost of imported solutions. Local offerings also offer improved backup and support and personnel can be on hand at events to ensure that everything runs

RFID tags can easily be incorporated into show or exhibition tickets to ensure they can only be used once and cannot be cloned, forged or duplicated. People attending an event can be given a bracelet with the RFID tag built in, which is unique to their purchased ticket. They can even take this a step further and create an entire cashless ecosystem. This includes entry that can be segmented for specific areas, prepaid food and beverages and more.

smoothly.

A plethora of benefits

Aside from enhancing access control processes and eliminating fraud, a cost-effective local RFID system can empower event organisers and venues with numerous other bene-

linking into existing turnstiles, the existing data from systems already in place can be effectively harnessed. Third-party ticketing systems become unnecessary, as does expensive purpose-built hardware and software.

A complete intelligent access control system provides a platform for event organisers or venues to start engaging with their customers, creating apps, loyalty programs and more.

Data can also be used for analytics to determine event attendance, number of beverages sold, merchandise sold and so on. This information can be invaluable for more effective stock planning ahead of time. Behavioural data can be invaluable for insight into how events can be improved and enhanced in future.

The future is digital

Paper-based entries with barcode scanners are slow, cumbersome and prone to numerous issues including ticket fraud, multiple use, and even duplication, loss, and physical dam-

The scanners are not connected to any platforms and have no intelligence behind them, so a source of significant data is also wasted. RFID technology solutions solve the vast majority of access control challenges at major events and have a number of additional benefits. With an intelligent local solution, event organisers or venues can run their own technology as a customisable, flexible and managed service. All of the technology is taken care of, on a cost-effective pay as you use basis.

This means fewer external service providers, lower cost and tighter control, as well as enhanced data availability and greater intelligence for improved insight. The future of access control is digital and is an affordable option at

# **Machine Tools** Africa 2020

EXPERTS are optimistic about the global machine tools market which is expected to grow from USD 77.0 billion in 2019 to USD 98.3 billion in 2027, with a compound annual growth rate of around 3.2% during the forecasted period. This is according to ResearchAnd-Markets.com (Global Machine Tools market by product type; global forecast to 2027). The growth in industries such as process automation, vehicle production, and high precision fabricated components and products being the primary drivers for the global machine tools market going forward.

The nature of the industry is changing fast, with three core trends influencing the scope of the current machine tool industry, namely: process automation, additive manufacturing and the rise of electric vehicles. Process automation can deliver high quality products with better precision, and increased throughproductivput and ity. Machines can be maintained with simple quality checks, enabling timely repairs reducing therefore down-times and costs. Additive manufacturing or 3D printing as it is also known, has altered the landscape of the machine tool industry and is widely used in the automotive, defense and medical sectors. It offers a resource efficient and cost effective solution for concept validation, bringing design and innovation to the forefront.

Growing for electric vehicles has seen countries around the globe trialing innovative ways to get this technology into the marketplace. It's likely that initially there will be a high proportion of hybrid vehicles with a combination of combustion engines and electric motors, which could offer the machine tool sector opportunities for growth.

These core trends all strongly indicate a need for the machine tool market to integrate the latest technologies in order to come up with smart solutions for the changing market scenario.

Machine Tools Africa (MTA) will take place from 12 to 15 May 2020 at the Expo Centre in Johannesburg, South Africa. The show is the biggest trade exhibition of its kind in Africa and is the perfect opportunity for local industry players to brainstorm and think of innovative new ways to seize the future market. The show will showcase all the latest developments and technologies in the industry and provide a platform for business expansion as the local market grows.

Enjoying strong industry support, the expo will remain a standalone show as it was in 2017 when 5900 visitors attended the show to source new products and services and find out about latest industry trends and technologies. The MTA exhibition is a Machine Tools Merchants' Association of South Africa (MTMA) event in partnership with the organisers, Specialised Exhibi-Montgomery. tions performance machine tools touch every aspect of our lives," says MD of Specialised Exhibitions Gary Montgomery Corin. "Machine Tools Africa 2020 will showcase everything that twists, turns, rotates, cuts, forms, bends or concludes shapes," Corin.

For more information about Machine Tools Africa 2020, visit the website www.machinetoolsafrica.co.za

gramme will include

plenary panels and

sions. The aim will be

to structure and ad-

interactive

discus-

process,

### EGYPS 2020 – Egypt **Petroleum Show**

THE region's leading oil and gas knowledge exchange and networking platform the Egypt Petroleum Show will take place on 11 - 13 February 2020 at the Egypt International Exhibition Center in Cairo. EGYPS 2020 Technical Conference covers the following categories:

- 1. Exploration: Reservoir Characterisation (EXPL)
- Geoscience: Tech-

- nology Developments (GEOT)
- 3. Unconventional Oil and Gas Resources Development (URD)
- 4. Oil and Gas Field Development (FD)
- 5. Drilling (DR)
- 6. Completions (COMPL)
- 7. Onshore and Offshore Fluids Processing and Transportation; Gas Processing.

- Operations and Technology (GAS)
- 8. Offshore and Marine Technology and Operations (MAR)
  - 9. Project Management and Execution (PM)
  - 10. Operational Excellence (OpEx)
  - 11. Health, Safety and Environment (HSE)
  - 12.Downstream: Refining Technology, Operations and

- Marketing (REF)
- 13.Downstream: Petrochemicals Technology and Operations (PET)
- 14. Biofuels, Alternative Fuels and Renewable Energy (BIO)
- 15.Digitalisation of Oil and Gas (DIGI)

Visit EGYPS 2020 conferences@egyps. com for more infor-

### Africa Energy Indaba

3-4 March 2020 at the Cape Town International Convention Centre.

OVER the past 12 years, the Africa Energy Indaba has assembled the leaders and key stakeholders in the energy sector for the continent's annual energy event.

As per the latest report from the International Energy Agency (IEA), Africa is experiencing the fastest progression of urbanisation the world over. The report states that cumulative investments of \$2.6 trillion are required bemeet this rising energy

demand and provide more accessible energy facilities to African cit-

Created around the 2020 theme, "African Energy - Catalysing Investment and Busi-Opportunities", the newly released 2020 Conference Programme is set to establish the ideal platform to discuss how Africa can accelerate the development of energy infrastructure and projects to meet the demand for

vance energy projects to bankability, provide the necessary business linkages to enable the transaction supported with the required finance, resulting in the growth and development of the African energy sector.

For enquiries, please email: info@energyindaba.co.za Learn 2-day pro- yindaba.com



#### Rely on us!

Whether for conferences, exhibitions, product launches or demonstrations, we'll take care of your freight requirements. Leaving you more time to present your products & services.

> P.O. Box 60316, Table View, 7439 Tel: +27 21 552 7248 Fax: +27 21 552 2349 Email: ef-gsm@ef-gsm.co.za Web: www.ef-gsm.co.za

### Zero-waste solution announced

CENTER for Regenerative Design and Collaboration (CRDC) announced its plastic-to-concrete invention at the recent Sustainable Brands Oceans congress in Porto. The news was delivered by Donald Thomson, founder and CEO of CRDC, Paul Clements-Hunt of The Blended Capital Group in London and Kevin James, CEO of GCX Africa. They explained how the planet could be rid from unmanaged and unrecycled plastic waste ('tragic' plastic) through this technology, which can turn any plastic dirty or clean and in any form - into the very building blocks of sustainable development. The CRDC process involves efficient upcycling of massive industrial quantities of plastic waste and enriching it into a synthetic construction aggregate that is lighter in weight

and more durable than conventional concrete.

This is a practical solution that, using unmanaged ('tragic') plastic waste, can be used in a variety of concrete products to build quality housing and civil infrastructure that can prosper over the long term. It is tried, tested, in operation, and primed for immediate global expansion.

CRDC is working with three of the founding members of The Alliance to End Plastic Waste, (the petroleum's industry's organization that has established a US\$1.5-billion fund to help resolve the tragic plastic problem); CRDC is also working with one of the world's largest brokers of recycled materials; with a significant player in the food and beverage industry; with Habitat for Humanity; with the Ocean Recovery Alliance; with leading construction and companies concrete

around the world (for example PEDRE-GAL in Costa Rica and Latin America); and with municipalities and governments in order to form an effective international alliance to ensure the scalable roll-out of the technology as a global solution to the plastic waste problem the planet faces.

- The CRDC product is a Pre-Conditioned Resin Aggregate (PRA) that incorporates regenerated waste plastic particles combined with a standard sand-cement mixture to produce a highly resistant, durable cement or cement block.
- Just one CRDC facility and plant would eliminate 11 760 tons of plastic (pre-conditioned resin aggregate) per annum; and

- per annum; produce 13 400 tons of PRA

containing 5% PRA per annum. This new aggregate (PRA) can be used in any building

produce 268 800

tons of concrete

application (from quality affordable houses to infrastructure) and will turn 'tragic' plastic into a valuable commodity for industrial and commercial use.

The technology and the concrete aggregate products have been

tested rigorously, are backed by two years of extensive case studies, and meet all stringent building application standards in the US, Africa and Latin America.

This has far-reaching benefits for the environment. It is a circular economic solution with impeccable ESG (environment, social and governance) credentials.

CRDC's CEO, Donald Thomson says: "At

a time when the world is in outery about 'tragic plastic' in our oceans, we have created not only a foolproof solution but also a game-changer for using plastic waste in a commercially viable manner. This is a full scalable zerowaste solution for the effective recovery and re-use of plastic.

"The objective is to create a platform whereby single-use plastics may be transitioned into a supply stream for high-quality construction als while providing a solution to two of the world's most pressing issues: the recovery of waste plastics from the environment and the global housing deficit. The long-term aim is for CRDC's PRA to become a new industrial feedstock aggregate for the construction industry. From a socio-economic perspective, its greatest value lies in its potential to develop quality social housing as well as infrastructure.



# Rotary vane technology; a 100 year legacy

IT was 1919, when the engineer Enea Mattei, decided to give up his job at the Civil Engineering department for whom he had served during the First World War, to start up an entrepreneurial activity in the field of compressed air. It was from then the history of the Mattei company as we know it today, began in in a small workshop in via Padova in Milan.

The company experienced exponential growth collecting several firsts, such as the construction of the first compressor with a diesel engine in 1934. In those years production was focused on very powerful piston compressors (L series) that were a huge success in Italy and began to be exported around the world.

growth Sustained followed the years after the Second World War that continued even after the passing of Mattei, when in 1958, anticipating a shift in demand towards lighter and smaller compressors, the innovative rotary vane technology was introduced, which until today has remained the hallmark of the company.

In 1960 the company was listed on the stock market, and acquired by the Contaldi family in 1962, owners of OMIC (Officine Meccaniche Contaldi), a company

founded in Naples in 1866, specialising in the energy sector. Giulio Contaldi assumed the role of Mattei CEO and the site at Vimodrone became the company headquarters.

Since the 1980s, alongside the opening of the Verdello-Zingonia (BG) plant, a massive expansion programme began overseas with the creation of branches in the United States, France, Great Britain & Germany; an international trend that continued the 2000s with in representative offices in Russia, Spain and Singapore and the opening of the first production site in China in 2007, which became Mattei Suzhou in 2015. That same year, alongside the development of the business in the South-East Asian markets, the British company Winton Engineering Ltd, a specialist in the solutions for the supply of "on-board energy", was acquired.

Mattei also expanded into new ways of doing business and in addition to industrial compressors, began to supply just the pumping unit for OEM applications in the 1980s. The first partnerships, which are still going on today, are those in the vehicular sector, to which they have been joined also by partners in the gas recovery sec-

Today the

pany has 250 employees in eight branches around the world. produces over 6 500 compressors a year and exports around of them 100 countries worldwide.

The common thread in the story of Mattei is continuous innovation. The company distinguished itself since the early years for the reliability, compactness, silence and efficiency of its machines.

Energy ciency has been the focus for research and development in recent years, looking to develop ever more environmentally and economically sustainable solutions. In 1998 came the first of the variable speed series, Optima; in 2000 it was the turn of the high-efficiency Maxima series, which with a rotation speed of just 1 000 r/min was designed for applications requiring a constant and uniform air supply.

Mattei also contributed towards "green" objectives with the development of control systems, which ensure a reduction in energy consumption of up to 35%, recovery systems that recoup up to 80% of industrial heat and the MIEM consumption analysis software, developed in the late 90s.

The latest evolution of the energysaving machines is the new Mattei Xtreme 90i, which offers even higher levels of performance in terms of both efficiency and sustainability.

The investments in R&D have allowed Mattei to face even the most difficult economic periods, focusing on high levels of product customisation and diversifying into new markets related to alternative energy sources: from the introduction to the world of biogas recovery, to the study of tailor-made solutions for vehicular applications, with a particular focus on electric mobility.

is repre-Mattei sented in South Africa by Rotorvane.



### Putting the "human" back in human resources

A study recently published by the Journal of Economic and Financial Sciences confirms that as South Africa's popularity as a tourist destination increases, the need for skilled human capital increases too. Especially during the festive season, the hospitality industry employs additional human resources (HR) to meet increased demand. This influx requires the effective management of HR and operations, ensuring only the best customer experiences are delivered.

Traditionally, the HR department has been subject to an array of stereotypes. Whatever image comes to mind, it is widely accepted that "traditional" HR serves as a place to go for help. Yet, as new technologies like Artificial Intelligence (AI) and Machine Learning continue to infiltrate and automate the HR space, many employees fear that the "human" aspects are falling by the wayside leaving employees alone to deal with cold user interfaces.

"Despite these fears,

leveraging the latest digital tools in the HR department can actually help businesses to manage the workforce," confirms Jane Thomson, Director at EOH Infor Services, Infor's Master Partner in Africa (operating as a Gold Partner). This technology not only impacts the bottom line, but also creates a more enjoyable, human experience.

Here are three ways in which modern software solutions can support the optimisation of a company's talent and HR teams.

With the rise of hiring analytics and big data, HR departments can more effectively and efficiently match a particular candidate with the job opening that requires his her specific skill set. "Finding the right candidates for the right job is essential," adds Thomson. "Just as Netflix's algorithm is able to identify and suggest content based on a viewer's past preferences, HR leaders can leverage cloud-based software solutions to access talent potential and determine the best

fit for each role."

Technology will also drive the investment of more time and energy in talent development. "By 2025, machines will perform more tasks than humans in the workplace, according to the World Economic Forum's Future of Jobs 2018 report. Although developments in AI and automation could cause 75 million jobs to be displaced, another 133 million new jobs projected emerge, creating a total increase of 58 million new jobs over the next five years," says Thom-

accommodate To this massive workforce shift, no less than 54 percent of all employees will require significant reskilling and upskilling by 2020, which is why HR leaders need to put greater emphasis on developing their most important asset: their people.

implementing robust, digital human capital management tools, companies can help their HR leaders make data-informed decisions about their workforce: creating a 'win-win' strategy for



Jane Thomson, Director at EOH Infor Services

employees and employers. Thomson states; "Cloud-based solutions that encourage regular check-ins and engagement reviews allow employees to provide feedback continual with their managers. Having greater visibility into the entire employee lifecycle and the nuances of day-today activities allows companies to make better people decisions."

Making HR departments more high-tech actually makes the HR experience more human. "This is due, in part, to the fact that automating tasks allows for HR professionals to focus on meaningful conversations and interactions with employees. As emerging technologies continue to disrupt the workforce. leveraging these offerings will greatly benefit employees; matching them to the right roles, developing their skills, and giving them the personal attention they deserve. Human interaction will never become completely obsolete. In fact, it has become more important than everand technology is making it thrive," concludes Thomson.

### Rabbits, a hidden gem for small scale farmers

AMIDST the constraints and uncertainties contributing to barriers for entry in the agricultural sector, it is imperative that small scale farmers start considering less conventional niches like rabbit farming.

Pertunia Setumo, Agricultural Economist at FNB Business says, not only does rabbit farming have lower costs of entry, it is less demanding, easy to maintain, requires less land and resources. Rabbits also grow and multiply very quickly. For example, it takes rabbits about 90 days to reach a production weight of 3.5kg. Furthermore, the gestation period for does is 31 days before giving birth - producing an estimated one to 10

"For a small-scale unit of 150 does and 30 bucks, a start-up investment is estimated at R35 000. This would cover setup costs such as breeding stock, feed, labour and other variable and fixed inputs, for the first month. This excludes structures (which require capital investment depending on the size of the operation) and adhoc fixed costs," adds Setumo.

A kit will require about 50g of feed per day, with a 40kg pallet going for R243/kg. An estimation of 9.2kg is required for the life cycle of the rabbit (51 days to reach a marketable weight of 2.2kg). The price per head is estimated at R55.

Domestically, consumption of rabbit meat is currently below 20% compared to over 80% for the export market.

Although rabbit meat is considered to have the lowest calorie meat per serving and a high protein concentration compared to beef, lamb, chicken, fish, and pork, it is still a relatively unpopular dish in South Africa.

Setumo says "locally, the retail market is still immature owing to a lack of knowledge in terms of nutritional benefits and accessibility.

The meat is available in gourmet restaurants, wildlife butcheries, informal markets and some selected retailers."

Globally China is currently the leading producer and consumer of rabbit meat with about 60% of the global production coming from the coun-

### Waste management reports: more than just a dirty toilet

WASTE is the dirty toilet which is not talked about in polite company. Everyone knows their toilets need to be cleaned but they

would rather someone else does it. So why - if vou don't want to talk about it – do you want to read about?

If one starts to think



about waste as an indicator of how sustainably you are operating it puts it into a larger context. That report you routinely throw in the bin can show, in black and white, backed up by hard data, how sustainably your business is operating. And that is important.

Waste reports show, using hard data, how sustainably your business is operating

The general waste and recyclables are combined in a report supported by graphs, if required. This shows what percentage of waste is being taken to landfill and what percentage is being recycled. The percentages vary according such as ISO 9001 and will be disliked on Certificate to verify

to the type of site. A shopping centre has a different waste profile to an industrial estate. Whatever the percentage it is the trend which is important.

Waste reports are like stock reports, we want an upward trend

The report which Smart Waste provides is a tool that tracks over time the performance of the business. Is the business using more resources, is it wasting money? Some businesses do not know how much material they use when they make something. The waste report can show

Larger industries tend to obtain certifications of standards

ISO 14001. The report is an independent tool which shows the auditors that there is a standard in place to measure and track quality and the sustainability of the business. More and more businesses want to be seen to uphold certain minimum standards.

**Smart Waste** is able to assist organizations in becoming more sustainable.

A restaurant which provides had service

social media. Big business may be disliked with a qualified audit. The report provides a monthly trend to show whether the business is operating sustainably. Managers can - if they read the report - take note of a downward trend and react timeously.

Even if you are not a restaurant or a big business most organizations want to show compliance. report is an independent record of compliance. Where necessary Smart Waste also issues Safe Disposal Certificates to verify that hazardous waste has been disposed of in accordance with legislation. Or a Recycling

that a material has been re-engineered responsibly.

Waste reports show how you can save, the environment and your pocket, if used cor-

In addition to the report Smart Waste accounts to the client for the income from the sale of the recyclables which it arranges. Smart Waste also arranges for specialist sub-contractors to remove materials. Hazardous materials and things like sludge require dedicated vehicles and licenses to handle. To ensure that the report is comprehensive these materials are included.

Smart Waste is able to assist organizations in becoming more sustainable. The starting point is a waste management plan. Smart Waste will inspect the site and assess all the waste being generated. The volume, quality and continuity of each waste stream is determined.

Then a plan is put in place. It may include medium to long term goals which take account of financial constraints and allow time for buy in from stakeholders.



## **OPINION**

### Cheers to a prosperous 2020!

Continued from back page

ceed, my dear."

"Thank you, but with all due respect," protested Miss Lily in fem-lib albeit not Jane Fonda mode, "I am not your dear."
"Quite correct, Madam," I agreed,

"you have the floor."

"Thank you," she said, "The good news is that, starting small, this movement of women, most of them strangers but all of them in solidarity with their sisters suf-

fering hardship in our country, started packing boxes with the little items that are left off a woman's shopping list when times get hard - to be delivered before Christmas.

"At first shoe boxes, then wine boxes and larger, later lorry-loads of boxes delivered to the drought-ravaged areas of South Africa. Most of them anonymous. As one farmer's wife responded, 'I could not believe it: my box contained exactly the items I used to get to spoil

"Thank you," smiled Miss Lily, "that is my story.'

What could we say? We salute our women and then, maybe this: Let's pray

E-mail: noag@hermanus.co.za

### The inexorable rise of bureaucracies everywhere

Continued from back page

private) is responsible for anything, and the opportunities for buck-passing and bribery are infinite, Blaming the briber rather than the recipient is always a way

It was not always thus. For example, it used to take passing stringent examinations to get into the British Civil Service. Only the best brains passed. In return, they joined an elite. They accepted smaller salaries than those in the private sector, but they were unlikely to lose their jobs, barring gross indecency. An index-linked pension was the cherry on

Alas this is no longer the case. The civil services in country after country have expanded. Rather than being a calling attracting an elite wishing to serving the public, they have been used by politicians for nepotism and patronage.

Even in the US the civil service has ballooned since 1945. The separation of powers enshrined in the US Constitution has been circumvented by federal government agencies that use their regulatory powers to the maximum extent, in many cases to an extent never intended by the legislatures.

An arch example of regulatory excess is the US Environment Protect Agency (EPA). It now boasts some 70 000 employees (paid by the taxpayer). Some may think that is a good thing.

A large bureaucracy such as we now have, was not always a pre-requisite for governing. When the British ruled India, the number of civil servants never exceeded an elite 1 200. This small number provided services to 200 million people. The rule they represented put an end to the piratical early days of Clive and other Nabobs. These dedicated men, often graduates of Cambridge or Oxford, could not be bribed. They accepted low pay because they regarded public service as a calling. They sacrificed their health and often their lives to this ideal.

Another example of a small public service, and many years before the British Empire took shape, is the Chinese Empire under the Han dynasty which created a Mandarin class to manage the Chinese state. It took 30 years to prepare for the eight entrance examinations. Many applicants dropped out from sheer exhaustion. Those who made it were men of ability and virtue.

By the way, once in, the penalty for corruption was death.

Standards are no longer so high in modern bureaucracies. Truth be told the Chinese system became corrupt in the end. In modern civil services, even in the developed world, patronage is often rampant, along with nepotism, bribery and tender manipulation. It is worse in some countries and better in others. The phenomenon is well known, and of course it is present at times in the private sector.

However, in large organizations in the private sector, action is taken. Bureaucracies that have grown fat are periodically are trimmed. Such slimming rarely happens to civil services. On the contrary, civil services tend to grow at an average of 5 % a year. The hiring process lumbers on. The top people, who want to stay powerful, only hire incompetents who are no threat to their own positions. Those below them do the same. Ergo, more and more incompetents come aboard, and so on ad infinitum until the whole edifice is, well, useless.

This pattern gave birth to Norman Parkinson's Peter Principle, which says that in a bureaucracy, people tend to be promoted to their level of incompetence. Do well at one job, and get promoted. Do well again, and take a further step up the ladder - up, and up, until finally the job is too much for the incumbent.

We have a great example of bureaucratic growth. President Mbeki's administration had 28 ministers.

His successor had 35 ministers and 37 deputies. The bill for their salaries rose by almost 150% in ten years according to local economists.

Meanwhile the number of South African civil servants rose by a 30% over the same period (2005 -2012).

Bloated bureaucracies can be cured. The Swedes provide a fine example. When the overmanned Brown Bovery company was taken over by a smaller Swedish firm, the first thing the new Swedish MD did was cull its bureaucracy.

He told the bloated staff complement that the new company would not be run "like a government" nor administered from a central head office. First to feel the pinch was the headquarters. Everyone in it was given three months to find a "real job" in the company. More than 3 000 failed to do so. They were fired.

By replacing a top-heavy bureaucratic structure with 1 000 local offices, quick decisions could be made, and the new ASEA Brown Bovery, no longer haemorrhaged money. It rapidly began earning annual profits in the billions.

Game, set, and match to private business and the profit motive.

As it is, our once professional civil service, already subverted by the previous government, is still expanding, soaking up our taxes and risking becoming little more than voting fodder.

#### IN THE NEXT ISSUE:

- Boilers / Burners / Combustion Technology
- Filters and Filtration
- · Financial Services
- Fishing Industry
- Fleet Management /Servicing and maintenance
- Flooring and Handrailing
- Heavy Lifting & Rigging
- · Hydraulics, Pneumatics and Fluid Control
- Industrial Gases
- Lighting & Illuminating
- · Logistics and Supply Chain Management
- Petrochemicals / Oil and Gas
- PPE (Personal Protective Equipment)
- Property
- Pumps and Valves
- Safety & Security / Surveillance / Access Control / Fire Detection
- Seals and Gaskets
- Tooling / Machine Tools & Equipment
- · Welding, Cutting & Fabrication
- · Wire, Rope Hoist, Sling, Chain

Cape Business News is always on the lookout for stories of companies that are shaping the Cape business landscape. If your company has a story to share, in these, or any other business sector, send your story to editor@cbn.co.za for consideration.

### **Business News**

#### Chairman:

Rudi Leitner

rudi.leitner@hypenica.com

#### **Publisher:**

Pieter Meiring

pieter.meiring@cbn.co.za

#### **Editor:**

Robin Hayes

editor@cbn.co.za

#### **Production Manager:**

Elise Jacobs

elise.jacobs@cbn.co.za

#### Online Editor:

Jadine Gracie

jadine.gracie@cbn.co.za

#### Sales Team:

Heather Ferreira heather.ferreira@cbn.co.za

Robin Dunbar

robin.dunbar@cbn.co.za

Shaun Austin

shaun.austin@cbn.co.za

#### **Subscriptions:**

subscriptions@cbn.co.za

#### **Cape Business News**

Tel: 021 2500400

#### Printed by:

**RSA Litho** 

### South Africa must withdraw from Grand Inga Treaty erred by including Inga 3 in South Afri-

#### By Siziwe Mota spokesperson for **International Rivers**

THE South African government has admitted that it has no estimates or projections for the cost of transmitting hydropower from Inga 3 to South Africa, or for the tariff rate to be charged for the imported power.

Six years after South Africa signed the Grand Inga Treaty, the Department of Mineral Resources and Energy revealed to the Portfolio Committee on Mineral Resources and Energy that the government has yet to identify an appropriate method of delivery of power from the Inga 3 hydropower project in the Democratic Republic of Congo to South

This is despite the fact that power from Inga will cost South Africa R4.3 billion per year on transmission alone. Independent researchers from the University of California found that hydropower imported from Inga will come at an annual cost of R400 million more than domestic power generation would. And according to our own research, it's estimated that cost overruns could fall between \$2 billion and in the worst case up to \$10 billion.

It is clear that the Department of Mineral Resources and Energy ('DMRE')

ca's IRP which was approved by cabinet in October 2019. Rather than prolonging the precarious commitment to Inga, the government must withdraw South Africa from the infeasible Inga project.

This conclusion is supported by the inability of the department to assure the committee that Inga 3 will ever come online. Nor could officials provide any certainty about the Department's planning for South Africa's energy future if hydropower from Inga 3 fails to materialise.

Director-General Thabane Zulu also admitted that South Africa's participation in the project could be impacted by delays occasioned by the fallout reported between the Chinese and Spanish consortia awarded the contract for the construction of Inga 3.

In terms of the IRP, Inga 3 is expected to begin delivering power by 2030.

When the Portfolio Committee Chairperson asked about the cost of keeping South Africa involved with a project that may never materialise, the Director-General emphasised that South Africa's direct commitments under the Grand Inga Treaty remain in place until 2023.

What he did not mention was that South Africa's commitments as an offtake partner play a significant indirect role in securing financing and guarantees for the mega project's construction - and therefore in the establishment of a network of arrangements ripe for corrupt deals and human rights violations.

The World Bank withdrew its support for Inga 3 in 2016 due to alarms about severe governance oversights and abuse of due process.

Instead of ensuring a secure, affordable and accessible energy mix, the precarious Inga 3 is a clear threat to South Africa's energy security. With the cost implications unknown, and the prospects of Inga 3 ever delivering power uncertain, Inga 3 makes a mockery of the IRP as an instrument to secure the country's energy future with the minimum cost to the country.

The South African economy is teetering on the brink. Our state-owned enterprises are burying the country under a mountain of debt - South Africa simply cannot afford hydropower from Inga 3 when or if it comes online. Nor can we afford the uncertainty of effectively waiting for the project to fail so that our treaty obligations will fall away.

Rather than leaving South Africa flailing in the muddied waters of Inga 3, the South African government must withdraw South Africa from the Grand Inga Treaty - and provide South Africans with the certainty that is so critical to plan and provide for our energy future.

Cape Business News has taken all reasonable care to ensure that the information contained in this publication is accurate on the stated date of publication. It is possible that the information may be out of date, incomplete or the opinion of the author. It is therefore advisable that you verify any information before relying on it.

Cape Business News accepts no responsibility for the consequences of error, or for any loss or damage suffered by users of any of the information and material contained in this publication.

Materials published in this newspaper are subject to copyright and other proprietary rights.



### Business News

TO SUBSCRIBE TO CAPE BUSINESS NEWS SMS Subscribe to 31013



# Cheers to a prosperous 2020!

HRISTMAS had come and gone, New Year had come and gone, so peace and quiet were finally returning to the local pub and grill. The jolly fellowship of convivial conversationalists could resume their regular considerations of the world's follies in conditions where speech was, again, audible to the human ear.

Our village is popular with holidaymakers, you understand, and of course we welcome them and are even, sometimes, infected by their good spirits. It's just that the pub parliament has to go into annual recess, for reasons of practicality.

I was thus peacefully enjoying the company of the Big White Dog in my usual corner, with no more intellectual strain than a pondering of the magical skills of the master brewer, when the learned ladies and gentlemen started arriving in their usual orderly fashion – until Luke the Dude's disorderly entrance with shouts of "Yes! Yes! What do you have to say for yourselves?"

Monsieur Jean-Jay did have something to say: "You, Mon Ami, are a rude man. Why do you not introduce us to your ah, shall I say, delightful guest?"

"I was coming to that, you wanton Gaul," accused Luke, "please meet my friend Lily, who has relocated to our happy village from Pretoria to teach at our local school. I thought she could contribute some sense to our conspiracies and chatter."

Miss Lily was warmly welcomed by all; in fact, so enthusiastically by some that it was not long before we were again approaching the sound barrier. This I addressed in the time-honoured manner that works for Speakers of parliaments over the world – a loud and firm shout of "Order!"

With the usual result. Everybody did, on my tab.

The Prof, with a conspiratorial nod to me, was with the programme. "As the holiday spirit is evidently still with us," he said tactfully, "let's see if we can have a full conversation without mentioning the SAA, Eskom or any of the other state-owned corporations bankrupted by the ANC?"

"I do not agree," protested Big Ben, causing Miss Lily's eyes to widen as he stood up to a fraction below the ceiling fan. "It is not fair to blame the ANC when things go wrong," Ben sallied forth. "What about all the things going right? Here we are, having a good time – why not thank the government for that?"

"Because," considered Stevie the Poet in a spirit of free legal advice, "when everything keeps going right, we thank Toyota."

"Useless!" conceded Jon the Joker. "Give me one example of an ANC success. Just one."

Big Ben was ready, "Okay, I'll give you one. Our courts. We can all rely on our

courts to uphold the Constitution and the law. And thanks to the ANC, we can respect the courts as representing and protecting all South Africans!"

"Hmmm," considered Stevie the poet, "I am sorry you brought that up."

"Okay my learned friend," Bob the Book nodded at Stevie, "pray tell us why."

Big Ben sat down reluctantly, looking suspicious.

"Because it is not as clear-cut as it should be," said Stevie. "The Rechtsstaat – the rule of law – is a cornerstone of democracy. That includes a court system with independent, highly professional and impartial judges who have the trust of the people. It stands to reason that every citizen is equal before the law."

"Okay, boyo," helped Colin the Golfer. "Enough of acting the professor. Some of us are golfers here."

Stevie apologised. "Sorry, but I have to make the point that the courts are very, very important. It used to be that judges of the High Court were appointed only from the ranks of the senior advocates and then not even those who had become an SC recently. Now people are appointed who have never been even junior advocates.

"Sadly, the results can be seen, even in the highest court, where the Chief Justice behaves like no chief justice before him. Not content to stay above the fray, where the Constitution places him, he ventures into the kind of activism that seeks political outcomes. An example is his 2019 Nelson Mandela Lecture.

"This disease in our courts has been diagnosed by Prof Koos Malan of the University of Pretoria as transformatism. This is an -ism justifying results that would not be found in normal, fair transformation where every citizen is equal before the law.

"Prof Malan, in an article for Rapport Weekliks, argues that when doubt festers about the impartiality of the Constitutional Court, public trust in constitutional rights is eroded. On the case deciding the controversy over street names in Pretoria, he concludes that the language and culture-related rights in the Constitution were flatly ignored by Chief Justice Mogoeng and the majority judges.

"On the case about language rights at Free State University, he says the minority judgment serves as a clear exposé of the prejudice displayed by Mogoeng and the judges agreeing with him.

"We can go on, for instance to the Coligny case, where two white farm workers were convicted of murder on the basis of, at best, the dubious evidence of a single witness, contradicted by the facts."

"What has happened to that one?" asked Irene the Queen.

"It is, eventually, heading for the Appeal Court," said Stevie, "since Advocate Barry Roux SC took over their case. And after 13 months in prison, they have finally been granted bail. In the meantime, the judge has been promoted."

"As a farmer this makes me mad," grumbled Jean-Jay.

"Indeed," conceded The Prof. "But unpleasant as it is, it is our duty to be informed citizens. So thank you, Counsellor, for sharing your knowledge.

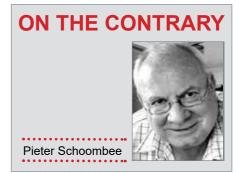
"It is also true that Benjamin has a point. Not everything is bad news. So who can cheer us up by sharing some happy facts? Maybe our guest? Miss Lily?"

Miss Lily could.

"I've been thinking," she said, "about this really surprising article I read in the Bronberger, an excellent local newspaper on the outskirts of Pretoria. It was in their Christmas edition and while it's too late for presents now, it's not too late to have a heart. The story was about the box ladies – two of them initially, in Wellington, mushrooming to thousands all over the country.

"The drought has been broken here in the south of the Western Cape, but it is still driving people, especially farmers and all the people dependent on them, to despera-

### **OPINION**



tion. The grazing on the land is long gone and animals have been dying in front of their eyes. Formerly wealthy farmers have nothing left and the banks are not in the business of helping them now."

"That really is terrible," said Colin the Golfer, for once not in a mood to take the Mickey. Or in his case, the Michael. "So where is the good news?"

"Order! No, no, don't order!" interjected Luke the Dude, "no interjections during an honourable member's maiden speech!" "Quite correct," I confirmed. "Please pro-

**Continued on P23** 

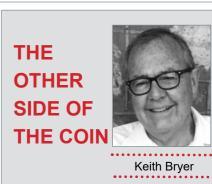
# The inexorable rise of bureaucracies everywhere

OME readers will recall that the first rather timid parliamentary inquiry into Nkandla's financing concluded that civil servants fouled up. It was they who let contractors run away with taxpayers' money.

That some hapless civil servants were blamed is remarkable, whether or not (I do not recall) they were actually punished, because bureaucrats everywhere are experts in shifting blame.

The reason for the inquiry was that Nkandla is a private home. If it had been an army barracks the overspend would probably never have seen the light of day. The reason is that without oversight by competent elected politicians, civil servants will always spend taxpayers' money like drunken sailors. Such elected officials are rarer than hens' teeth. Bent civil servants proliferate when they owe their positions to politicians and feel beholden to, or are in awe of, their benefactors.

All politicians and bureaucrats get a kick out of spending other people's money. In



Britain, under successive socialist Labour governments, there were many examples of schemes overseen by civil servants where the budgets were thrown out of the window.

At Nkandla we appear to have had one relatively minor in retrospect example of civil servants taking their eyes off the ball and letting contractors ignore contracted prices.

Incompetence goes with any bureaucracy. To quote Karl Marx (who got it right for once) "bureaucracy is a circle from which one cannot escape.... The top (of the hierarchy) .... entrusts the understanding of detail to the lower levels, whilst the lower levels credit the top with understanding of the general, and so all are mutually deceived."

In other words, no bureaucrat (public or

Continued on P23



