

ANNUAL LIST: THE RICHEST PEOPLE ON THE PLANET

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# Forbes **AFRICA**

APRIL 2018

**INSIDE:**

HAWKER HUSTLE  
IN NIGERIA

WHAT A DEADLY  
HEALTH CRISIS  
HAS COST  
SOUTH AFRICA

**FROM \$1,000 TO  
OVER A BILLION**

**LYNETTE & IVAN SALTZMAN**  
THE POWER COUPLE IN PHARMA



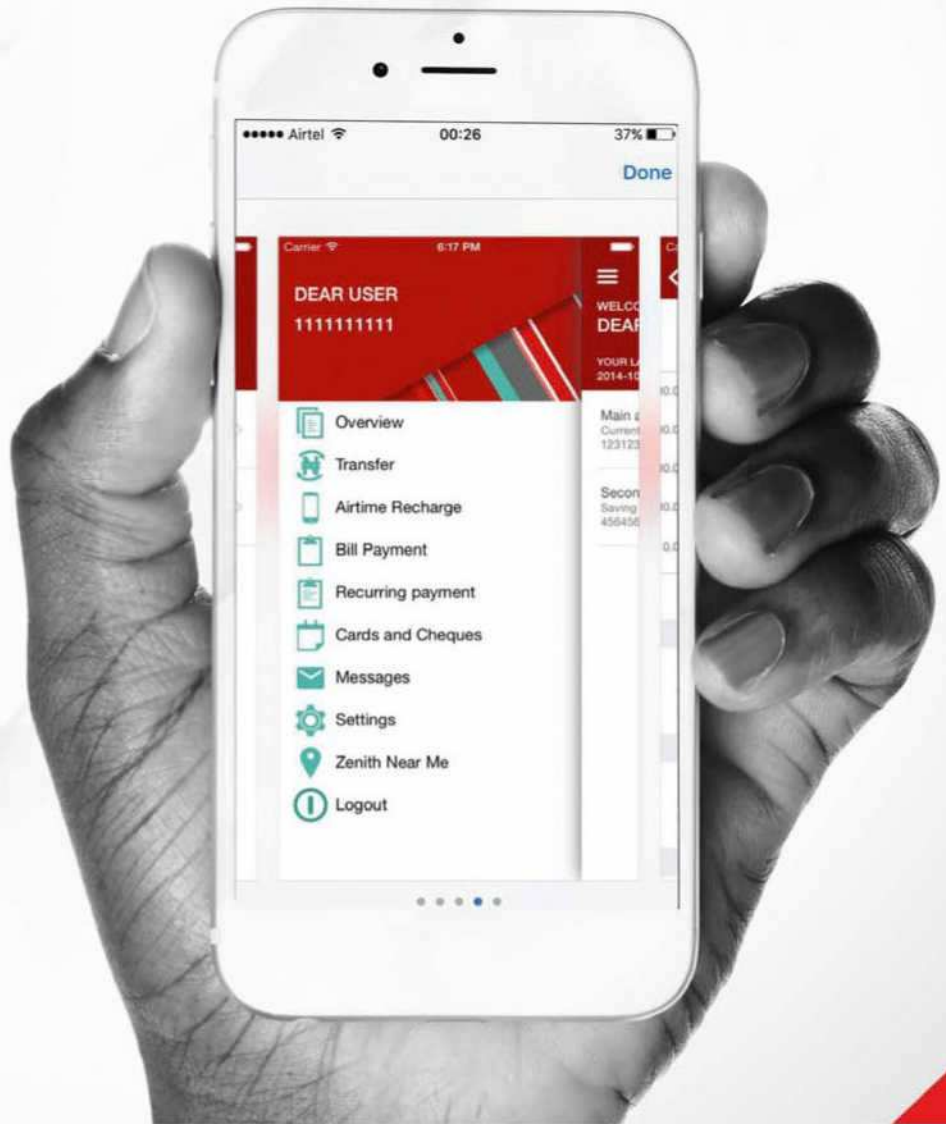
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## NO HORSES WITHOUT SHOES

On a farm far from Johannesburg, Scott Borland is a farrier and equestrian entrepreneur, forging shoes for horses and maximizing the animals' functional value.

BY MOTLABANA MONNAKGOTLA

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# A STUDENT ALL OVER AGAIN

‘Scholarship’, a word you don’t hear these days.

The tenacious and often punishing pursuit of a subject, in contrast to the fleeting 240-character tweets we devote to topics that need unflinching debate and study.

For me, the words ‘scholarship’ and ‘social media’ met in the Africa aisle of a London library.

This was in 2012 during the Summer Olympics in London, when I had a brief stint as a student at the London School of Economics and Political Science (LSE).

It was the best time to be in the city; the sun was perennially out and I never missed the balmy evenings walking by the Thames on the paved paths of South Bank, passing the myriad markets and seeing everything from the vantage point of the London Eye.

Studious and solo, I spent hours reading (dreaming of utopia) in one of the planet’s largest social sciences libraries at the LSE.

Jostling with nerdy students much *much* younger than me for a seat in one of the coveted reading halls, I was irresistibly drawn to the aisle with all the textbooks on Africa.

Here, I was almost always the only one, as the curious generally gravitated to books in the Americas or China sections.

This was a world where shelves threw at me dusty, but rich books on African art, literature, and history, and the odd tome on the cradle of human civilization, the dark continent, where it all began.

The characters, strong and wild, flew out of the pages as I perched myself, enthralled, into the late evenings, on the small footstools in the lonely aisles.

This was also where I learned to tweet – my first tweet was from the Africa aisle of the LSE library to none other than for-

mer American president Bill Clinton.

He was at the school to deliver a podcast lecture with American actress-activist Ashley Judd, and as it was a closed event the majority of us couldn’t attend, we were allowed to tweet our questions to him, most of which he answered live on stage.

As an editor, this is something I think about a lot more now than ever before, and tell my young team of African journalists and page designers as well; that we need to sometimes break away from our 9-5 mind-sets and create centers of learning around each of us; adopt an academic approach to the things we do on a daily basis, the stories we write, and the pages we design – even white space has meaning.

Nothing can replace unbridled thinking and scholarship, digging up facts to provide the reader information that is right and lasting. For that is what good journalism was, is and will be.

And as one young millennial reminded me at a recent summit, there are three things academic institutions must focus on in addition to teaching technology in today’s time, and that’s critical thinking, problem-solving and creative open-mindedness.

This does not hold true only for the young, but across Generations X, Y and Z, as we are all in the thick of transformational change and must adapt quickly – even if it means that some of us need to go back to being students, all over again. 📖

METHIL RENUKA, EDITOR

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A large, multi-story hotel building with a prominent tower featuring a red-tiled, conical roof and a glass-enclosed observation deck. The building is surrounded by greenery and a clear blue sky. A red diagonal graphic element is overlaid on the bottom left of the image.

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# BRIEF 360

Shaun Abrahams



## FORMER PRESIDENT ZUMA FACES PROSECUTION

South Africa's chief prosecutor, Shaun Abrahams, in March, announced the National Prosecuting Authority (NPA) will prosecute South Africa's former president, Jacob Zuma, on charges of corruption, money laundering and racketeering.

The charges relate to a \$2.5 billion arms deal with French company Thint in the late 1990s.

"After consideration of the matter, I am of the view that there are reasonable prospects of successful prosecution of Mr Zuma on the charges listed in the indictment," Abrahams said.

The charges against Zuma were dropped on a technicality in 2009. In 2016, the High Court reinstated the charges, describing the NPA's initial decision to set aside the charges as "irrational".

Zuma was pressured into resigning in February after a string of corruption scandals and Cyril Ramaphosa's ascent to president of the ANC.

## ENTREPRENEUR IN FIGHT AGAINST DROUGHT

With drought afflicting South Africa's Western Cape province, businesses in Cape Town are looking at ways in which to brace for taps possibly running dry that will also see a cut in agricultural output.

Michael Jordaan, the former CEO of First National Bank, who lives in Cape Town on his family wine estate Bartinney, tells FORBES AFRICA the drought is manageable if we take action.

"Our water supply has been cut by 60%. Fortunately, we were proactive and had already removed 16 hectares of blue gum trees (that are water guzzlers) and replanted fynbos (which act as a water sponge). We also took out 20% of our vineyards and will wait for the rains to come and dams to refill before replanting them. The drought is manageable if we all realize how scarce this precious water resource is and take action. We really need to get rid of blue gums and black wattles in the Cape as these invasive aliens trees should not be growing in a semi-arid area," says Jordaan, who is launching a new app-driven bank, Bank Zero, early next year.



Turn to page 54 for more on the bank.



## CELEBRATED AFRICAN AUTHOR TO GET HONORARY DEGREE

Nigerian author Chimamanda Ngozi Adichie will receive an honorary degree from Duke University in Durham, North Carolina, US.

The university says the award is in recognition of Adichie's contribution to society.

Chimamanda's 2013 book *Americanah* was selected as the first-year summer reading assignment for Duke's Class of 2018.

Others to be honoured by the university include Mary Barra, Chairman and CEO General Motors; Phil Freelon, lead architect for the Smithsonian National Museum of African American History and Culture; former Durham Mayor William Bell; William Kaelin, professor of medicine at Dana-Farber Cancer Institute; and Russell M. Robinson II, attorney, community leader and philanthropist.

## SPUR FOUNDER TO STEP DOWN

After 51 years at the company he founded, Allen Ambor will step down at Spur.

The 76-year-old opened the first restaurant in Cape Town in 1967.

Spur now has more than 600 restaurants across the world, including Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Zambia, Malawi, Tanzania, Kenya, Uganda and Nigeria.

Ambor's retirement will only come into effect from March 1, 2019.

In 2017, Ambor sold his three million directly-held shares in Spur.



## TOURE BACK FOR MIGHTY ELEPHANTS

Yaya Toure has returned to international football with Ivory Coast. The Manchester City midfielder quit international football after leading his country to the Africa Cup of Nations title in 2015.

Despite not seeing much game time at his club under Pep Guardiola, Toure was named in the Mighty Elephants squad for international friendlies against Togo and Moldova at the end of March.

Since Toure's retirement, Ivory Coast exited the 2017 Africa Cup of Nations at the group stage and failed to qualify for the 2018 World Cup in Russia.



## NIGERIAN GETS TOP JOB AT ICC

Nigerian judge, Chile Eboe-Osuji, has been elected as President of the International Criminal Court (ICC) for a three-year term.

He is the first African to hold the position.

Eboe-Osuji presided over the cases against Kenya's President Uhuru Kenyatta and Deputy President William Ruto at The Hague, after they faced charges against humanity for the post-election violence in 2007/2008.

Other notable cases he has worked on include the Special Court for Sierra Leone, and the International Criminal Tribunal for Rwanda.

Eboe-Osuji's election comes at a time when many African countries have threatened to pull out of the ICC for what they call a bias against Africa.



### FALL FROM GRACE FOR THERANOS FOUNDER

Theranos CEO and founder Elizabeth Holmes has been charged with fraud by the Securities & Exchange Commission (SEC) in the US.

The company's former president Ramesh "Sunny" Balwani has also been charged.

The SEC alleges Holmes and Balwani raised over \$700 million for their blood-testing company between 2013 and 2015 under false pretences. It is alleged they deceived investors about the firm's technology.

Holmes will lose control of the firm and be fined \$500,000.

In 2015, *Forbes* estimated Holmes' wealth at \$4.5 billion, making her the youngest self-made female billionaire. In 2016, it lowered her valuation to zero after the blood diagnostics company was hit with allegations that its tests were inaccurate and it was being investigated by federal agencies.

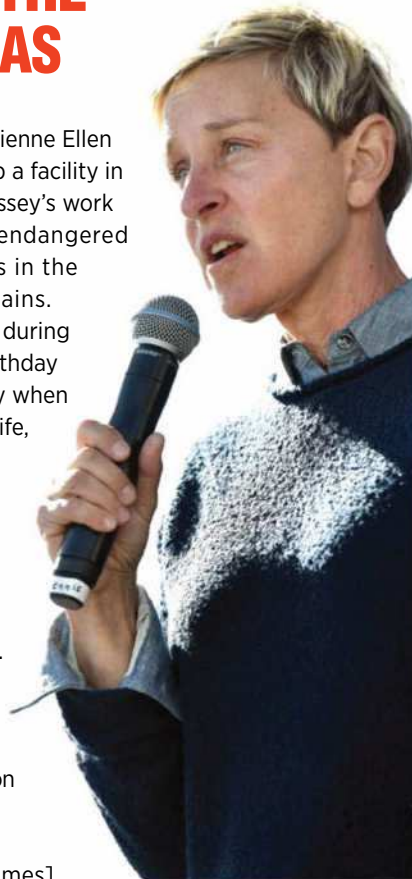
## SAVING THE GORILLAS

American comedienne Ellen DeGeneres will set up a facility in Rwanda for Dian Fossey's work to help protect the endangered mountain gorillas in the Virunga Mountains.

This was revealed during DeGeneres' 60th birthday anniversary in February when Portia de Rossi, her wife, presented the facility as a gift to DeGeneres, who is a renowned supporter of the work by the late Fossey, an American scientist who studied gorillas in Africa.

The 'Ellen DeGeneres Campus' of the Dian Fossey Gorilla Fund will help DeGeneres carry on Fossey's legacy.

[Source: The New Times]



## NEW MINT AND ROSE FOR MANDELA

Former South African President Nelson Mandela, who passed away on 5 December 2013, would have turned 100 on July 18 this year. In one of the first events in the year-long celebration of his centenary, a rose named after him was launched in Johannesburg. The year is starting with renewed hope that there will be a return to the path of Nelson Mandela. Horticulturist Keith Kirsten, who led the rose's development, said the idea for the plant came to him in 2000, while on a flight to New York when he happened to be sitting next to Achmat Dangor, the then CEO of the Nelson Mandela Foundation. Also, the South African Reserve Bank (SARB) will launch a set of commemorative South African banknotes in honor of Mandela's centenary. These notes will cover all denominations – R10, R20, R50, R100 and R200. At the same time, the South African Mint, a subsidiary of the SARB, will issue a new R5 circulation coin celebrating Mandela's birth centenary. It is expected that the commemorative banknotes and coin will be in circulation from July 18.

Photo by Scott Dudelson/Getty Images; Photo by Taylor Hill/FilmMagi; Photo by Lucky Morajane/Foto24/Gallo Images/Getty Images; Photo by Monica Schipper/WireImage; Photo by WIKUS DE WET/AFP/Getty Images; Photo by MICHAEL KOOREN/AFP/Getty Images; (Photo by Alex Livesey - Danerhouse/Getty Images)

# CREATING THE RIGHT ENVIRONMENT FOR BUSINESS

Excerpts from an interview on *CNBC Africa* with David Makhura, the Premier of Gauteng in South Africa, on the state of his provincial government.

## What is the current state of Gauteng?

Our province continues to be the engine of the economy of southern Africa in many respects. In many sectors, we are the driver of what happens in the SADC region. We continue to contribute 35% to our national economy – South Africa's economy – in terms of GDP. In terms of employment, we are also still the key driver. More than 40% of the people employed in South Africa's economy are located in Gauteng. With regards to our contribution to manufacturing and exports, that's still the key driver in that regard. Between 2014 and 2017, our economy created 317,000 jobs. That period was very important because we began to break the ceiling of how many jobs per annum the Gauteng economy has created every year since 2010.

## What does the new dawn in South Africa mean?

Since 2014, when I became premier, some of the major themes in the State of the Nation Address of President Cyril Ramaphosa have been part of what we call the transformation, modernization and re-industrialization of Gauteng. The president made a strong call to address youth unemployment. We have been having a program called Tshepo 1 Million in which we are working with private sector companies, major corporations, 40 of them so far, to open opportunities for the youth. And I'm very glad we have 460,000 young people already as beneficiaries of these programs.

The president also called for a social compact and we have been working with the private sector in key sectors of the Gauteng economy, to agree sector-to-sector how many jobs we can create. For example, with the Business Process Outsourcing sector, we have a target of 30,000 jobs. We are doing the same with other sectors – capital equipment and machinery, mining, automotive, agro-processing. In each, we are working with the private sector and ICT sector to look at fourth industrial revolution opportunities. We are looking at how many jobs can we facilitate as government, because government would not be able to create jobs – we create an environment where businesses will do that.

## What's in store for the township economy?

It's my passion, if there's something that really keeps me going, dreaming... I lighten up when I talk about the township economy, where the overwhelming majority of our people are. Many of them



who can't find employment in the big firms are in the townships and that's where we have to turn around the spaces into vibrant local economies.

We have done a lot over the past three years but it's not enough. We now have spent over R17 billion (\$1.42 billion) of our procurement spend in the township economy. We have grown from just 600 businesses benefiting from our procurement budget. Now, we have 4,100...

They all want opportunities, access to markets and financing. That's why I talk of the provincial state bank. They can only grow if we assist them to have access to markets, including buying from them, significantly spending substantial amounts of money, urging, nudging and pushing them to be businesses that are sustainable, producing quality goods and services and lastly, help change the financing environment. Businesses in townships cannot be funded by the development finance institutions, they cannot be funded by the banks... We need to fill that gap with a number of innovative measures... The provincial state bank is something we are looking forward to.

– For the full interview, visit [cnbcafrica.com](http://cnbcafrica.com)

**NIGERIA**

**EDUCATION:** Africa's richest man, Aliko Dangote, has donated a \$3.5 million building to the Bayero University, in Kano, northern Nigeria. The building will be named the Dangote Business School and there are talks to affiliate it with Harvard Business School in the US.

**ALGERIA**

**INTEREST:** US oil major Exxon Mobil has shown an interest in working in Algeria, according to Abdelmoumen Ould Kaddour, the chief executive of the state's oil and gas company, Sonatrach. The country is dependent on oil and gas, which provide 60% of the state budget.

**DRC**

**SHARES:** One of the largest sub-Saharan telecommunications tower operators, Helios Towers, ditched its plans for an initial public offering in London in April. One banker reportedly said the expected IPO price was too low for shareholders who had been valuing the firm at as much as \$2.8 billion.

**ANGOLA**

**OIL:** The first Kaombo Norte floating production, storage and offloading vessel that will pump and store oil for Angola's 230,000 barrels per day (bpd) Kaombo project left Singapore for Angola in March. The Kaombo oil block is expected to produce its first oil later this year. Once it is fully up and running, it will add roughly 14% to the OPEC member's average 2017 output of 1.6 million bpd. The \$16 billion offshore project is expected to pump 115,000 bpd, half the oil block's eventual production.

**ZIMBABWE**

**DIAMONDS:** The country is auctioning 1.56 million carats of stockpiled diamonds in separate auctions in March and April. Sales were halted last year while the Zimbabwe Consolidated Diamond Company restructured.

**BOTSWANA**

**EXPANSION:** MOD Resources has raised \$18 million to ramp up exploration at its copper-silver joint venture in the country. The company said it would use the funds to expand existing exploration activities in the Kalahari copper belt of Botswana.

**SOUTH AFRICA**

**EXPAND:** Sanlam is to acquire 100% of Moroccan insurance group SAHAM Finances. Sanlam, together with its subsidiary Santam, first acquired a joint 30% stake in SAHAM in 2016 and upped that stake by a further 16.6% in 2017.



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# HEALTH IS WEALTH

Lynette and Ivan Saltzman met in a university lecture room, got married and together made a fortune delivering health.

BY ANCILLAR MANGENA

**T**his husband and wife duo founded Dis-Chem, one of South Africa's fastest growing pharmacies. It is a specialist in beauty, health food, sport supplements and health and wellbeing. The company reported an impressive R174 billion (\$1.46 billion) turnover in its full financial year results for the year ending February 2017, giving it a R30.43 billion (\$2.56 billion) market capitalization.

It is big money.

As we meet, it is a clear summer's day in Greenside, Johannesburg. Clarity has played a big part of Lynette and Ivan's life. On this day, they feel the warmth of success born of a strong family bond.

"You know Ivan used to stay upstairs when he first moved to Johannesburg to study," says Lynette as the pair walk

into the studio for this interview and photoshoot.

Inside, the fan moves sluggishly through the stifling air as the power couple sit for a rare interview.

"I had an inclination towards retail from early age and I'm happy we now employ 15,000 people," says Ivan with utmost humility.

It is an empire built through passion and love. Four decades later, you can still see it in their eyes whenever they look at each other.

It all started in a pharmacy class in 1972.

"We were doing a science experiment and he lent me an eraser or something like that and that's basically how we met. We started dating quite soon thereafter and we got engaged in our final year," says Lynette.

Once married and working as

pharmacists, Ivan says he was frustrated about how things were done at his workplace in Mondeor, south of Johannesburg. He had many ideas of how to make the business more profitable so he made an offer to buy out the owner.

It worked. Lynette left her job to join Ivan in the business. It was time to put their innovative ideas to test.

"We were just anxious to start putting all these new things that weren't in the shop before. People started coming into this tiny neighborhood shop and they wanted to see what we had. We were always looking for new things, like putting earrings into the shop. The day we unpacked the earrings we had queues of people," she says.

It marked a breakthrough. According to the Saltzmans, the shop started making profit almost immediately.



# COVER STORY - LYNETTE AND IVAN SALTZMAN

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PHOTOGRAPHY:  
Motlabana Monnakgotla

STYLING AND ART DIRECTION:  
Katlego Bano and Lucy Nkosi

MAKE UP:  
Sinovuyo Papu

Growth was inevitable. Six years later, an opportunity to open another pharmacy in the northern suburbs knocked.

“A lot of people turned down the opportunity to open shops at the newly built center in Randpark Ridge because of high rentals. We thought this is our opportunity, let’s take it and let’s make it work, which is exactly what we did,” says Ivan.

The answer was discounts on medicine. It was a case of volume over gross profit. It may have been an old theory but it worked. From there they improved their supply chain which gave them reasonable pricing, which they’ve kept to this day.

“We would go to other stores and check their prices and then take our prices down. Our customers knew that we were always cheaper. We made sure we had plenty of stock and the concept of a discount pharmacy was born,” says Lynette.

“There was a time when we couldn’t advertise discounts, so the Dis-Chem could be dispensary chemist or discount chemist, but most people took it as a discount chemist,” says Ivan.

To keep expanding, they advertised the business on mass media and continued to innovate.

“When people needed medicine and came to our store, we could sell other things too. We were unique and our stores were always larger than any other pharmacy. And we had the variety in that space. We discounted heavily on medicines and we were competitive on the rest,” he says.

The discounts paid off. The second store expanded about four times within the mall; but not without challenges.

“It was unusual for a retail operation to have a wholesale operation at the same time, so that was a challenge to get wholesale prices,” says Ivan.

There were also unkind comments from people. In those days, most women stayed at home with the children. Lynette says she faced some negativity for being a working mom.

“I used to get comments from people, and a few of them that hurt at that time came from family members. I tried to juggle my time. In the earlier days, I used to try and get home in the afternoons, where I used to do homework or take kids to wherever they had to go to, and work at night. Our marriage has come out stronger and our children are closer to us, we are more a family than some of the people that were making the comments about how I should spend my time with my family,” says Lynette.

Although some couples may find working together a problem, the Saltzmans made it work.

“Sure you have disagreements, on how to do things and how not to do things, but a strong factor is that we do different things in the business and we were not in the same office. Ivan has the foresight on most things. He can see the possibilities into the future and once the idea grabs me, I can then take it into implementation,” she says.

Ivan says they always move together and Lynette is an innovator in her own right. For example, being the only woman in the family, she built the business’ cosmetics and beauty category.

Lynette says she found that in the early days, although she would have been in charge, people would want to go to Ivan when it was time to sign agreements.

“There is a time when we were in the pharmacy, and I was dispensing and one of the customers said to me, ‘just because you are married to a pharmacist doesn’t make you a pharmacist’. But now everybody accepts it,” she says.

“In the business side there are assumptions that I’m the boss, but we are both bosses,” says Ivan.

Teamwork has earned them 135 stores and 15,000 employees. It’s a remarkable story considering they started with one store and one employee. They will open 21 stores this year alone.

The company also has stores in Namibia

Dis-Chem’s offices in Midrand, South Africa



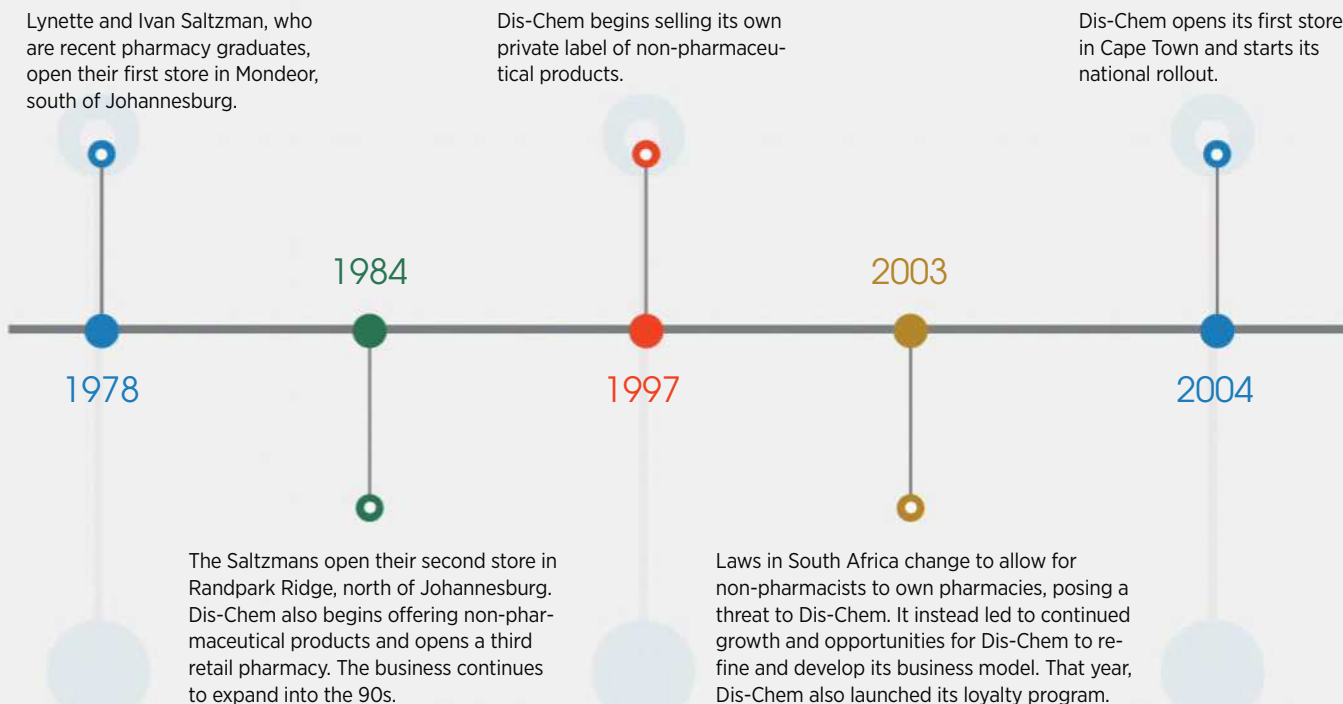


“

**WE WOULD GO TO  
OTHER STORES AND  
CHECK THEIR PRICES  
AND THEN TAKE OUR  
PRICES DOWN.**



## COVER STORY - LYNETTE AND IVAN SALTZMAN



and will be getting into Botswana this year.

“Namibia is different but [also] very similar to South Africa. The consumers are very similar, the supply chain is different, there are different laws and regulations, but it is very busy and competing very well with the South African stores,” says Ivan.

The Saltzmans currently own just over 50% of the group. Dis-Chem has become a major retailer of health products, with annual sales of more than R15 billion (\$1.26 billion). In 2016, they listed the company on the Johannesburg Stock Exchange (JSE). Its shares opened at R18.50 (\$1.50). At the time of going to press, Dis-Chem shares were R35.39 (\$2.97).

Being on the JSE may have posed some questions when it was found that other listed companies were cooking books.

“We are not worried about our own company, but it is just sad to see, that some companies have misrepresented their assets. I think it taints the country,” says Ivan.

Although they say they haven’t made

major mistakes in the business, Ivan says they were, and still are, cautious. He wishes they had expanded faster and earlier. On the other hand, Lynette feels they grew as they were comfortable.

“We expanded as we felt we could cope. We could handle everything properly, do it properly and get it right. So it’s taking us a bit longer to get more stores; it’s a great business. I feel that we’ve done it the right way,” she says.

The business has had its share of struggles. Lynette remembers some bad days. One of them is an employee strike eight years ago. The striking crowd threw a gas cylinder into one of their shops in Pretoria. The second is when an electrical fault caused a raging inferno in their store in Roodepoort.

“That was absolutely terrible. The whole roof came down. The whole shop was destroyed and it took us a year before we could reopen the store,” says Lynette.

Ivan says those were disasters that happened when the business was strong.



Dis-Chem starts a partner store concept, where it acquires a majority stake in an independent pharmacy and converts it into a Dis-Chem store. This concept, alongside the opening of greenfield stores, accelerated the growth of Dis-Chem's footprint.

Dis-Chem is voted Best Pharmacy Brand by *Readers Digest* South Africa. In the same year, it opens its first store outside of South Africa in Windhoek, Namibia.

First integrated report is issued and Dis-Chem founders win the Entrepreneur of the Year award at the CNBC Africa All Africa Business Leaders Awards.

2006

2008

2013

2014

2016

2017

The Saltzmanns establish the Dis-Chem Foundation which supports charitable causes in South Africa.

Dis-Chem acquires a controlling stake in CJ Distribution, together with a non-controlling interest in Pharmacy Development Academy and Evening Star, which marks its entry into the wholesale business. That year, Dis-Chem also introduces an online shopping platform.

Dis-Chem opens its 100th store. In November, the group lists 27.5% of its issued share capital on the Johannesburg Stock Exchange. It also purchases the remaining stake in CJ Distribution and increases its interest in Pharmacy Development Academy and Evening Star to controlling share in each, and begins to combine the operations of CJ Group with Dis-Chem's pre-existing wholesale business.



One of Dis-Chem's four retail warehouses in South Africa





Dis-Chem Foundation's food garden in South Africa feeds 10,000 poor people a month

They were able to pick up business in surrounding stores.

With all this success, they don't hesitate to offer advice to young people.

"The basic thing is that, whatever fields anybody wants to go into, they have to have a passion for it, they have to want to do it. If it's just a job, it's not going to succeed," says Lynette.

Ivan says the next boom is artificial intelligence and information technology.

To ensure smooth processes, the company already makes use of technology. A few days after our meeting, we visited the Saltzman's at their head office in Midrand to see the technology at work.

As we walk up the stairs of the 40,000m<sup>2</sup> building, we see many awards on the wall. We meet Saul Saltzman, one of Lynette and Ivan's three sons, who takes us on a tour.

The warehouse is semi-automated. Processes are still run by humans with the help of robotic technology.

"It will be impossible to run ourselves without some sort of robotics. I don't believe that robots have replaced jobs, it has probably, in our case, created jobs because it enables us to do far bigger volumes and there are always people involved," says Ivan.

The group has three other warehouses around the country. Most of the business comes from Johannesburg, with Cape Town



**THERE IS A TIME WHEN WE WERE IN THE PHARMACY, AND I WAS DISPENSING AND ONE OF THE CUSTOMERS SAID TO ME, JUST BECAUSE YOU ARE MARRIED TO A PHARMACIST DOESN'T MAKE YOU A PHARMACIST.**

## AFRICA'S GROWTH MUST EMANATE FROM AFRICA



accounting for 25%.

“We have the ethical, beauty and retail departments and the warehouse doesn't shut down. We work 24 hours a day and seven days a week and there are 2,500 employees in this warehouse. We are always busy and the technology we use helps us with efficiencies,” says Dis-Chem's Logistics Manager, Brian Sher.

There are machines which wrap 500 pallets in plastic per day and some that help sort 4,000 boxes per hour.

“Because we deal with sensitive things like medicine, we always have pharmacists available and have controls in place to make sure things are done properly. For

**A**fricans need to take charge of their commercial and economic destiny by increasing the levels of intra-African and external trade in manufactured goods and by embracing value-adding economic activity.

For the first time on our continent, we are seeing the emergence of trusted brands across Africa, including telecommunication giants Safaricom in Kenya, MTN in South Africa and Zimbabwe's Econet. We also have large conglomerates such as the Dangote Group in Nigeria, which boasts a diversity of companies in its stable that trade globally, as well as the Bidco Group in Kenya. Running these companies are Africans who have extensive industry experience and knowledge of consumers on the continent.

These companies are poised to expand across the continent and are helping to drive Africa's growth while relying on new technologies to expand their footprint on the continent.

Africa has vast untapped economic opportunity. With a population of 1.2 billion, it is now one of the fastest developing regions in the world – according to the African Economic Outlook, the continent's economy is expected to grow by 4.3% in 2018, up from the 3.4% projected growth for 2017 and 2.2% in 2016. This acceleration is a sign of hard-earned progress and promise.

The three pillars that prove that Africa's growth will emanate from within the continent are its natural resources, a growing middle-class and a focus on promoting intra-African trade and investment.

First, there is no doubt that favorable commodity prices will continue to be a driver of growth for sub-Saharan Africa, with oil, gold, platinum, uranium, cocoa and sugar production key to this.

Second, Africa's rapid urbanization and burgeoning middle-class could generate hundreds of millions of consumers. This could lead to a “demographic dividend” that will create ongoing investment into infrastructure

and commerce.

Third, while attracting foreign investment is important, we have fast-growing economies that have tapped into local talent in managing investment from other African countries and beyond the continent. A recovering global economy and the return of risk appetite among global investors can only buoy the growth even further.

World Bank data shows that seven countries – Côte d'Ivoire, Ethiopia, Kenya, Mali, Rwanda, Senegal and Tanzania – have proven economic resilience. Supported by domestic demand, these countries have posted annual growth rates above 5.4% between 2015 and 2017.

As Nelson Mandela once said: “After climbing one hill, one finds that there are many more hills to climb.” The next hill on the horizon is for us to play our role to ensure that Africa's development emanates from within the continent.



*Joe Onsando is the Group CEO for Minet Holdings Africa, a risk consultancy and brokerage firm that has operated in Africa for over 60 years and is represented in six key markets. For more information, visit [www.minet.com](http://www.minet.com).*



### DISCHEM:

- 135 stores
- 15,000 employees
- 21 new stores in 2018

### HOW WE MADE IT

1. **Convenience** – We made sure to create a shop that offers many things so that it's convenient for our customers. They can come into our store to get their make-up done or buy medicine or buy healthy food items.
2. **Hiring the right people** – Our employees know who we are and we are not inaccessible to anybody. We are still very much a family business. I think our employees feel this loyalty. They see our passion and they feel the passion and they go all out to help run stores. So having passionate, well-qualified and well-trained staff has helped us.
3. **More for less** – Being a discount pharmacy helped because we were always affordable compared to our competitors.
4. **Passion** – When you love what you do it becomes easy to grow the business. You have to love your job.

example, you can find medicines that need to be kept under certain conditions and we also use these technologies to track orders and progress within the warehouse,” says Saul.


Giving back also forms a big part of Dis-Chem's DNA. In 2006, Lynette founded the Dis-Chem Foundation to help South Africa's impoverished communities.

“We started a loyalty card program to give back to the customer and the community. We then started the foundation which works closely with registered NGOs who work with orphanages, rehab centers, abandoned babies and old age homes. We also have two mobile clinics in the Western Cape,” says Lynette.

She also saw a need for nutrition and in 2013, the foundation decided to use

two hectares of vacant land in front of their offices for farming. As we walk through the garden, we pass all types of vegetables, from onions to carrots to spinach. Lynette introduces us to farm manager Lebo Malinga.

“We have 13 farmers working here to make sure we feed 10,000 underprivileged people per month. Now we even have students interested in agriculture visiting us to learn. We even get students studying agriculture in college coming in to test the soil, look into irrigation systems and water catchments,” says Malinga.

As we leave the garden, the sun blazes down from a cloudless azure sky and the heat bounces off the streets creating a mirage of wavering images but Dis-Chem's future cannot be clearer – brighter than ever. 





COMMERCIAL BANKING

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# FORBES BILLIONAIRES 2018

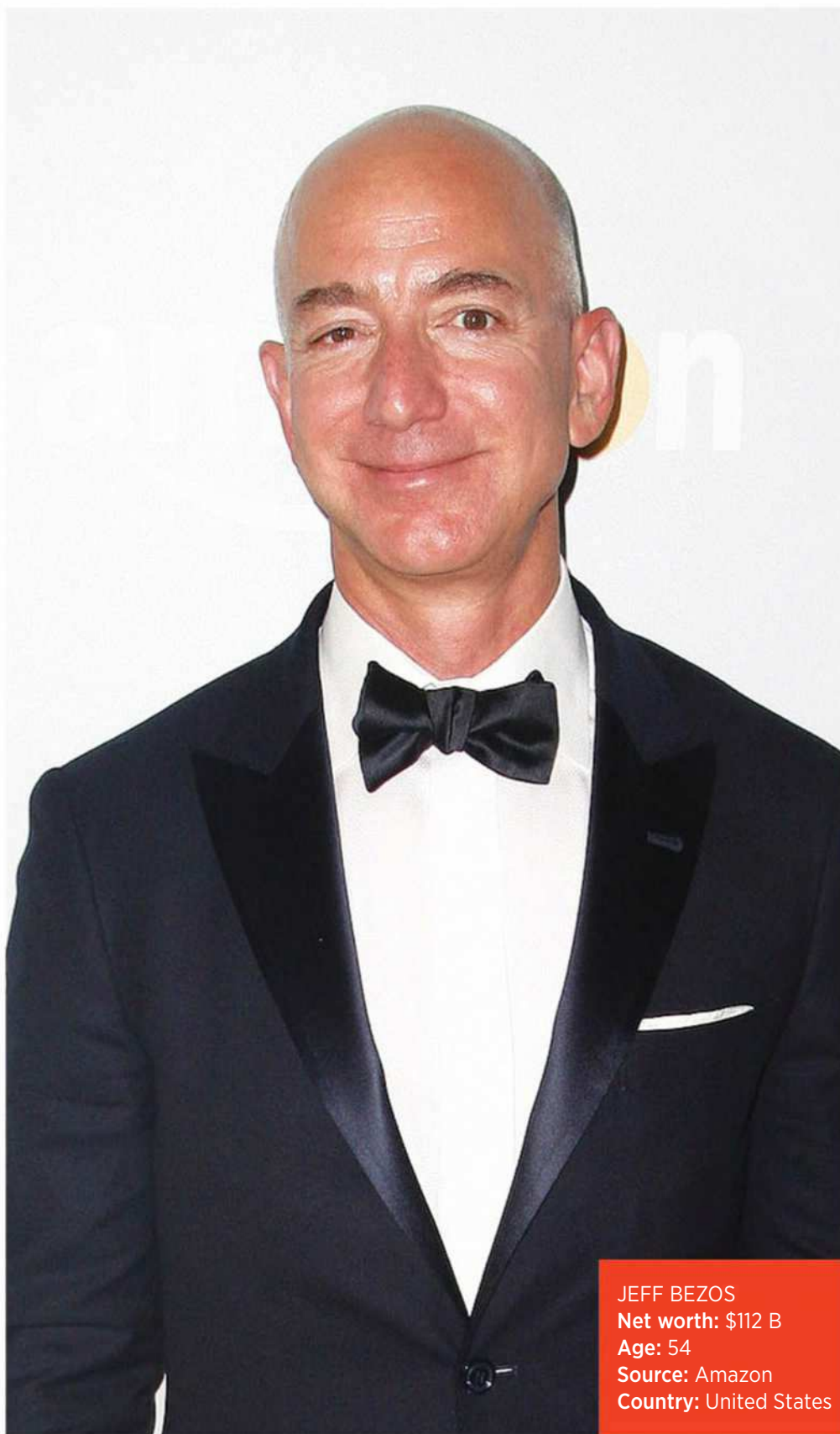
Meet The Richest People On The Planet

BY KERRY A. DOLAN AND LUISA KROLL

**T**he gap between the really rich and the merely rich continues to widen, as fortunes soar to new heights. A record 2,208 billionaires made Forbes' 32 annual ranking of the world's billionaires. Altogether they are worth a record \$9.1 trillion, up 18% from a year ago. The 20 richest people on the planet are worth a staggering \$1.2 trillion, a sum roughly equivalent to the annual economic output of Mexico. In aggregate, they may represent less than 1% of total billionaires but their riches amount to 13% of the total fortune of all billionaires worldwide.

Jeff Bezos is the richest person on the planet and the first centi-billionaire atop our annual ranking. Shares of his e-commerce giant Amazon rose 59% in 12 months, helping boost his fortune by \$39.2 billion. It was the biggest one year gain since Forbes started tracking billionaires in 1987. He easily moved ahead of Microsoft cofounder Bill Gates, who ceded the top spot for only the sixth time since 1995.

France's Bernard Arnault had the second best year after Bezos. Record results at his luxury goods empire LVMH and a deal to



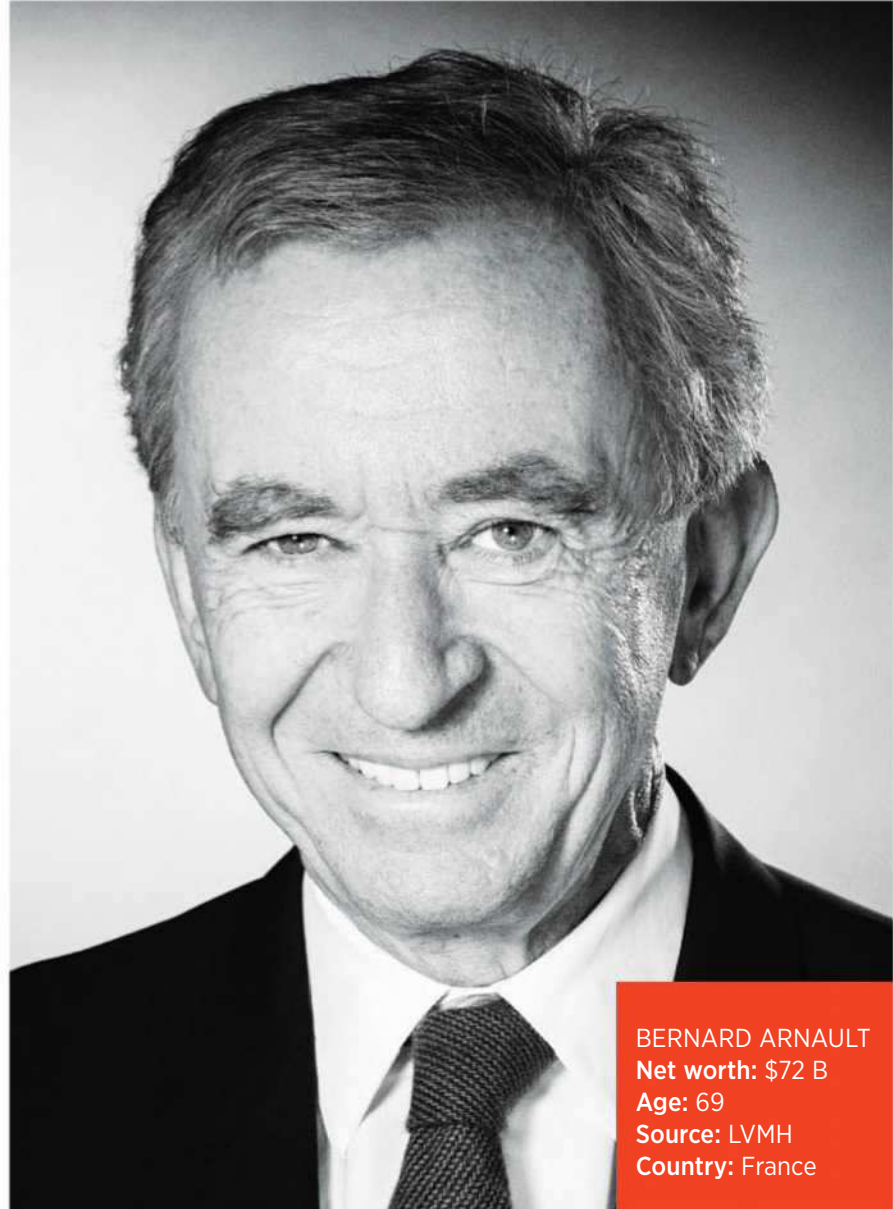
**JEFF BEZOS**  
Net worth: \$112 B  
Age: 54  
Source: Amazon  
Country: United States

buy out nearly all of Christian Dior helped boost Arnault's fortune by \$30.5 billion. He is the richest European for the first time since 2012 and number four richest in the world.

Two tech entrepreneurs from mainland China climbed into the top 20 for the first time. Ma Huateng (also known as Pony Ma) is Asia's wealthiest person, ranked number 17 in the world, thanks in part to his firm Tencent's WeChat, a ubiquitous social-messaging app with nearly 1 billion active users. Tencent also has stakes in Tesla, Snapchat parent Snap and music-streaming service Spotify. Jack Ma, the 20th richest person, is the chief of another e-commerce giant Alibaba, whose shares increased 76% in a year.

Forbes pinned down 259

Nigeria's **ALIKO DANGOTE** is the highest African on the list. His \$14.1 billion ranks him at 100.



**BERNARD ARNAULT**  
**Net worth: \$72 B**  
**Age: 69**  
**Source: LVMH**  
**Country: France**

newcomers who made their fortunes in everything from tech and aerospace to private aviation and wedding dresses. China has the most new faces with 89, while the U.S. is next with 18. That is helping close the gap between the two nations. Altogether the U.S. has more billionaires than any country in the world with 585, while greater China (mainland China, Hong Kong,

Macau and Taiwan) has 476.

On this year's list, the billionaires hail from 72 countries and territories, including the first ever from Hungary and Zimbabwe. One country not represented: Saudi Arabia. Forbes chose to leave off all 10 Saudis given reports of asset seizures after the Saudi Crown Prince detained some 200 people, including some billionaires,

some for as long as three months.

While the vast majority of the world's billionaires added to their fortunes in the past 12 months, 16% had fortunes that slipped. One notable loser was President Donald Trump, whose fortune fell \$400 million since March 2017 to a current \$3.1 billion. He is now ranked 766 in the world, down from 544. 

AKAGERA NATIONAL PARK



NYUNGWE NATIONAL PARK



VOLCANOES NATIONAL PARK



LAKE KIVU



LIVE ENTERTAINMENT IN KIGALI

# RWANDA'S TOP 5 DESTINATIONS

## VOLCANOES NATIONAL PARK

Two and a half hours north of Kigali you will find Volcanoes National Park, home to most of the world's remaining mountain gorillas. Rwanda is among only three countries in the world where you can trek to see the majestic gorillas up close – a truly once in a lifetime experience.

## LAKE KIVU

Kivu is one of Africa's Great Lakes, with deep emerald-green waters and a shoreline of magnificent mountains and fishing villages. The lake is dotted with uninhabited islands that can be explored by boat and provide the perfect location to relax and enjoy the peace of Rwanda's countryside.

## NYUNGWE NATIONAL PARK

Nyungwe is one of the oldest rainforests found anywhere on the continent. The lush, green forest is home to over 300 bird species and 13 primate species including chimpanzees and

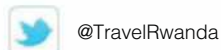
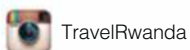
colobus monkeys. Take a stroll through the canopy along a 70m high walkway for exhilarating views of the rainforest.

## AKAGERA NATIONAL PARK

Rwanda's largest national park is home to a diverse array of plant and animal life. The lakes, papyrus swamps, savannah plains and rolling highlands make Akagera an incredibly scenic reserve. The park is home to the elusive Shoebill stork, seven newly introduced lions, elephant, leopard and the shy but stunning roan antelope.

## KIGALI

Rwanda's capital provides the perfect backdrop for a weekend getaway. As one of the safest cities in Africa, Kigali is quickly becoming a favourite for East African and international tourists. Savour the tastes of international cuisine at the city's best restaurants and enjoy live music at the many clubs and bars in Kigali.



## METHODOLOGY

The Forbes World's Billionaires list is a snapshot of wealth using stock prices and exchange rates from February 9, 2018. Some people will become richer or poorer within weeks—even days—of publication. For example, Jeff Bezos' net worth climbed more than \$12 billion in the two weeks between our measuring date for stock prices and when this issue went to press. We list individuals rather than multigenerational families who share large fortunes, though we include wealth belonging to a billionaire's spouse and children if that person is the founder of the fortune. In some cases we list siblings or couples together if the ownership breakdown among them isn't clear, but here an estimated net worth of \$1 billion per person is needed to make the cut. We value a variety of assets, including private companies, real estate, art, yachts and more. We don't pretend to know each billionaire's private balance sheet (though some provide it). When documentation isn't supplied or available, we discount fortunes. For daily updates of net worths, go to [forbes.com/real-time-billionaires](http://forbes.com/real-time-billionaires).





RANK	NAME	NET WORTH	AGE	SOURCE	COUNTRY OF CITIZENSHIP
#1	<b>Jeff Bezos</b>	<b>\$112 B</b>	54	Amazon	United States
#2	<b>Bill Gates</b> 	<b>\$90 B</b>	62	Microsoft	United States
#3	<b>Warren Buffett</b> 	<b>\$84 B</b>	87	Berkshire Hathaway	United States
#4	<b>Bernard Arnault</b>	<b>\$72 B</b>	69	LVMH	France
#5	<b>Mark Zuckerberg</b> 	<b>\$71 B</b>	33	Facebook	United States
#6	<b>Amancio Ortega</b>	<b>\$70 B</b>	81	Zara	Spain
#7	<b>Carlos Slim Helu</b>	<b>\$67.1 B</b>	78	Telecom	Mexico
#8	<b>Charles Koch</b>	<b>\$60 B</b>	82	Koch Industries	United States
#8	<b>David Koch</b>	<b>\$60 B</b>	77	Koch Industries	United States
#10	<b>Larry Ellison</b> 	<b>\$58.5 B</b>	73	Software	United States

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#11	<b>Michael Bloomberg</b>	<b>\$50 B</b>	76	Bloomberg LP	United States
#12	<b>Larry Page</b> 	<b>\$48.8 B</b>	44	Google	United States
#13	<b>Sergey Brin</b>	<b>\$47.5 B</b>	44	Google	United States
#14	<b>Jim Walton</b>	<b>\$46.4 B</b>	69	Walmart	United States
#15	<b>S. Robson Walton</b>	<b>\$46.2 B</b>	73	Walmart	United States
#16	<b>Alice Walton</b>	<b>\$46 B</b>	68	Walmart	United States
#17	<b>Ma Huateng</b>	<b>\$45.3 B</b>	46	internet media	China
#18	<b>Francoise Bettencourt Meyers</b>	<b>\$42.2 B</b>	64	L'Oreal	France
#19	<b>Mukesh Ambani</b>	<b>\$40.1 B</b>	60	petrochemicals, oil & gas	India
#20	<b>Jack Ma</b> 	<b>\$39 B</b>	53	e-commerce	China
#21	<b>Sheldon Adelson</b>	<b>\$38.5 B</b>	84	casinos	United States
#22	<b>Steve Ballmer</b>	<b>\$38.4 B</b>	61	Microsoft	United States
#23	<b>Li Ka-shing</b>	<b>\$34.9 B</b>	89	diversified	Hong Kong
#24	<b>Hui Ka Yan</b>	<b>\$30.3 B</b>	59	real estate	China
#24	<b>Lee Shau Kee</b>	<b>\$30.3 B</b>	90	real estate	Hong Kong
#26	<b>Wang Jianlin</b>	<b>\$30 B</b>	63	real estate	China

**ISABEL DOS SANTOS**, with \$2.6 billion, is the highest ranked African woman at 924.



#27	Beate Heister & Karl Albrecht Jr.	\$29.8 B	66	supermarkets	Germany
#28	Phil Knight	\$29.6 B	80	Nike	United States
#29	Jorge Paulo Lemann	\$27.4 B	78	beer	Brazil
#30	Francois Pinault	\$27 B	81	luxury goods	France
#31	Georg Schaeffler	\$25.3 B	53	auto parts	Germany
#32	Susanne Klatten	\$25 B	55	BMW, pharmaceuticals	Germany
#32	David Thomson	\$25 B	60	media	Canada
#34	Jacqueline Mars	\$23.6 B	78	candy, pet food	United States
#34	John Mars	\$23.6 B	82	candy, pet food	United States
#36	Joseph Safra	\$23.5 B	79	banking	Brazil
#37	Giovanni Ferrero	\$23 B	53	Nutella, chocolates	Italy
#37	Dietrich Mateschitz	\$23 B	73	Red Bull	Austria
#39	Michael Dell	\$22.7 B	53	Dell Computers	United States
#39	Masayoshi Son	\$22.7 B	60	internet, telecom	Japan
#41	Serge Dassault	\$22.6 B	92	diversified	France
#42	Stefan Quandt	\$22 B	51	BMW	Germany
#43	Yang Huiyan	\$21.9 B	36	real estate	China
#44	Paul Allen	\$21.7 B	65	Microsoft, investments	United States
#45	Leonardo Del Vecchio	\$21.2 B	82	eyeglasses	Italy
#46	Dieter Schwarz	\$20.9 B	78	retail	Germany
#47	Thomas Peterffy	\$20.3 B	73	discount brokerage	United States
#48	Theo Albrecht, Jr.	\$20.2 B	67	Aldi, Trader Joe's	Germany
#48	Len Blavatnik	\$20.2 B	60	diversified	United States
#50	He Xiangjian	\$20.1 B	75	home appliances	China
#50	Lui Che Woo	\$20.1 B	88	casinos	Hong Kong

Zimbabwe's **STRIVE MASIYIWA** is Africa's newest addition to the billionaires list. His \$1.4 billion gives him a ranking of 1650.





# CHARTERING A COURSE THROUGH AFRICA'S FINANCIAL WATERS

**D**emir Avigdor, the recently-appointed Managing Director and Market Head for Private Banking Europe & Africa at Standard Chartered Bank, talks about his new role and Africa's wealth prospects.

**Q. You have recently joined Standard Chartered's wealth management division. What are you hoping to achieve in this role?**

Africa is one of the key markets for Standard Chartered Private Bank with strong growth expectations. We have a very long history in some of the African countries and have been successfully supporting our retail and corporate clients in those markets for over 100 years through our vast network of local offices.

Our unique footprint in Africa also presents very attractive opportunities for growing the Private Bank. As the new Private Bank Head for Africa in Standard Chartered, my key focus will be in engaging with our local colleagues in the countries and ensuring that we optimise the existing client relationships across our Commercial Banking and Global Banking network. Standard Chartered Private Bank is already a highly regarded brand in Africa and by connecting our local clients with our global capabilities we will enable them to sustainably grow and protect their personal wealth.

Of course, to achieve this we will also continue building our Africa Private Banking team with further hires of experienced relationship managers.

**Q. Standard Chartered gives a great deal of focus towards wealth creation. How do you ensure this wealth is sustainable through the generations?**

Preservation of capital and considerations around generational wealth transfer are

critical to an effective overall investment strategy. It is very important that our clients' investment objectives, requirements, time horizons, lifestyles and risk tolerance are well understood before a wealth transfer strategy is discussed.

Transferring wealth to the next generation is inevitably prone to many difficult questions. Among the questions are what happens when a husband and wife don't agree, how to cope with complicated family structures, how to involve future generations in the planning process and how to be fair to siblings with very different interests and skills etc. There are no right or wrong answers to such difficult questions.

Our job is not to offer rigid, 'one-size-fits-all' answers but to raise these questions and to facilitate conversations about these very emotional themes. We try to inspire and guide our clients towards their own right answer by sharing our insights and experience of working with families who have had similar issues.

Providing financial training and educating the younger generations in the relevant

wealth management issues can help parents feel more confident about transferring wealth. To this end, we have also developed an industry-leading "Future Global Leaders" programme for the children of our clients in partnership with Cambridge University and nurture the next generations to learn and accept the responsibilities that come with wealth.

**Q. While Africa might have the smallest population of HNWIs, it is one of the fastest growing. What are your expectations of the continent from a wealth creation perspective over the next five years?**

According to the World Wealth Report, Africa has the fastest growing high net worth individual market in the entire world. The number of African high-net-worth individuals has increased by 145% over the past 14 years, compared to worldwide growth of 73% over the same period. The number of new millionaires in Africa is steadily growing, and we expect that the growth in ultra-wealthy populations in Africa will outpace that of Europe and North America over the next decade and that the number of ultra-high-net-worth individuals in Africa will grow by more than 30%.

Most African entrepreneurs start their own business out of necessity because there are no formal jobs available, but very few countries have policies that encourage investment and entrepreneurship. Excessive bureaucracy, limited access to finance and bad governance are typical barriers to growing businesses.

As the countries in Africa remove these barriers and position themselves for attracting new business and investment to boost economic growth and improve financial inclusion, those countries will create more prosperity and personal wealth for their entrepreneurs.



Demir Avigdor

# Redefining Africa's energy landscape

With the Nigerian energy market relishing an indigenous revolution, Petrolex Oil and Gas Ltd is proving responsible for pushing it securely and ambitiously forward to the next stage

**F**ounded a decade ago by Nigerian visionary, business magnate and philanthropist, Segun Adebutu, Petrolex currently provides services ranging from petroleum products distribution, storage and marine transportation.

Petrolex's subsidiaries are positioned to be market leaders, delivering superior value across the Nigerian oil and gas value chain. They are Bluebridge Marine Limited, Oladiran Engineering and Trade Limited, Terminal Operations Limited, Bluehaul Limited and Hibiscus Limited. With the goal of transforming Nigeria into a completely energy self-sufficient nation, Petrolex possesses a deep dedication to providing energy responsibly, in line with the safety and environmentally friendly international standards.

## THE PETROLEX MEGA OIL & GAS CITY

In a bid to revolutionize the Nigerian energy landscape with industry-defining assets across the energy value chain, Petrolex commenced the planning, design and development of The Petrolex Mega Oil City, located in Ibefun, Ogun State about five years ago. With over 13,000 acres of prime land and the current negotiation of another 12,000 acres, the Petrolex Mega Oil City will total at 101 square kilometres, making it Africa's largest petroleum products hub, with a size that is approximately 10 percent of Lagos State. The Mega Oil & Gas City is conceptualized to enjoy the distinction of housing some of the most advanced oil and gas infrastructure in Africa.



**"We won't  
relent until  
Nigeria  
transforms into  
an energy self-  
reliant nation."**

**Segun Adebutu,  
Chairman**

## THE LAUNCH OF THE IBEFUN TANK FARM

In December 2017, Petrolex launched the Mega Oil City with its inauguration of a 300 million-litre petroleum products tank farm at Ibefun, Ogun State. The facility is set to decongest the Apapa and Ibeafon tanker traffic by 60 per cent, thereby eliminating hazards associated with storage and transportation of petroleum products in those areas.

The tank farm is accessible through land, and through waterways from the Atlantic Ocean. Its proximity to the Lagos market and easy accessibility to the northern and

eastern parts of Nigeria gives it a strategic advantage, as customers can load their products in unprecedented time and avoid delays which characterize the industry. To facilitate its strategic goals, Petrolex has 16 barges, eight tugboats and a 30KT vessel plus residential quarters, army barracks, 30 loading gantries, gas processing plant, and a 4,000-truck capacity park with accommodation for drivers.

Equipped with state-of-the-art technology, the Tank Farm has the capacity to turnover 600 million litres of petroleum products every month while enabling products to be stored and distributed effectively and more efficiently. At the inauguration, Vice President of Nigeria, Professor Yemi Osinbajo expressed optimism that "this project by Petrolex is indeed a testimony of power of vision and it will no doubt go a long way in helping the federal government to achieve its target of reducing fuel importation to 20% by 2019 or late 2018."

Creating at least 10,000 new direct and indirect jobs, the Ibefun Tank Farm is an example of the company's dedication to building communities, empowering people and driving economic growth in Nigeria. Adebutu claims "Our extensive social investment programme is expected to impact over two million lives and maintain a very healthy balance with the environment." The facility will improve throughput capacity for distribution of petroleum products by over 500 per cent.

Accessible through land and waterways, with easy access from the Atlantic Ocean, the 300 million litres Ibefun Tank Farm will decongest Apapa tanker traffic by 60 per cent.



## PETROLEX MEGA OIL CITY SECURING NIGERIA'S ENERGY FUTURE

### PHASE 1 - DELIVERED

- 300 million litre capacity Tank Farm.
- 30 loading gantries.
- 4,000 truck capacity park.
- 30KT vessel.
- 16 barges.
- 8 tugboats.

### PHASE 2 - 2020 DELIVERY

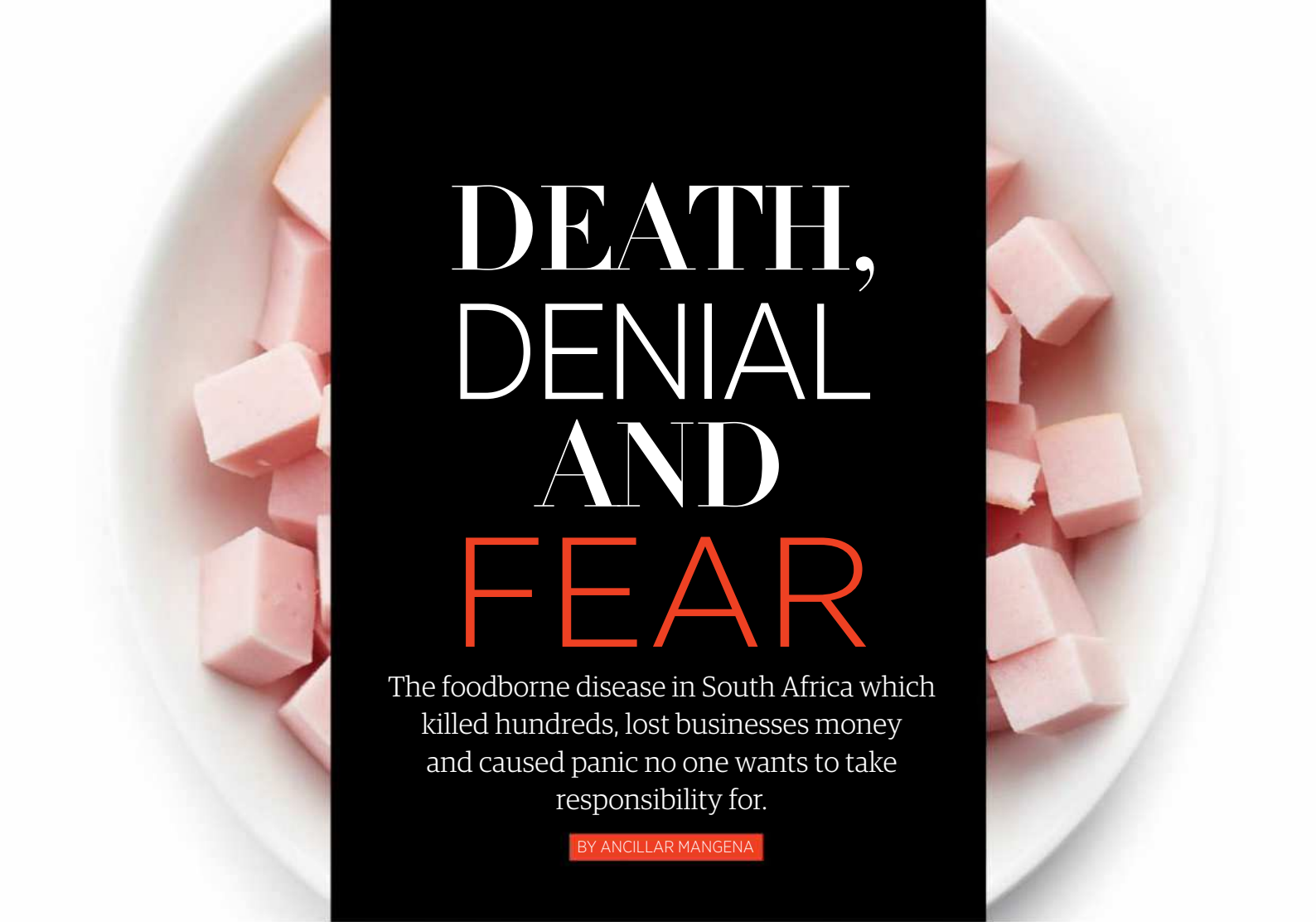
- 350 Petrol stations.
- 1.2 billion litres capacity storage.
- Lube blending plant.
- Gas processing facility.
- Petrochemical plant.

### SOCIO ECONOMIC IMPACT

- Over 10,000 new jobs expected to be created in the short term (direct & indirect).
- Over 500% improved throughput capacity for distribution of petroleum products.
- Extensive social investment to impact over two million lives.
- Approximately 60% decongestion of the Apapa & Ibafo tanker traffic and elimination of associated hazards.

## CREATING A SUSTAINABLE FUTURE

Petrolex's unique sustainability model includes a comprehensive environment conservation and reforestation programme and a successful host-community engagement framework while its corporate social investments continually add value to millions of lives. With a legacy investment of over \$330 million to date, as audited by PWC, Petrolex has become a one-stop energy provider not only in Nigeria but also in sub-Saharan Africa. As a solutions-driven company, Petrolex is positioned to drive increased efficiency and consistent value creation across the West African downstream oil and gas value chain through its strategic investments and the delivery of superior quality products and services. "With the successful completion of the first phase of our Mega Oil City, it demonstrates our disciplined approach to project management and signposts our ability to execute large-scale energy development projects that will move the region forward," affirms Adebutu. "A New World of Possibilities' aptly captures the ever-evolving spirit of Petrolex, as we will not relent until we see Nigeria transformed into an energy self-reliant nation in the immediate future."



# DEATH, DENIAL AND FEAR

The foodborne disease in South Africa which killed hundreds, lost businesses money and caused panic no one wants to take responsibility for.

BY ANCILLAR MANGENA

**D**ecember 25, 2017, was the worst Christmas for the Warmback family in Johannesburg, South Africa.

The festivities began two days before with the arrival of Keith and Glenda Warmback's children from the US. There was food and celebration as the couple saw their one-year-old granddaughter for the first time.

"That evening, we went out and my wife had a chicken salad [from one of the fast food restaurants]. The following day, my wife Glenda started having a tummy ache. She went to lie down for a while. She fell asleep and I woke her up around 5PM and she said she couldn't get out of bed because she wasn't feeling well and had a running tummy," says Keith.

Keith says he was woken up by barking dogs, in their room where Glenda was asleep, at about midnight.

"I went to see what was going on and I found Glenda on the floor. She said she thought she had a stroke," he recalls.

He bundled her up and rushed her to the nearest private hospital.

"The staff was disastrous... They were disinterested in my wife's condition and the three others who were there with similar symptoms," says Keith.

According to Keith, it was just the beginning of a series of mistakes. Eventually, Glenda's lungs collapsed and she died at 2AM on Christmas day. She was 61 years old; they had been married for 41 of those.

"The painful thing is the incompetence at the hospital," says Keith.

Doctors cited natural causes as a cause of death. The problem is, only 20 days before, the health minister had announced a foodborne outbreak called listeriosis. According to Keith, Glenda had all the symptoms and blood tests indicated she had it but she was never treated for it.

At the time of going to press, Glenda was one of 183 South Africans who had died from this disease since January 2017; 978 had been infected. It is the world's worst outbreak of listeriosis, according to the World Health Organization (WHO).

"Listeriosis is the name of a disease that people develop when they eat food that is contaminated with the bacterium called listeria," says Dr Juno Thomas, head of the Centre for Enteric Diseases at the National Institute for Communicable Diseases (NICD).

According to Thomas, this bacterium is found worldwide. It can be in soil, water and even the faeces of many animals.

"Once in the environment, it is very difficult to get rid of because it attaches to things very easily. Once it attaches itself in an environment, it produces a layer of a sticky sugary slime that sticks onto the surfaces and makes it difficult to remove, and resistant to disinfectants," says Thomas.

According to Health Minister

## DID YOU KNOW?

LISTERIA IS TREATABLE WITH TWO READILY AVAILABLE ANTIBIOTICS AVAILABLE AT EVERY HOSPITAL IN SOUTH AFRICA.

Aaron Motsoaledi, South African hospitals saw and treated an average of 60 to 80 patients affected by listeria between 2013 and 2016 with no problems.

Then, in July last year, doctors started seeing more cases of newborn babies born with listeria.

It was a cause for concern. They informed the NICD. A search, led by Thomas, began. On November 29, they found that at the time, 557 people had been infected.

“A team from the NIDC interviewed 109 patients to obtain details about foods they had eaten in the month before falling ill. Eighty five percent of the people reported eating ready-to-eat (RTE) processed meat products, of which polony was the most common, followed by viennas/ sausages and then other ‘cold meats,’” says Motsoaledi.

Sixty percent of cases were reported in Gauteng, 13% in the Western Cape and 7% in KwaZulu-Natal.



**WE CANNOT THINK OF A GREATER RISK TO THE SUSTAINABILITY OF ANY FOOD COMPANY, THAN THAT OF KILLING OFF YOUR CUSTOMERS.**

“We think it affected Gauteng the most because of consumer behavior. Things like sausages, polony and viennas are staple street and household foods in Gauteng because they are affordable and quick to prepare. The economy of Gauteng also plays a factor. There are many more people who can afford to buy these items than other provinces,” says Thomas.

Even armed with this information, the source of the outbreak remained unknown.

“When you have an outbreak like this you have no idea where it comes from. We also had

not seen many cases of listeriosis in the country, meaning it wasn't a big health priority compared to all the other issues we have to deal with. For example, we saw 30,000 cases of malaria last year, rabies is a big concern, TB and many others were more severe,” says Thomas.

With hard work and vigilance, the outbreak was traced from Soweto.

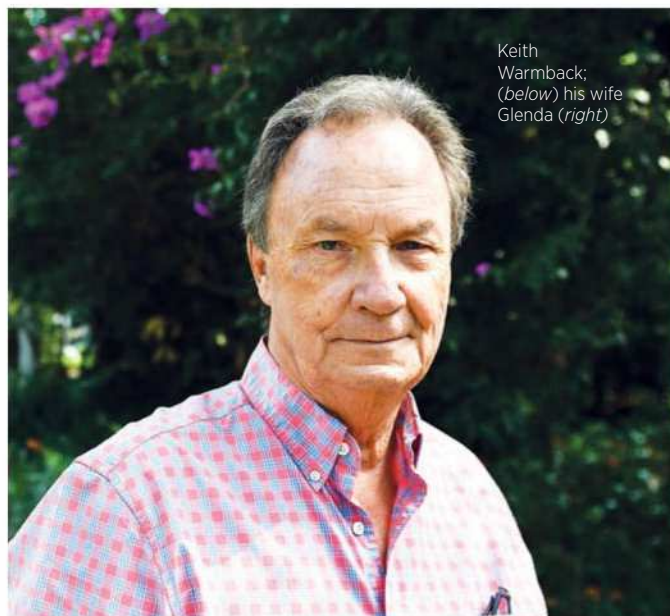
Nine crèche kids under the age of five got ill and were admitted to the Chris Hani Baragwanath Hospital. Tests revealed that they had been infected. A team went to the crèche the very day and found kids had eaten polony manufactured by Enterprise Foods, owned by Tiger Brands.

“We then visited the Enterprise Foods factory in Polokwane that makes this brand. We took over 28 samples and they tested positive for the outbreak strain. The conclusion from this is that the source of the present outbreak can be confirmed to be the Enterprise Food production facility in Polokwane,” she says.

On Sunday March 4, Motsoaledi ordered a safety recall of all products from Tiger Brands.

After Motsoaledi's announcement, Tiger Brands shares fell more than 10% when the market opened on Monday.

“It is devastating for me that our business is linked to this outbreak... we detected low levels of listeria in our products on the 14th of February. We took immediate precautionary measures which included



Keith Warmback; (below) his wife Glenda (right)



immediately halting production of the affected product, quarantining all affected products within our distribution center and withdrawing all affected products manufactured on that day,” says Tiger Brand CEO Lawrence MacDougall, at a press briefing the next day.

MacDougall, however, controversially denied any responsibility for the deaths.

“There is no direct link with the deaths to our products that we are aware of at this point. Nothing... All of our tests and results indicate that we kept a very high standard of quality protocols within those sites. The expectations going forward is that those standards are significantly increased if there is going to be a zero detection of listeria going forward,” he says.

Motsoaledi argues that there is proof the ST6 strain was found at their facilities.

“The fact remains that we have had an outbreak of listeria, we informed them [Tiger Brands], in terms of fair administrative justice,



## SYMPTOMS OF LISTERIA

- » FEVER
- » DIARRHOEA
- » VOMITING

that we got the results and we were going public with them. I don't think they did enough to make sure their produce is safe for consumption by the public. I believe the best way is for this to be a civil case rather than a government case," says Motsoaledi.

Renowned corruption buster and private forensic investigator Paul O'Sullivan agrees. He is filing criminal charges against the board of Tiger Brands and has called upon them to step aside pending the outcome of the investigations.

O'Sullivan has teamed up with human rights lawyer Richard Spoor to bring charges.

"What is particularly shocking is that Tiger Brands, in its most recent annual report, placed product quality as number nine on the list of risks facing the company, when it should have been at number one. We cannot think of a greater risk to the sustainability of any food company, than that of killing off your customers through recklessness or gross negligence. We are 100% certain that it will rank top of the list in next year's annual report," says O'Sullivan. What he finds completely unacceptable is that Tiger Brands is still in denial.

"On the one hand they close and deep-clean all the affected facilities, on the other hand they deny culpability and say they will meet each civil claim on its own merits, thereby indicating they will make it a long-haul for the litigants," he says.

Gareth Lloyd-Jones, Chief Commercial Officer at hygiene and sanitation service provider Ecowize, however says the government is to blame. He argues there should be a surveillance system that protects consumers.

"This type of rigorous investigation has been going on for the past couple of months, which is admirable, relevant and necessary and should have been part of a more robust routine surveillance and monitoring process in terms of food safety and legislation requirements," he says.

According to retail analyst Syd Vianello, this can tarnish a brand that has spent decades trying to live up to high standards.

"How long is it going to take [Enterprise Foods] to convince consumers that the Enterprise brand is good for purchase again? We are talking about the value of the brand and the protection of the brand equity, insurance won't even cover you for those kinds of losses. These can carry on for a very long time," he says.

There is also a rub-off effect.

Ronald Dube, a manager at a supermarket in Johannesburg, says people have been returning all cold meats regardless of brand.

"People are afraid and have been returning all sorts of meat. We have also noted that sales of processed foods have gone down, no matter the brand," he says.

Many people have also thrown away their cold meats but, according to Dr Johan Schoonraad, waste expert and group tactical specialist at EnviroServ Waste Management, there are only two options for disposing of listeria infected food waste – incineration or treatment and landfill disposal.

"The scale of the problem is too big for the incineration industry to deal with in any sort of reasonable timeframe, which leaves waste management companies with the option to do treatment and disposal to landfill," he says.


Schoonraad says treatment can take many routes. You could sterilize the food waste, heating it and ensuring the material internally gets to 100 degrees which would kill the bacteria.

"If this was done, we could then landfill it without further treatment being required before disposal," he says.

The other option is to chemically treat it prior to disposal.

According to Schoonraad, the problem is municipal landfills often have poor access control. The risk here, he says, is that the informal sector could enter and scavenge food material, which is then sold or eaten and could spread the disease.

"However, licensed hazardous waste sites have strict access control with no scavenging allowed at these facilities," he says.

Nevertheless, South Africa remains in fear of this deadly disease. 



## WHO IS MOSTLY AT RISK

- » Pregnant women
- » Neonates (first 28 days of life)
- » Very young infants
- » Elderly persons >65 years of age
- » Anyone with a weakened immune system (due to HIV infection, cancer, diabetes, kidney disease, liver disease, people with transplants and those on immunosuppressive therapy such as oral corticosteroids, chemotherapy, or antiTNF therapy for auto-immune disease)

Forbes AFRICA TV



MY WORST  
**DAY**

WITH PEACE HYDE

IN PARTNERSHIP  
WITH



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# THE SOUTH AFRICAN BANK PLACED UNDER CURATORSHIP

Financial woes led VBS Mutual Bank to come under fire and curatorship. Can it be salvaged?

BY MONIQUE VANEK

For many, it was a normal Sunday afternoon but for the thousands that bank with VBS Mutual Bank, established in 1982, in the former Venda homeland in northern South Africa, things were about to change.

The bank, which is registered with the South African Reserve Bank (SARB) as a mutual bank and that shot to fame after providing a loan to South Africa's former President Jacob Zuma for Nkandla, was placed under curatorship on March 11.

SizweNtsalubaGobodo, an African firm that offers audit, advisory and forensic services, was appointed curator, represented by Anoosh Rooplal.

South Africa's central bank has guaranteed retail deposits amounting to \$4,246 per depositor and said VBS remains open for business. According to SARB: "The curator will ensure all loans due are collected as part of the normal collections processes, but also importantly that lending and transactional banking services continue."

VBS's main clientele comes from Limpopo. It has 22,051 deposit and 1,105 loan accounts.

The bank has no bondholders. Only instruments qualifying as primary equity.



Lesetja Kganyago



**THE LIQUIDITY CHALLENGES EMANATED FROM THE CONCENTRATION OF DEPOSITS FROM MUNICIPALITIES.**

The decision to place VBS under curatorship was taken due to its increasing liquidity challenges over the last 18 months, emanating from a failure of the board of directors and executive management to manage the mutual bank's rapid growth and the funding of its liquidity, SARB revealed at a press conference held at its headquarters.

In a statement read to journalists at the conference, Reserve Bank Governor Lesetja Kganyago said "the liquidity challenges emanated from the concentration of deposits from municipalities and was exacerbated by the termination of other sizeable deposits and the inability to source sufficient funding



timeously. It was highly risky for VBS to take sizeable municipal deposits that were short-term and lend them long-term.”

VBS had 21 municipal clients.

The bank was also in breach of the Banks Act which forbids mutual banks from taking deposits from municipalities, only commercial banks can, revealed Kganyago. The breach was picked up 18 months ago and despite warnings from SARB, VBS continued to take deposits from municipalities. Only on February 26 did it decide to apply for a commercial bank licence, a process that could take between 12-18 months.

Three years ago, when VBS started accepting deposits from municipalities, it had a balance sheet of about \$17 million. This rapidly grew to \$170 billion.

The liquidity challenges faced by VBS made it difficult for it to settle obligations in the National Payments System on several occasions. This came to a head on February 16 when the bank failed to honor its obligation. At this point, SARB started engaging with VBS and its two largest shareholders, the Public Investment Corporation (PIC) and Vele, on a way forward. After an exhaustive process, no solution was found and the decision was taken to place VBS under curatorship, says Kganyago.

Kganyago said banks are placed under curatorship if you believe it might be salvageable and to prevent a run on the bank.

According to South Africa's National Treasury, the aim of curatorship is ultimately to turn the mutual bank around and nurse it back to health.

“This is in contrast with liquidation, where the mutual bank is closed down”.

Treasury cites African Bank, which was placed under curatorship in 2014, as an example of a bank which emerged stronger after curatorship.

The PIC, one of Africa's largest investment managers, which on behalf of the Government Employees Pension Fund, holds 27% equity interest in VBS, says it's “working closely with the appointed curator, SizweNtsalubaGobodo, and all other stakeholders, to assist the bank to navigate through this difficult situation and hopefully emerge much stronger”.

## A SMALL BANK WITH BIG TROUBLES

### What it means for the depositors and businesses on the street.

BY LUBABALO MASHIQANA

**W**hat a month it has been for a small bank with big troubles. VBS ran into trouble when it grew too fast and took on a large number of loans to municipalities.

Fears over its liquidity reach right down to the dusty streets of Thohoyandou and Makhado, in Limpopo, one of the bank's heartlands.

I traveled to the little town of Makhado, a five-hour drive north of Johannesburg, closer to the Zimbabwe border. Not much happens here, but this week, there was news.

The talk on the streets was about the struggles of the bank born in this province – a bank that gave many people here their first loan. Now it is giving those same people their first worry about what is happening to their money.

Many came here to withdraw their money, a few are hoping for better times.

An hour's drive away in Thohoyandou, fears of losing investments and savings haunt small businesses on the streets.

Masindi Mdaui sells fruit by the roadside. She has been banking with VBS for more than 15 years and it gave her a loan to build her home. When she went to the bank to withdraw her money, the news wasn't good.

Mdaui, together with 20 other small business owners selling fruits on the side of the road in Thohoyandou, have a stokvel account in which they save their money. She says their savings can reach up to R100,000 (\$8,300) at the end of the year.

“We went to the bank to withdraw R1,600 (\$134) but were told we cannot get it, we are worried of what is happening at VBS and we are worried about the safety of our monies,” said Mdaui.

A taxi driver, who asked not to be named, outlined his fears, saying he has already moved all his money from the bank.


“I am now going to open another account with another bank; I do not want to take any chances. What if they end up closing without giving us our money?” he rued.

Outside the Thohoyandou VBS branch, the mood is uncertain. The sight of long queues, customers flocking in to enquire about the future of their trusted bank, and others coming out with stacks of money they are taking out of their accounts, driven by fear.

VBS will be forever be known as the bank that helped South Africa's former President Jacob Zuma pay back the money. The bank lent the former president R78 million – more than half a million dollars – to pay back taxpayers' money spent on his Nkandla private residence in the country's KwaZulu-Natal province. It was a controversial loan that the bank itself described to FORBES AFRICA for a story on it in February 2017 as a drop in the ocean of its vast balance sheet.

VBS chair Tshifhiwa Matodzi told FORBES AFRICA that criticism of the presidential loan was unjustified.

“There were no underhand dealings. They all said ‘go find out if there's bribery involved’. If you do things right, these things fall out. People realized that we are not interested in politics. I have never met the president. They came with their corruption accusations, but they found nothing...,” said Matodzi.

We tried to get VBS to comment in Limpopo but the bank declined. What is clear is that loyal customers like Mdaui would like to hear from the bank about what it is doing with their money. 

# MINING CHARTER BACK TO SQUARE 26

Years of squabbling and court cases came to a halt when South Africa's new president put the controversial Mining Charter on hold. It could mean many more months of waiting for regulatory certainty, with a complicated negotiation in prospect, at a time when the industry can ill afford it.

BY CHRIS BISHOP

**T**he new amended Mining Charter – the agreement that governs black ownership in the mines – has been a festering sore for more than four years. The employers and unions have disputed it, lawyers have argued over it and yet no one seems to be able to agree on one of the most important documents in Africa's most lucrative industry.

Love it or loathe it, the mining industry in South Africa employed more than 450,000 people, with a trickle down that supports an estimated 4.5 million people, contributing 7.1% to GDP, in 2016. In the same year, it racked up sales of more than \$30 billion. It may be a far cry from the industry's heyday in the 1980s, when it employed a million people, but it is still too big to ignore.

Cars run on South African-mined platinum, in their catalytic convertors, from New York to Paris; around half of all the gold on the fingers and locked in bank

vaults across the world was unearthed and refined in and around Johannesburg in more than a century of mining.

This treasure trove of wealth is the main reason why the fight over the Mining Charter has been so intense and emotive. It is an agreement, not legislation, agreed by employers and government to foster black empowerment. It came into force in 2004 amid a blaze of publicity claiming the industry was going to be swiftly transformed, towards more black ownership, in a decade. Instead, when 2014 came around, there was uncertainty, a lack of direction, and questions in the corridors of power whether the Mining Charter had achieved anything at all.

The mining employers fear the Mining Charter has scared off foreign investors and is part of a severe decline in this industry. In 2016, according to Statistics South Africa, the South African mining industry's real GDP was 2.6% smaller than in 1994. The thriving financial services sector grew by





Aerial view of a quarry, Johannesburg, South Africa

Photo by Martin Harvey via Getty Images / Rodger Bosch via Getty Images / Mujahid Safodien via Getty Images

168% over the same period.

The Chamber of Mines – that represents 90% of South African mining companies – called the amendments the last nail in the coffin when they came out last year. The former mining minister Mosebenzi Zwane called the amended Mining Charter the key to changes in the industry that will benefit the black majority – for so many decades seen as mere cheap labor in the mines. The zealots in the government – who were pushing the amendments – want radical change in mining. They see it as a pillar of the establishment in apartheid days where black sweated labor was used to create the wealth to keep the status quo.

When the amendments were released they were dramatic and controversial. An increase in black ownership from 26% to 30% with a rider that this be maintained at all times. The mining employers bridled at this clause because they argue for a “once empowered, always empowered” rule that stipulates that once they have borne the cost of transferring ownership to new black owners they are deemed to have done their job. One of the bugbears of the black empowerment game is dilution. That is, after the lock-in period, black shareholders often cash in their stakes, which dilutes the overall black owned percentage, leaving the employers with the arduous task of starting again. If the “once empowered, always empowered” principle was upheld by the courts it would mean most of the major mining companies could claim they had done their job.

On top of this were a raft of amendments that the Chamber of Mines objected to and one or two the lawyers called illegal. Among them, a stipulation that 1% of the revenue be paid to black shareholders before any others are considered. Mining lawyers consider this to be an illegal flaw – in contravention of the Companies Act – in a Mining Charter that was rushed and poorly written.

“It is open to discretion, with very unclear rules that make it very difficult to invest with that level of uncertainty and that is the long and short of it,” says Peter

Leon, mining law expert with Herbert Smith Freehills in Johannesburg. He also considers another clause about the writing off of dividends, to be repaid by black shareholders in fees for shares, to be tantamount to expropriation.

The Chamber of Mines claims the Mining Charter is unconstitutional and written without proper consultation. Its lawyers were ready to argue this in a three-day judicial review of the Mining Charter by a powerful bench of three judges, at the High Court in Pretoria, on February 9, 10 and 11.

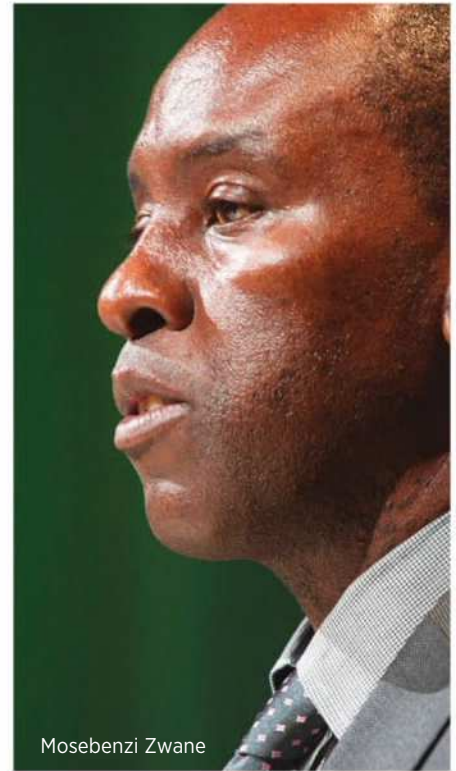
At the eleventh hour, South Africa's new president Cyril Ramaphosa – a mining man to his boots – made good on a promise in January at the World Economic Forum in Davos to intervene. His officials persuaded the Chamber of Mines to hold off with its legal challenge to give negotiation another chance. It means the regulation of the industry will fall back on the previous charter, with its 26% black ownership target, that most companies had priced in and come to terms with.

Outside the court on the day was a throng of singing and dancing protestors who could prove a fly in the ointment. These were the people who live with the mines and their dust and disruption. They had traveled for hundreds of kilometers, with their lawyers in tow, from tiny villages across South Africa to make their point in Pretoria. They wanted a seat at the negotiating table and the court ruled that they should get one.

The mining communities making their debut in the Mining Charter talks, alongside government, unions and mining employers, could add more time and dimensions to what is already likely to be a complex debate. The Chamber of Mines has flagged this as a difficulty in negotiations. Mining companies often struggle to deal with power shifts and conflicting leadership claims in communities around mining – especially when the money starts flowing.



Gwede Mantashe



Mosebenzi Zwane

## IT IS OPEN TO DISCRETION, WITH VERY UNCLEAR RULES THAT MAKE IT VERY DIFFICULT TO INVEST WITH THAT LEVEL OF UNCERTAINTY.

This puts the prediction of wrapping it all up by June, made by the new mining minister Gwede Mantashe, in severe doubt.

“We will finish it within three months, I am putting that timeframe for myself,” says Mantashe.

“A new Mining Charter that is well designed and reached through an inclusive negotiation process needs to be finalized as soon as possible,” says the Chamber of Mines in response.

In many ways, a crumb of comfort for the employers is that the new man Mantashe is also a mining man down to his boots and a

world away from his disliked predecessor Zwane. Mantashe, the former leader of the biggest union in Africa, the National Union of Mineworkers (NUM), is known in the industry as an honest broker and skilled negotiator.

“You could say Gwede has mining in his blood,” says Elize Strydom, a former legal head and chief negotiator at the Chamber of Mines, who sat across the table from Mantashe in wage talks for nearly a decade.

“The good thing always was when Gwede said you had a deal, you had a deal, and you could go home and sleep soundly.”

Mantashe, who is also the chairman of the ruling African National Congress, will have his work cut out for him over the next three months to make good on his promise and sort out what is probably the most tricky and crucial set of regulations in one of Africa's biggest economies. It is not going to be easy reconciling the wishes of a multi-million-dollar investor and a poor villager living in the shadow and dust of a mine.

Any foreign investor or any African business connected to mining will hope Mantashe does so. 🇿🇦

# THE THRIVE PORTFOLIO: WHERE SCIENCE AND ART MEET

[WWW.GROWTHPOINT.CO.ZA](http://WWW.GROWTHPOINT.CO.ZA)



A photograph of John Rabie, an elderly man with a friendly expression, wearing a blue and white checkered shirt. He is sitting at a desk with his hands on a red surface. Behind him is a wall with several framed items, including a dark blue jacket with a red logo, a pair of shoes, and a framed document. The overall setting appears to be a study or office.

John Rabie

# FROM PAINTING HOUSES TO BUILDING A \$1.95-BILLION DEVELOPMENT

Property developer John Rabie transformed the building business in Cape Town. Forty years on, he's still thriving.

BY JAY CABOZ



Photo by Jay Caboz; Photos supplied

**J**ohn Rabie is the entrepreneur who transformed the way South Africans build houses. With humble beginnings, he is now known as the man who took 1.25 million square meters of marshy wasteland on the outskirts of Cape Town and turned it into the \$1.95-billion Century City.

It's hard to believe that this co-founder of the Rabie Property Group is the same humble man who was painting buildings in Sea Point 40 years ago, along with his longtime business partner, Leon Cohen.

"I started as a painter with Leon. We formed a painting business. We said to ourselves, 'hang on a second, let's start building'. In those days, there was plenty of land in the southern suburbs in Constantia," says Rabie.

From his office in Cape Town's foreshore, filled with memorabilia of his property developments and school photographs, you can see why Rabie has stood the test of time.

"It took me 40 years. There is no instant gratification to wealth. Property development is not a one-day game, it's a five-day game," says Rabie, using cricket analogy. "It's taking a view for the future. Because we build buildings not for five years but because we want to live in them for 10 or 20 years."

Along with Century City, Rabie has been involved in other developments around Cape Town, including Marconi Beam, Westlake Estate, Royal Ascot and Big Bay.

Rabie is also responsible for cluster house developments. This started when Rabie didn't have the capital to build the houses from scratch. Instead he came up with the idea of plot and plan, which allowed house hunters to pay a deposit on a plot of land for cheap and wait for Rabie to build it.

"In those days people bought their own little plots and then they built their houses. So we said 'ok, we can build these houses on your plot for cheaper'. Then we said 'hang on a minute, let's take it to the next level'. We acquired five plots on Constantia, I think we paid R10,000 (\$850) for a stand at the time – can you believe that, in Constantia of all places? We said 'let's build a house, finish it and furnish it and landscape it'."

The idea took off in the 1980s and Rabie's team was building five houses a month. Soon it was building villages, over vast areas of Cape Town's southern suburbs. It then moved on to show houses, giving buyers an idea of what the house would look like, right down to the kitchen sink.

"You know, what people struggle with is the design. How the house is going to look when the building is done, the

vision. We had a beautiful brochure with eight or 10 designs, because the individual owned the plot, we could sign a building contract and build that house that they chose."

Back in his office, Rabie admits to being a hoarder. He has dozens of books with newspaper clippings and

advertisements. It is a personal archive of 40 years of developing property. His proudest moment came in 2004, when he bought into a project that wanted to turn a marshy wasteland of 1.25 million square meters into a mini city.

"The biggest boom to hit this country was in 2001 to 2007 – the world exploded. That was the biggest property boom we'd ever seen," he says.

"It changed Rabie Property Group, because we now had a city."

Fourteen years and an investment of more than \$1.95 billion later, Century



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Rabie's  
ambitious  
Radisson  
development  
in Cape  
Town



**IT TOOK ME 40  
YEARS. THERE  
IS NO INSTANT  
GRATIFICATION  
TO WEALTH.**

City has taken shape. These days it is a city-within-a-city; a place where one can work, live, shop and relax. The precinct hosts more than 500 businesses, 4,000 residential homes and is known for its clean and safe environment.

“The great thing about Century City is it’s like a jigsaw puzzle, as the markets change you can change it to have a bit more commercial, a bit more residential areas. When I go inside the conference center or along the canals, I have to pinch myself,” says Rabie.

One of the latest developments in Century City has been the introduction of a Marriott hotel, the signature brand of the world’s largest hotel group, Marriott International. This brand

was ushered in through the recent conversion of the African Pride Crystal Towers Hotel to the Cape Town Marriott Hotel Crystal Towers.

“It’s extremely positive for Century City to showcase a global giant like Marriott. The credibility of the brand internationally adds gravitas to our tenant directory, and we will no

doubt see many more visitors from around the world coming to Century City because of the presence of a hotel under this brand,” says Cohen.

By 2010, Rabie had thought he had done all he could do in property. He was traveling abroad when he noticed a trend of inner-city revival. He saw major cities, like Sydney, were



Century City



rejuvenating derelict buildings in city centers and repurposing them for residential living.

He immediately thought Cape Town could do the same. So, he embarked on co-founding Signatura, the private label property company, to do just that.


“No one was thinking of inner-city revival at that time. It was going to be very important for Cape Town to have hospitality linked to residential – in other words, intertwined. Our first project was the Radisson. We converted the office into the hotel and put 175 apartments on top, but the apartments have the use of the hotel facilities, the gym etc. That was hugely successful,” says Rabie.

Signatura recently completed the upscaling of central city landmark, the Safmarine building. It was transformed into an ambitious \$100-million residential and hotel development known as The Radisson Blu Hotel and Residence.

It caters to South Africa’s growing upper middle class who are eager for luxury living close to the city and the ocean. What stands out for Rabie is the way in which social media has changed the way people buy property.

“We used to have to put flags up on Sunday at 10 o’clock. We’d get dressed up in our work clothes. That’s how we did it. If you didn’t get people into show houses on a Sunday, you didn’t sell. With social media, it changed dramatically. You hardly see us advertising in the press anymore because social media is so incredibly strong. We get 10 to 15 leads every day from people on the internet wanting to know about our developments.”

In five years, Signatura has rejuvenated more than 20 buildings in and around Cape Town – achieving over \$500 million in sales.

It seems Rabie made the right decision to give up painting houses to build them instead. 

# NO WATER? NO PROBLEM

The graduate who loved science and hated bathing so he went on to build a business showing people how to shower without water. Cape Town, take note.

BY ANCILLAR MANGENA

**L**udwick Marishane has never been a fan of bathing. On a winter's day in 2007, a friend gave him an idea that not only became his bread and butter but allowed him to stay clean without bathing.

"Historically, people used to do bucket baths once or twice a week. Showering every day is a marketing behavior. Big companies said 'we are selling soap but people aren't using it often enough [so] we need to create a culture that says you need to bath everyday'. So they made a beautiful business model where basically they sell us soaps that dry our skin and then sell us lotion to use soon after," he says.

As we meet, Marishane says he hasn't showered for three days and he has been rewarded for it. Google named him one of the most intelligent young brains in the universe; he was voted the best

student entrepreneur in the world by the Entrepreneurs' Organization; and he was named by the magazine you are reading now as one of Africa's 30 under 30 most promising entrepreneurs in 2015.

Marishane built a company with few resources and a love for science. This is despite the fact he couldn't even speak English in grade two.

"I remember I bought a burger at lunch in school and this girl came to me to ask how much the burger was but I basically repeated what she was saying because I didn't know how to respond," he says.

From then on, his father taught him how to be the CEO of his education.

"My dad abused me with books. Every day at 7PM I had to present to my dad what I learned that day. I had to do a page of English, life skills and maths every day and I always had extra homework," recalls

Marishane.

The hard work paid off. He became an A student by grade four.

All was good until he had to move back to Limpopo, near the border of Zimbabwe, to live with his mother. Life was different. He says his school was the size of his dad's backyard in Johannesburg and the kids weren't as competitive in the classroom. He got bored. Entrepreneurship was the answer.

"My mom and dad didn't have this child support thing. They had clear lines of communication and when I was with one parent, that's the parent who took care of me. When I lived with my mom, we lived on my mom's salary and it was tight. She was a cashier and life wasn't the same as when I lived with my dad."

Marishane knew he had to make money, yet, instead of working on quick-money



“

**IMMEDIATELY,  
I KNEW I WAS A  
CUSTOMER FOR  
THIS. I ALSO HATED  
SHOWERING.**

businesses like selling ice, he worked on long-term big-money ideas.

From grade nine, he tried and failed to start many businesses.

First, he tried the biodiesel space but failed because of high competition with bigger companies. Then it was a healthy cigarette, followed by a safety kit for families and then a safety magazine which also failed because of a lack of funds.

No matter the heartache, he never gave up.

In 2007, the big idea came. A friend of his didn't want to bathe. Marishane and others nagged him to go shower. He fired back with a question: "Why doesn't somebody invent something I can just put on my skin and I don't need to bathe?"

The light bulb flickered. The question rang in his ears for hours.

"Immediately, I knew I was a customer for this. I also hated showering. I have never been a fan because of the bucket bath. We had no geyser and we had to boil water. We always had to schedule it and I was never a fan. The odor was what always exposed me to my mom," says Marishane.

Research found nothing but a big gap in the market and even a bigger pool of potential customers. There were billions of people around the world without running water and a large percentage of those were here at home – Africa.

Marishane then hatched the idea for the world's first bath-substituting skin gel that cleans without water. He formulated the product and, fittingly, called it DryBath. He then filed for a provisional patent to protect it in 2008. At the age of 17, it made him the youngest patent filer at the time, he says.

With the patent for DryBath in the bag, there was still a shortage of money. To fund the first prototype, he entered business plan competitions. It took him three years just to get the R20,000 (\$1,700) needed. When he finally had enough, the prototype was a flop.

"One of the ingredients I had used flaked on the skin and there was no scent. It wasn't

a great product experience," he says.

It was time to get help. He approached Hennie du Plessis, a chemical engineer and a leader in the formulation industry, and offered him a 25% stake in the company in exchange for his help with product development and packaging. Together, they improved the formula, and resolved the problems, up to 10 times before the final product they sell today was ready.

"We made a product that removes dead skin cells and body odor by just applying it on your body," says Marishane.

More work was needed though.

"We had created the solution but we didn't fully understand what the problem was. I remember when, for example, my current business partner, Lungelo Dlamini, joined us, one of the philosophical questions we asked was what it actually means to be clean and we realized we didn't know the answer. We saw we were trying to sell a product that cleans people when we don't know how people feel clean," he says.

It meant more research to understand their market.

"We found that some people would say being clean is when body odor is removed, some would say it's when they wear clean clothes, and others say the quiet time they get showering is what they need to feel clean while others would say they need water on their skin."

Marishane says they found that most people felt clean with the removal of body odour so they added body wipes to their innovation.

"The human psychology of saying 'there is dirt on my skin and it needs to go somewhere' led to us adding the wipes to the product. Now, for those who need it, it is the psychology of saying, 'I put this product on, it removes the dirt and smell on my body and then I wipe it off'. For some reason people prefer that. The question I used to get most was where the dirt goes. It showed me people needed to wipe."

Even with that revelation, there was



**WE MADE A PRODUCT THAT REMOVES DEAD SKIN CELLS AND BODY ODOR BY JUST APPLYING IT ON YOUR BODY.**

another stumbling block in his way. At a minimum of R150 (\$12.50) per bottle, which gives you 15 washes, their product was too expensive for the people he was targeting.


"We even tried to sell to governments around Africa for R2.50 (\$0.20) per wash, but it was still too high for their budget," he says.

The business model had to change.

"We then decided to target middle income homes who could afford this product. The idea is then that through selling to them, we can build economies of scale necessary to bring the price down to R5 (\$0.40) per wash," says Marishane.

Most of their clients are from Europe and Asia. But in South Africa, with Cape Town's water crisis, it is boom time.

"We made about five times more revenue in February than we did the whole year in the last financial year... Now we are doing a crowdfunding campaign so that we can be able to sell the product for less," he says.

Marishane is proof that anything is possible. He has made sure people can wash without a drop of water in sight. 

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AMS' Eagle Owl is ready to launch at a site south of Johannesburg



# DRONES BY AFRICA, FOR AFRICA

Adam Rosman wanted to build rockets like Elon Musk. Instead he makes drones that can handle Africa's harsh conditions.

BY GARETH COTTERELL

**A**s a boy, there was never any doubt what Adam Rosman would do when he was older. "Aviation fascinated me. My friends and I used to build model rockets and fly them at the school fields. I then decided I wanted to be an aeronautical engineer," he says.

Rosman studied aeronautical engineering at the University of the Witwatersrand, in

Johannesburg. "When I finished, I always wanted to do rocketry, Elon Musk type of stuff"

He worked at a South African rocket design firm but the company went under. "I think it was just the wrong time, they couldn't get money," says Rosman.

Back then may have been the wrong time to build rockets, but Rosman seemed to have perfect timing when he started Aerial

Monitoring Solutions (AMS) in 2013. The company designs custom drones for the commercial market.

"These aren't for hobbyists to play around with on the weekend," he says.

AMS has two drone systems at the moment. One is a large, 2.5-meter, fixed-wing system called the Eagle Owl; the other is a small multicopter system, the Bumble Bee.

As they are customizable, Rosman's drones have many uses. Farmers use them to inspect the health of their crops and to monitor their fences for security reasons. Game farms use them for fence monitoring, animal counting and anti-poaching. Land surveyors use them to get topographical maps while mining companies use them for ore vein exploration.

“My entire drive is to have something customizable because there’s no one-system-fits-all [solution]. We’ve made a platform that can carry payload, can carry a range of cameras, can do game counting, [and] guys are using it for agriculture.”

There are many drone technology companies emerging in South Africa but Rosman says AMS differs in that it is one of the few that develops hardware, plus it is affordable.

The basic fixed-wing system, with the launch rail, ground control station, antennas, basic day-time camera, and a laptop, will cost about R200,000 (\$17,000).

“We found you could purchase systems from overseas that were high precision, but they were hundreds and thousands of US dollars. I felt like they were excluding Africa, or other poorer continents like South America, who can’t afford those systems except if you’re a government or a major company. Why shouldn’t a guy who has a farm and wants to be able to check his fences be able to buy a drone?” he says.

The feature, however, that Rosman takes the most pride in is the robustness of his drones.

“From the start, we wanted something that is by Africa, for Africa. It’s got to be able to go into harsh terrain and operate. It’s got to be able to handle the rough handling – like be thrown into the back of a [pick-up truck], driven around on dirt roads, taken out, put together and expected to fly. Unfortunately, I’ve seen some of the demos where the high-end guys come from Europe or America and go to the Kruger National Park, turn on the system but because of the heat it can’t operate,” he says.

“We wanted to give something that could handle anything. If it ends up in a little village covered in dust, and gets dust storms blowing through it every day, it will still be able to operate there or if it’s flying above Kilimanjaro covered in snow.”

Rosman has reason to be proud. He started AMS with nothing but his parents’ garage and a few angel investors.

“I took over my parents’ garage; I kicked them out and said ‘I’m going to work in here’. I brought in equipment and started



## I FELT LIKE THEY WERE EXCLUDING AFRICA, OR OTHER POORER CONTINENTS LIKE SOUTH AMERICA, WHO CAN’T AFFORD THOSE SYSTEMS.

designing the aircraft in there during the night.”

After a few years, those designs started attracting shareholders.

“They’ve been amazingly supportive. In 2016, they came and saw potential and I’m lucky to have them.”

His parents’ support was just as valuable, even when he was young.

“When I was younger I used to build model aircraft with my dad and then we went on and got remote-controlled gliders and remote-controlled cars. I would build them and play with them for about a week. The next week I would take the entire thing apart because I wanted to see how it worked and then try and put it back together again. To this day, at my folks’ house there are still lots of bits and pieces of aircraft and toys.”

Rosman says drones can kickstart South Africa’s dwindling aviation industry.

“A lot of jobs can be created in the drone space, from operators to maintenance to regulators. It’s a multi-billion-dollar industry. It’s estimated that from the time the industry started, government regulations have hindered 25,000 jobs from being created.”

As the Deputy Chairperson of the Commercial Unmanned Aircraft Association of South Africa (CUAASA), Rosman understands the industry better than most.

“The main hindrance to the entire drone industry is government regulations. They implemented drone regulations in June 2015 and they brought in some very good regulations, they still are very good. The

problem is the implementation procedure has taken too long,” he says.


“Operation certificates are supposed to have a 30- to 90-day turnaround time. Realistically, it’s about a two-year turnaround time.”

A CUAASA study revealed that 99% of the drone industry in South Africa is operating illegally because of the time and cost involved in government regulations.

“Before you start making money, to operate legally, you’ve got to have five full-time safety officers, you have to have purchased your drones, and drone technology at the moment becomes obsolete within nine months, but only in possibly two years’ time can you operate.”

AMS also plans to do payload delivery, but needs to wait for the Civil Aviation Authority to legalize it. Another avenue Rosman is looking at is vehicle tracking.

“Why have helicopters in the air? Our systems fly on autopilot, so if you give it the GPS co-ordinates, it’ll go there... If the drone crashes, you only lose some money.”

With the Eagle Owl and Bumble Bee, money is unlikely to be a problem for Rosman. 

Adam Rosman





# BANKING ON TECHNOLOGY

Michael Jordaan on his soon-to-be-launched Bank Zero and why businesses should build for the future.

BY MELITTA NGALONKULU

**T**he former CEO of First National Bank (FNB), Michael Jordaan, is launching a new app-driven bank early next year. He says Bank Zero will not inflict exorbitant fees on consumers.

“It is possible to create a mobile bank at a much lower cost than the traditional banks... If we can stimulate a savings culture in South Africa, as well as help individuals and businesses to waste less money on bank fees, it will help the economy grow,” he says.

The South African entrepreneur has worked in the banking sector for over 20 years and will need all his experience as he becomes a competitor of his former employers.

The idea came about three years ago, over a good bottle of red wine with his co-founder

Yatin Narsai, who is the former head of retail at FNB. The two were inspired by app-driven businesses such as Uber and Airbnb.

“We hope to solve many of the everyday problems that individuals and businesses still have when making

payments or investments,” says Jordaan. They spent the last year applying for a banking licence with the South African Reserve Bank (SARB). This year, they are working on integrating the bank into the South African payments system. In 2014, Jordaan launched MonteGray Capital to invest in disruptive start-ups. Now, his own business is set to shake up the banking industry.

“It has been an incredible privilege to start with a blank sheet of paper and develop a bank from first principles. We



**IF YOU COULD DESIGN A BANK FROM SCRATCH YOU WOULD NEVER THINK OF DOING IT AROUND PAPER AND BRICKS AND MORTAR.**



will have no legacy technology and no reliance on income streams that should not exist, like electronic banking fees. The functionality of the app will be far richer than any bank we have seen locally or abroad,” he says.

Though, like most banks, Bank Zero will have an app and a card, it will not have a branch.

“Branches are old-fashioned. If you could design a bank from scratch you would never think of doing it around paper and bricks and mortar. Just like WhatsApp and Facebook don’t have branches, the bank of the future will be mobile...” he says.

In addition to South Africa’s big four banks – FNB, Standard Bank, Absa and Nedbank – Adrian Gore’s Discovery is launching a bank later this year. Is there room in South Africa for another bank?


“South Africa has 33 banks and the sector is highly sophisticated and competitive. The fact that [South Africa’s] bank fees are high in international comparative terms means that there is still a lot of room to lift the competitive intensity,” says Jordaan.

To differentiate itself, Bank Zero will only cater to those with smartphones and tablets.

Jordaan is intent on making his bank technologically innovative. He learned this lesson the hard way when he was chairman of Mxit. The messaging app was blown out of the water by WhatsApp and Facebook Messenger.

“It is a powerful lesson why businesses must build for the future rather than hang on to the past. That is why Bank Zero will be built for smartphones and tablets, rather than for dumb phones.

“In a few years the only phones that will be sold will be smartphones. Today there are entry-level smartphones available for less than \$40 but this could still halve in three years,” he says.

If Jordaan had his way, in the near future, brick-and-mortar banks will be as redundant as those dumb phones. 





# BIG DATA FOR BIG CITIES

Moovit has created the Waze of public transit. Is this the app that can beat urban congestion?

BY ALAN OHNSMAN

**L**ike most suburbanites, Janice Monkowski, a piano teacher who lives in Danville, California, some 30 miles east of San Francisco, gets around mainly by car. For much of her life, public transit was not even an afterthought.

That changed recently when Monkowski, a self-described technophobe, discovered Moovit. When she goes to San Francisco to

meet friends or catch the symphony with her husband, the smartphone app lets her plan bus and train trips down to the minute. “Moovit tells me where to walk and how long it might take to catch a bus to get to the train station,” Monkowski says. “It had probably been 10 or 15 years since I’d ridden a transit bus.”

In exchange for the free service, Monkowski lets Moovit track her trips.

Much like the navigation app Waze, which follows its users on the road to determine optimal driving routes, Moovit aggregates Monkowski’s location data with that of other nearby users to predict the most efficient public-transit trip between two locations. “Transit users have an even bigger problem than drivers,” says Nir Erez, a 52-year-old Israeli serial entrepreneur who cofounded Moovit in 2012.



Most commuters don't know when a bus might arrive – let alone how it might connect with another transit service – or when walking or bicycling might be faster, Erez says, speaking from his home in Tel Aviv: “Information is usually bad.”

So bad that Moovit has become the world's most downloaded transit app. In just five years it has racked up 100 million users – roughly the same number as Waze, which Google bought for \$1.1 billion in 2013. Moovit is available in 44 languages and 78 countries, and commuters in 1,500 cities, from Lexington, Kentucky, to London, Moscow and Hanoi, rely on it to get to and from work. In Los Angeles, 40% of its users access it in Spanish. In 2016, Moovit became the official transit app for the Summer Olympics in Rio de Janeiro, beating out Apple and Google, according to the company. When public transit doesn't get a user all the way to her destination, Moovit may connect her to bike-share programs or services like Uber.

Moovit's popularity has helped it attract a string of marquee investors. The company,

which launched with \$500,000 from Erez, has raised nearly \$84 million from the likes of Sequoia Capital, Ashton Kutcher's Sound Ventures and BMW i Ventures. Its valuation reached \$450 million, according to PitchBook. The investors have been lured by the potential to monetize Moovit's realtime transit information, which includes more than 500 million data points generated daily.

Now Moovit must prove it can convert that data into cash. The company says it is just now turning to monetization and won't disclose revenue, which remains negligible, according to Forbes estimates. But Erez and his investors say that it won't be hard to ramp up sales, and they believe the company is in the right place at the right time.

Cities everywhere are battling congestion and pollution. This has fueled a frenzy around the concept of “smart cities,” a somewhat amorphous idea that data from all forms of sensors, along with artificial intelligence and cloud-connected technologies, will help manage increasingly complex urban systems. Moovit's plan is to feed cities' appetite for transit data. “Urban mobility is a global concern,” says Sequoia partner Gili Raanan, adding that Moovit's transit data could “dramatically improve the quality of life of our cities”

Buenos Aires and Madrid have signed up to be early customers of Moovit's Smart Transit Suite, a data portal with precise, real-time information on bus and train locations and usage, passenger wait times, optimal routes and more. “They have very granular data as to how people move around cities,” said Andreas Mai, an executive vice president for Keolis, a French transportation-management company that works with transit services around the world. Keolis has invested in Moovit and will incorporate its data in pilot programs in certain cities that Mai wouldn't identify.


Moovit began taking shape in 2011, when Erez had just left a start-up he'd cofounded and was training for a marathon. He had planned on a leisurely semiretirement of investing a bit in early-stage start-ups and competing in triathlons. But on long training runs around Tel Aviv, his friend Yaron Evron

kept talking about a website he'd made for the local transit authority with a young computer scientist named Roy Bick.

An avowed transit nerd, Bick had taken it upon himself to help local commuters. Tel Aviv had recently reconfigured its bus system to accommodate a new rail line, changing routes and stops to feed more riders onto trains. Public information about new locations was poor. So Bick walked the city to log stops into a database he had built. He also tapped into transit-bus GPS information to turn his database into a real-time route-planning website.

Bick's work clearly had the potential to be useful well beyond Tel Aviv. And Erez, who had considered investing in Waze – also founded in Israel – understood that crowdsourced location data flowing from users' smartphones could provide the basis for creating comprehensive transit-trip planners everywhere. Erez, Bick and Evron founded Moovit the following year, with Erez becoming CEO and Bick overseeing operations. Evron never took a formal role. “I had a nice seven-month retirement, and then it was back to work in another start-up,” Erez says.

As Moovit has grown to 100 employees, with headquarters near Tel Aviv and offices in cities such as San Francisco, Athens and Rio, Erez and Bick are convinced they can help cities be more efficient in myriad ways. If demand surges on a specific route, for example, Moovit could suggest deploying more buses to serve it. “We look at the demand and the actual movement information, then look at the system infrastructure, all the routes and the timetables to understand whether it's optimized or not,” says Bick, 37. Cities spend millions of dollars to survey residents about their use of public transit, and Moovit can provide better, more up-to-date information at a lower cost, he adds. Best of all: It's all built one data point at a time by people like Monkowski.

“When I go to San Francisco, I don't want to drive,” she says, noting the city's “terrible” parking and traffic. Moovit has given her another option: “It's very simple.” 



# CRACKING THE CODE

Challenged by a female employee, Gusto, an HR-software unicorn in San Francisco, figures out how to hire women engineers.

BY SUSAN ADAMS

One spring day in 2015, Julia Lee, a top performer on the engineering team at the payroll-software start-up Gusto, asked Edward Kim, the company's cofounder and chief technology officer, for a one-on-one meeting.

Sitting together on a gray couch in the middle of their open-plan office in San Francisco's SoMa neighborhood, Lee, a Stanford grad who had interned at Google and Palantir, told Kim that she loved her work but was struggling with one issue. Of the 18 people on Gusto's engineering team,

Lee, then 26, was the only woman. Before she got to Gusto, she told Kim, "people often assumed I didn't know the answer to a problem because I was a female engineer." Even at Gusto, she was reluctant to share her feelings of self-doubt. Kim, Lee says, was extraordinarily receptive. In fact, he made it a personal project to study the gender breakdown on the engineering teams at other tech firms. The numbers he found were dismal.

Only 12% of the engineering staffers at 84 tech firms were female, according to

statistics gathered in a public Google Doc posted in 2013 by Tracy Chou, then an engineer at Pinterest. Kim read a U.S. census report on racial and gender disparity in STEM employment and was troubled by a *National Public Radio* report that showed an increase in women graduating with computer science degrees through the early 1980s and then a steep decline from 1984 on. He also read a 2015 McKinsey study showing that companies with diverse workforces outperform financially. "The fact that no one else in tech was able to really crack the

gender diversity nut and solve it represented an opportunity for us,” Kim says. “If we want to reimagine what HR is like for the very diverse workforces of our small-business customers, we ourselves have to build a diverse workforce.”

After a series of meetings with Kim and Lee, Gusto’s human resources team launched a plan to attract women engineers. Initial steps included writing job descriptions that avoided masculine phrases like “Ninja rock star coder.” Gusto’s most important step: For a six-month period starting in September 2015, the company devoted 100% of its engineering recruitment efforts to women. While it solicited only women, it considered male applicants who approached the firm and treated all candidates equally, which kept Gusto from running afoul of antidiscrimination laws, according to Gusto lawyer Liza Kostinskaya. The pitch to women included emails signed by Lee inviting female candidates to have an initial talk with her and was backed by \$60,000 the company spent to be a sponsor for two years at the biggest annual women’s tech conclave, the Grace Hopper conference.

Kim also published a blog post that made Gusto’s diversity numbers public and broadcast its goal of hiring more women engineers. “We believe that diversity is in itself a core strength that will enable us to write better software and build better products,” he wrote.

In line with more than 80% of start-ups, according to a 2017 Crunchbase study, Gusto’s three founders are men. Kim and Gusto’s CEO, Joshua Reeves, both 34, met as undergrads in Stanford’s electrical engineering department.

They launched Gusto in 2012 along with Tomer London, 33, an Israeli immigrant who got to know Reeves while a PhD student at Stanford. Like its boom-and-bust competitor, Zenefits, which launched the following year, Gusto sells cloud-based comprehensive subscription software to small businesses to help them manage employee records like payroll and health benefits. At the outset Gusto even had a similar name, ZenPayroll, which it changed in 2015 when it started

offering a more complete selection of employee-tracking software.

Zenefits attracted \$584 million in venture capital and hit a valuation of \$4.5 billion in 2015 before running into regulatory problems related to the way it sold health insurance. It sacked its CEO, reworked its business model and saw its valuation slashed to \$2 billion. Gusto, meanwhile, grew less feverishly. By late 2015 it had raised \$176 million from firms like CapitalG (formerly Google Capital) and General Catalyst, and 75 individual investors handpicked by Reeves, including Ashton Kutcher and PayPal cofounder Max Levchin. That year it broke through to a \$1.1 billion valuation. Forbes estimates Gusto’s annual revenue at nearly \$100 million.

At the start, Gusto’s founders acknowledge, diversity was on the backburner, and as it grew, they found that it didn’t happen organically. When it came time to hire a chief operating officer in 2015, they made it a priority to find a woman. Lexi Reese, a veteran of Google and American Express, is one of two women on the six-person executive team, and firmwide, women account for 51% of Gusto’s 525 employees. Even after Gusto began its diversity initiative, applications from women didn’t flood in. Gusto assigned two in-house recruiters to the job, and it hired TalentDash, a Singapore-based firm that sources talent, to look exclusively for women.

Though hiring women engineers took more time, Kim says, Gusto never dropped its standards. “It bothers me when people say that prioritizing diversity lowers the bar in terms of the calibre of talent you’re able to hire,” he says. “That is simply not true.” Nor, he says, was there any pushback from inside Gusto.

Gusto also addressed its compensation policy. Since 2016 its salaries have been audited by Mercer, a human resources consulting firm, which has found no gender

pay disparity. Benefits include 16 weeks of paid leave for a primary parent, plus an additional \$100 a week for groceries and food deliveries, \$100 a month for six months of housecleaning and up to \$500 for a baby-sleep coach.

Gusto’s women-only recruiting effort lasted six months. It stopped, Kim says, because “we exceeded our goals.” In 2015 Gusto was trying to hit 18% women engineers, the proportion majoring in computer science as undergraduates, according to the National Center for Education Statistics, and it reached 21%.



Since then it has started staffing a Denver office, where it aims to increase the engineer head count by at least 25 this year and where the company is reprising its women-only recruiting strategy. Now that 17 of Gusto’s 70 engineers are female, it’s getting a little easier, says Gusto’s HR head, Maryanne Brown Caughey. “It’s kind of a domino effect,” she says. “Women know they’re joining a welcoming community.”

While Gusto has made progress, its engineering team has no Latinos and no African-Americans. Kim says Gusto has two hiring goals in 2018: senior women and racial diversity in engineering. “The way we make progress is by focusing on one problem,” Kim says, “and then we move on to the next.”

# FROM ACCRA TO AFRICA

Daniel Kojo Soboh celebrates positive male role models the next generation can look up to with a men's event he hopes to take to the rest of Africa.

BY PEACE HYDE

**M**ove over, Lagos and Johannesburg, Accra too has a burgeoning media and entertainment sector. A 2016 report by PricewaterhouseCoopers (PWC) predicts the sector in Ghana could be worth more than \$1 billion in 2019.

Proving this are events such as the Exclusive Men of The Year (EMY) Africa Awards, which last year brought together 1,000 people including some of Ghana's top CEOs, founders and achievers.

Held on Father's Day the last two years, it spotlights businessmen who are also role models at home, a campaign Daniel Kojo

Soboh, Executive Director of EMY Africa, is hoping will transform the role of men in societies across Africa.

"We did a lot of research and

realized there were homes that had

no positive male role models young children could look up to. We know that the father's role is very key, so it's very important we project some of these men who are doing so great with their family, their work and their business," says Soboh.

The event is dedicated to celebrating men in Ghana and Soboh is looking to expand his footprint in other African countries as well.

Those awarded include previous FORBES AFRICA covers, Papa Kwesi Nduom and Joseph Siaw Agyepong, for their impact as leading business magnates and role models.

"We select people from across various industries, people whose work is impacting society positively. We wanted to present them to young people who learn about them and can read their stories and be inspired..." says Soboh.

His own experiences growing up in a mining area in the Western Region of Ghana with a father he looked up to helped shape his outlook.

"My father encouraged us to be anything we wanted to be so long as it was 100% legal," he reminisces as we sit down in his office in downtown Dzorwulu, Accra.

Soboh's dream was to become a pilot.

He opted for computer science at university instead until he stumbled into the entertainment sector.

"Two years into my [computer science] course, I wanted to quit because I realized it was not something I wanted to pursue. I fell in love with entertainment... I organized a lot of events so

everything pointed to the fact that I was an entertainment person. I loved putting stuff together and putting smiles on people's faces and I also loved organizing and giving people a good time"

Soboh joined Imajin Advertising, an events company in Ghana, where he was part of organizing some of Ghana's most successful events such as the Legends and Legacy Ball, The Stand Up GH concert, and The Ghana Stands In Worship concert.

The time was right.

According to the PWC report, Ghana's entertainment and media sector generated revenues of \$685 million in 2016, representing a year-on-year- growth above 25% from its \$214 million mark in 2012.

Soboh decided he wanted a chunk of this lucrative market.

"I started my own agency called Carbon AD to partake in opportunities in this growing sector. I partnered with *Exclusive Men's Magazine* as a managing partner and together we created the EMY Africa Awards... The event has grown very quickly and become a household name..."

Ghana's entertainment industry has seen significant changes over the past decade, and it has become imperative for companies like Soboh's to continue to innovate.

This is reliant on sponsorships, and that has not been an easy task for Soboh.

"We strive to raise the bar in terms of events in Ghana... I mean other people are doing it in Nigeria and Kenya, where they are producing state-of-the-art events and these things come at a cost," says the man promoting exclusive men in Africa.

Are they listening? 



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# LOUD AND LONELY ON THE STREETS

Hawkers add to the sights, sounds and sales on the streets of Lagos, whilst a raging debate is on to regulate the informal sector they are a part of.

BY PEACE HYDE





Lagos State says a clampdown on street vendors is necessary

**O**n a rainy Tuesday morning in Lekki, Lagos, Nigeria, 12-year-old Ezinne Ibrahim runs frantically after a moving bus, balancing a heavy load of bottled groundnuts on a tray on her head with one hand, and a bottle in the other hand.

As she gets closer to the bus's open window, a passenger hurriedly reaches out to snatch the bottle from her and tosses N500 (\$1) on the ground before the bus speeds off. Ibrahim bends to pick up the drenched note, narrowly missing a truck from the opposite side of the road. She quickly scans the oncoming traffic for potential customers before crossing the road to get cover from the heavy downpour.

"I am here from six in the morning until 10PM with my mother," says Ibrahim. Her mother, 45-year-old Sade, expertly weaves through the traffic, and sells two bottles of groundnuts before joining us under the shed.

"I have been selling on the streets for the past eight years now and that is how I earn a living to feed my family. We used to sell in Victoria Island last year but we changed locations because this area has a lot more traffic and that means more money. I know it is

dangerous for Ezinne and I never wanted her to do this but I cannot afford to put her into school," says Sade.

On a good day, they make roughly N20,000 (\$55). If life is already hard, it has gotten a lot harder for the pair over the past couple of years.

Kick Against Indiscipline (KAI), Lagos State's environment law enforcement unit established in 2003 by the government to enforce environmental law in the state, is a constant threat to street hawkers.

"We get harassed several times a week by the task force. They arrest us and detain us for hours before releasing us, if we pay them something," says Bayo Adesina, a gum and sweets seller.

"We have a look at who calls whenever KAI is coming and we all stop selling and run. They cannot stop us from trading because this is the only way we know to survive," says Sade.

In July 2016, in an attempt to escape the long arm of the law, a street hawker was run over by a bus, leading to widespread violence and destruction by a mob. The incident led to even tighter regulations being enforced by Lagos State governor Akinwumi Ambode who declared a fine of N90,000 (\$250) or a six-month jail term.

"Things have really gotten a lot tougher for us because you never know when the task force will detain you. We move about a lot so they do not find us and take away whatever little money we have," says Adesina.

However, Lagos State says the clampdown on street hawkers is necessary as it causes traffic jams and puts their own lives at risk.

Yakubu Mohammed, 25, sells

**OVER 55%  
OF AFRICA'S  
GDP COMES  
FROM THE  
INFORMAL  
SECTOR.**



## UNLESS THE GOVERNMENT GETS A FIRM GRIP ON THESE CRITICAL MACRO ECONOMIC ISSUES, THE POTENTIAL OF THE INFORMAL SECTOR CAN NEVER BE REALIZED.

watches on a busy intersection in Ladipo.

“Competition is tough here because there are so many of us. I make about N35,000 (\$100) a month, which I use to feed my wife and child,” he says.

According to the African Development Bank (AfDB), over 55% of Africa’s GDP comes from the informal sector, accounting for about 80% of the labor force. Many of those are street vendors like Mohammed who have traded everything from windscreen wipers to mobile phone chargers in the past year alone.

“You sell what you can get your hands on. Sometimes there is a lot of supply of certain types of products and they are easy to get

your hands on so you get them and start selling,” says Mohammed.

That supply is driven by an insatiable demand by customers who prefer the convenience of picking up items on their way to their various destinations.

The constant ruckus between government enforcement agencies and street hawkers has led to a debate about tighter regulation of the informal sector in Nigeria.

According to a *Reuters* report, unemployment in Africa’s most populous economy is at 14% and climbing. Furthermore, the International Monetary Fund (IMF) claims: “By 2035, sub-Saharan Africa will have more working-age people than the rest of the world’s regions combined.

This growing workforce will have to be met with jobs.”

“Unless the government gets a firm grip on these critical macro-economic issues, the potential of the informal sector can never be realized. A lot of the stress of unemployment has been taken up by the informal sector who pay no taxes but contribute significantly to the country’s wealth,” says Bismarck Rewane, CEO of Financial Derivatives Company in Lagos.

According to the IMF report, most entrepreneurs in the informal sector reported doing what they were doing out of necessity and given the chance would rather work in the formal sector.

Bashiru Amusha dreamed of becoming a doctor but his parents could not afford to send him to school. He now owns a kiosk selling airtime vouchers in Victoria Island.

“I try to make do with what I have. I used to be a security man for a company sometime ago but things didn’t work out and I had to leave. I am hoping someone can help me get a car so I can turn it

into a taxi and pay him back with interest,” he says.

In view of the economy, the informal sector presents both advantages and disadvantages. On the one hand, it is a great representation of entrepreneurship development and growth in the number of startups on the streets.

However, this growth is negligible when you weigh up the low productivity and the poorly-skilled workers prevalent in the informal sector.

“This is actually detrimental to the Nigerian economy because the informal sector accounts for about 50 to 65 percent of GDP and that represents reduced growth for the economy. So it is actually important to provide skilled training to improve productivity and regulate the informal sector through taxation,” says Rewane.

As Africa’s largest economy struggles to come to grips with growing unemployment rates, and barriers to entry, the informal sector is the only way out for thousands of unemployed Nigerians whose only wish is to somehow make ends meet. 

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# LIVING LIKE MANDELA

Soweto, the township that's the beating heart of South Africa, continues to be a drawcard for international tourists.

It's now also home to the sharing economy.

BY KAREN MWENDERA



Mashele (left) with a caretaker at his establishment

are mostly from America, Germany, Brazil and France, want to experience.

According to Airbnb, most guests choose to live like locals. Mashele says they would rather walk to the tourist destinations and buy local food from the outlets on the famous Vilakazi Street.

One of Mashele's partners is Soweto Outdoor Adventures, run by Kgomotso Pooe, also his long-time friend. They offer guests quad-bike tours, paddling and boating rides, trips to Orlando Towers and local cuisine such as *magwenyas* (deep-fried dough balls) with atchar, white liver and *kota* (half loaf of bread filled with curry), ending the day with a *shisanyama* (meat cooked over an open fire).

On the opposite side, in Orlando East, is a bed-and-breakfast in operation for over 16 years. TDJ's

BnB caters for local and international visitors. They hope to use Airbnb to increase their profits.

"We are looking forward to getting new guests from all over the world," says TDJ's manager Nomthandazo Ntshingila.

She says joining Airbnb will give her an edge moving her numbers higher than the average 30 visitors she receives per month. Currently, a room at TDJ's costs R454 (\$38) a night.


For a more authentic experience, tourists can taste African beer brewed at her guest house. Another hotspot guests can visit is Sakhumzi, a Sowetan *shisanyama* restaurant and bar.

A key difference between Mashele's and Ntshingila's businesses is that the former has Wi-Fi on site allowing him to stay active on social media.

"One of the requirements to host with Airbnb was to offer Wi-Fi services to potential clients. We then got Wi-Fi before listing on the app," says Ntshingila.

Airbnb tells FORBES AFRICA it's working on refining its offerings and making "regular updates to ensure people get exactly what they are looking for". It's clear that for the app to take off in townships like Soweto, homeowners need to be empowered with technology.

Airbnb is planning to invest \$1 million from 2018 to 2020 to promote and support community-led tourism projects in Africa.

Such investments will also help upskill those in less-developed areas within Soweto, such as Kliptown and Pimville, and reduce the barriers for entrepreneurs wishing to rent out their homes and bring in the tourism dollars much-needed in today's difficult times. 

**T**ourists in Soweto, the township southwest of Johannesburg, now have more options for staying in the same neighborhood once home to two Nobel laureates, Nelson Mandela and Archbishop Desmond Tutu.

Here, through Airbnb, locals are increasingly turning entrepreneurs by throwing open their homes for visitors wanting to savor *kasi* life.

As many as 20 Soweto homes are listed as hosts on the accommodation app – and that list is growing.

Take Nelson Tiko Mashele, a 33-year-old born and bred in Soweto, who founded Vilakazi Backpackers with his father on the famous Orlando West street, which is five minutes from the homes of Mandela and Tutu, and 10 minutes from the Hector Pieterse memorial.

Mashele is one of the youngest Airbnb hosts in Soweto, and his establishment one of the newest in the area. He says 70% of his guests are locals, the rest international, and business is looking good.

The day we visit, we are ushered into his spotless living room. A

coffee table in the middle of the foyer is laden with sightseeing pamphlets. Kwaito music is playing in the background. The seven-bedroom house is well-appointed and Mashele charges R299 (\$25) a night.

That's a bargain for the local life that his guests, who he says

**ACTIVE LISTINGS  
ON AIRBNB FROM  
SEPTEMBER 2016-17:**

**South Africa: 43,400  
Kenya: 5,900  
Nigeria: 730**

# A DIAMOND DYNASTY, FOUR GENERATIONS ON

Whether it is sourcing the perfect diamond to customise a client's bespoke engagement ring, or finding the perfect pair of earrings or bracelet for that special occasion, Diamond Days has established itself as the go-to private jeweller for clients who want to experience a one-on-one consultation with a professional jeweller who is passionate about meeting each client's individual needs and preference from conception, design, sourcing and manufacturing of each bespoke piece.

Diamond Days was conceived in 2015, however, owner Uvitha Pather is a fourth-generation jeweller, with her great-grand father coming to South Africa as a jewellery merchant in the early 1900s. The family business, SD Pather Jewellers can be found at the Liberty Midlands Mall in Pietermaritzburg today. Ultimately, jewellery is part of her blood. Although a Chartered Accountant by profession, Uvitha's passion for Jewellery lead her to becoming a certified GIA diamond grader in 2012, which ultimately lead to her starting up Diamond Days in Sandton, Johannesburg.

"There is something so timeless and gratifying about creating a unique piece of art according to our clients' specifications, and presenting them with the finished product. There is nothing more important to me than finding out what my customer wants, and doing everything that I can to deliver on it. Jewellery is timeless, it has a legacy that is passed on through the generations, it holds a special magic and sentimentality, and I feel so privileged to be able to work with these precious metals and stones."

"I wanted to create a personalised environment for my clients, where they could come to me on a one-on-one basis,

to describe exactly what is it they were looking for. The creative aspect and initial brainstorming process is my favourite part of our interaction. This is where I can really get a better understanding of my client and ensure that I cater to their specifications. The one-on-one consultation further helps me to provide ideas and suggestions for clients who are not entirely sure of exactly what it is that they are looking for. This is especially true when it comes to sourcing the perfect engagement ring. My experience within the jewellery industry, as well as my knowledge on diamonds, ensures that I provide the best information to my clients and am fully equipped to answer any questions that they have. My family's jewellery business has been built on the legacy of 'Trust is a Tradition'. It is this legacy that I have encapsulated into my own business, where establishing a relationship of trust between myself and my client is my greatest priority."

Along with sourcing stones and designing customised Jewellery pieces, Diamond Days also runs as a retail Jewellery Concierge business and has finished products that are also ready to buy, and easily delivered throughout South Africa. Although diamonds are forever, trends are constantly evolving. This is one of the reasons that Diamond Days has endeavoured to constantly keep abreast of the latest international trends in Jewellery, and ensure that it is accessible to our own local market.

Diamond Days' offices are situated at the Maslow Hotel in Sandton and run on an appointment basis only.

To book your appointment, contact Uvitha on 072 520 5221 or [uvitha@diamondddays.co.za](mailto:uvitha@diamondddays.co.za)

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# ME & MY MONEY

Carey van Vlaanderen, CEO of ESET Southern Africa that provides security solutions for businesses and consumers, on how she keeps her money safe.

**Q: WITH THE NEW GOVERNMENT IN SOUTH AFRICA, HOW HAS YOUR PERSONAL INVESTMENT PHILOSOPHY CHANGED?**

I like to think that my success has been a mix of balance, scope and influence. I've always taken positive influence from trusted advisers who understand South Africa's investment climate, and I consistently scope the financial market with my risk mandate in mind. With political leadership change and economic reforms on the bend, I believe in a well-constructed financial plan that balances out the risk-reward and local-foreign investment ratios.

**Q: BESIDES BANKS, WHAT OTHER FINANCIAL INSTRUMENTS DO YOU GO FOR?**

I seek out primary markets for public shares, or secondary markets to purchase shares listed on the stock exchange. These types of equities have outperformed government bonds, corporate bonds, property and many other types of assets in the past, and are good long-term investments that have the potential to roil up considerable gains when fiscal environments and industry dynamics align.

**Q: DO YOU HAVE ANY SECURITY TIPS FOR USERS OF MOBILE BANKING?**

Given the many variations of banking apps and methods in the market, cyber thieves have no way of predicting which method



a potential victim might use, hence mobile banking is safer than most would think. It is still an absolute necessity to safeguard your banking information for obvious reasons.

**Q: YOU HAVE BEEN WITH ESET FOR OVER 13 YEARS; HOW HAVE YOU MANAGED TO DIVERSIFY YOUR INVESTMENT PORTFOLIO?**

Naturally, my investment attractions throughout the years have spilled out into tech prospects with great potential, though I've kept an open mind to a

broader investing landscape all the while. This has involved leveraging relationships with right-hand advisers to develop a well-diversified portfolio with exposure to a wide range of investment vehicles that inherently have diversification embedded as a central principle.

**Q: HOW HAS THIS WORKED FOR YOU?**

It's been a less stressful investment experience for me, and I've enjoyed nurturing my portfolio in places where personal effort is rewarded with growth.

**Q: WHAT IS THE MOST DIFFICULT LESSON YOU HAVE LEARNED OVER THE YEARS WHEN IT COMES TO YOUR MONEY?**

My key takeaway from the ever-changing industry has been the use of moderation as a principal guide; finding a healthy balance between self-management and professional insight, as well as adopting a financial temperament impartial to risk-adversity.

**Q: WHAT IS YOUR ADVICE TO KEEP INVESTMENTS SECURE?**

Due diligence; constantly scope the market, know the nature of your investment, diversify where possible, and calmly stick to a well-constructed financial plan that will keep you invested throughout short-term volatility, and ultimately reward your efforts.

– Interviewed by Karen Mwendera

# SUIT YOURSELF

Autumn wear for the executive with a sartorial streak - the crisp white shirt, bowtie and leather satchel are on trend.

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Jimmy Choo grey suede loafers, Price on request

Ted Baker navy iPhone case, R700 (\$59)

Ted Baker satchel, R5,300 (\$450)

T.M. Lewin grey check and striped suit trousers, R2,499.99 (\$212)

T.M. Lewin bowtie, R150 (\$12)

T.M. Lewin grey check and striped suit jacket, R3,999.99 (\$339)

Topman reversible belt, R339 (\$28)

Topman white shirt, R429 (\$36)

Ted Baker socks, R180 (\$15)

A pair of chic suede loafers, a streamlined checked grey suit and colorful socks for the spiffy senior manager.

**STOCKISTS:**  
Topman [topman.com](http://topman.com) | Ted Baker [tedbaker.com](http://tedbaker.com) | T.M. Lewin [www.tmlewin.com](http://www.tmlewin.com) | Jimmy Choo [luminanceonline.com](http://luminanceonline.com)

\* Dollar figures are approximations

Photography by Kelly Ross

# THE BANANA PHONE?

A first-hand report of the Oscars of the mobile phone world, and the spiffy devices hitting African shelves soon.

BY NAFISA AKABOR

The smartphone industry has been stagnant and lacking innovation for a good few years. With each new iteration, we witness handsets becoming thinner, faster, and lighter yet somehow bigger than before. The latter is due to screen bezels shrinking in size with very minimal to no borders around the edges.

Stand-out moments in recent years have been Samsung's curved "infinity display" introduced on the S8, and Apple's face-mapping feature on the iPhone X that projects 30,000 invisible dots on to your face.

For the most part, there has not been anything revolutionary, but we're still holding out for a breakthrough in battery technology.

At Mobile World Congress (MWC) 2018, the largest mobile event of the year held in Barcelona in February, we saw announcements from several big mobile players, while some opted not to unveil anything, others simply refreshed existing devices.

Additionally, Formula 1 made its first-ever appearance at MWC to launch a live stream ad-free grand prix subscription service, and Spanish football league La Liga showed off new broadcast technologies like its cutting-edge 4K HDR broadcasts, a skycam for drone-like footage, professional analysis of the game during the game, and physical and tactical reports.

Meanwhile, Ford made Google's popular live traffic, community-based app Waze available on its SYNC 3 infotainment platform globally from April. Another motor manufacturer, Land Rover, unveiled its first-ever smartphone, the Explore.



**MOTOR MANUFACTURER, LAND ROVER, UNVEILED ITS FIRST-EVER SMARTPHONE, THE EXPLORE.**

The Android device is developed by the Bullitt Group and has durable features like handling extreme temperatures, surviving 1.8m drops and being underwater –



Nokia 8110

including salt water, with a massive battery.

Google introduced a light version of its mobile operating system Android Oreo Go Edition at the end of last year, and at MWC 2018, we got to see these entry-level devices running it for the first time. It is created for phones with 1GB of RAM or less with minimal storage, processing power so performance won't take a hit, and for limited connectivity, as in the African market. The six devices powered by Android Oreo Go Edition initially will be the Nokia 1, Alcatel 1X, ZTE Tempo Go, Lava Z50, Micromax Bharat Go, and GM 8 Go.

On the premium smartphone side, Samsung's new S9 and S9+ flagships put focus on both the consumer and business user. The new camera has variable aperture, a mobile smartphone first. Regular smartphones have fixed aperture, but the S9 and S9+ have dual aperture that switches mechanically between F1.5 for low-light photography and F2.4 for bright, outdoor shots. It also shoots 960 frames-per-second slow motion video; and introduces AR Emoji, augmented reality based emoji similar to Snapchat's Bitmojis. Business users get the Enterprise Edition software straight out of the box, a paid-for service tailored to businesses. Powerful features include disabling of the camera, SD card or screenshots while at workplace, preventing sensitive information from leaking.

Sony's XZ2 and XZ2 Compact devices come six months after its previous-generation flagships with a major physical change – new round edges (gone are the signature blocks). Both handsets do 4K HDR recording, a smartphone first, and following suit from Apple, the headphone jack has been removed. The front-camera takes 3D selfies, and rear does 960fps slow-motion videos, introduced last year. Wireless charging is available on the larger device, and the Compact is anything but, at 5-inches.

Nokia once again played the nostalgia card and revived the 8110 slider phone (*picture in the center of page*) in an eye-catching bright yellow color, dubbed the 'banana phone'. It has 4G support, runs on a new platform called KaiOS so apps will be made especially for it, with WhatsApp, Twitter and Facebook announced. Nokia brought out four other handsets in addition to the 8110 4G: a flagship Nokia 8 Sirocco; a mid-range Nokia 7+, an updated Nokia 6, and entry-level Nokia 1.

Once again, MWC felt like an incremental update with some great new features thrown in here and there. In the age of instant gratification, it's getting increasingly difficult for long-term excitement. 📱





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# MARGARET HIRSCH'S SOUTH KOREA

The co-founder of Hirsch's in South Africa was touched by the warmth and passion of everyone on the streets of Seoul.

BY KAREN MWENDERA

**H**aving grown up in Pietermaritzburg, in South Africa's KwaZulu-Natal province, South Africa, Margaret Hirsch, the Chief Operations Executive and co-founder of Hirsch's Homestore, never imagined that she would one day carry an Olympic torch down the streets of Seoul, South Korea.

Hirsch, with her husband Allan, had the honor of representing South Africa at the 2018 Winter Olympics by carrying the torch in the first leg of the relay towards the Pyeongchang Olympic Stadium on December 16, 2017. Carrying an Olympic torch is a big deal. It's a role usually reserved for influential people, such as athletes, actors, musicians, and politicians.

Hirsch had been to South Korea before but says this trip was one she'd never forget.

After being told that the CEO of Samsung Electronics, Boo-Keun Yoon, selected and



**“WHO WOULD HAVE THOUGHT THAT I COULD COME FROM PIETERMARITZBURG, WHERE I WAS LIVING IN NEAR POVERTY, TO RUNNING WITH A TORCH IN KOREA?”**

her husband to be the official South African Torch Bearers, she immediately started to work out.

“I was so excited because we’ve been training for this – running on the treadmill with a brick above our heads and all sorts of things, thinking that we had to run.”

As it turned out, it was only a 200m walk on the road. However, being among some of the world’s top athletes, in below freezing temperatures, revealed something to her.

“I learned that if you want to be on top of your game then you actually can be, but there’s no such thing as a one-day wonder,” she says.

Having run the family’s business since 1979, Hirsch has worked hard to get to where she is. One of the sacrifices she and her husband had to make when starting out their business was working seven days a week, for about 40 years.

“If you want to get to the top, you can, but you’ve got to give it your all,” she says.

While in Seoul, Hirsch realized how strict South Koreans can be.

“I mean we couldn’t have a South African flag on us and we couldn’t have a scarf, we couldn’t have anything. We had to wear exactly their clothes, and they gave us everything from the socks to the tracksuits to the gloves, everything!”

This didn’t dampen her excitement though as she walked down the street along with television cameras, a live K-pop band and large chanting crowds.

“Everybody was just so nice and friendly. While we were actually running with the torch, all the local people came out and they didn’t know us from a bar of soap. They were applauding us and they were saying ‘well done we are so proud of you that you got here’,” she says. The Zimbabwe-born entrepreneur was not only impressed by the warmth of the South Koreans, but also their passion and how they conducted themselves. “Everybody there was passionate about their business. They wanted to help you, they wanted to teach you and wanted to serve you, which was just amazing,” she says.

Even the food met the high standards of Hirsch’s vegetarian taste buds.




With husband Allan; and (below) before the traditional relay in South Korea



Having conducted women empowerment seminars herself, Hirsch was encouraged when she saw that a number of the top South Korean executives were women.

“They have worked their way up there and have got themselves there,” she says.

Hirsch says this has pushed her to show more South African women that they can reach higher.

“You can do anything. I mean who would have thought that I could come from Pietermaritzburg, where I was living in near poverty, to running with a torch in Korea? If I can do that, just imagine what you can do.” 



# STUD AFRICA

With new export protocols and a diagnostic test to reduce the time horses spend in quarantine, the South African horse industry could be kicking off a potential billion rand market.

BY MELITTA NGALONKULU

**T**he gentle sea breeze, the glint of classic cars, swaying sugarcane plantations, and horses trotting around – while this might seem like the description of a picture postcard, this is the everyday life of Viju Gowreesunkur, an entrepreneur in the island nation of Mauritius.

This sugarcane planter, who has a vintage car collection that is the pride of the island,


also knows a thing or two about horses. He grew up with them, and today, even owns a few.

Mauritius occupies a pride of place in Africa's horse industry.

The country boasts an average racing population of 450 horses, and has an important equestrian link with South Africa. All of the nation's racehorse imports – 150 every year – come from South Africa.

“A lot of South African jockeys ride in Mauritius. The traveling time to Mauritius is only three hours by air. The horses adapt well with our climate. A lot of South Africans are immigrating to Mauritius, and horse racing can be a main social activity for the expatriates,” sums up Gowreesunkur.

In South Africa, the horseracing industry contributes R2.71 billion (\$226 million) annually to its GDP. Efforts are on to ramp up



A horse in quarantine  
in Cape Town

economic spectra, from the wealthy to the determined,” says Goss. In its 40th year, Summerhill Stud is one of the country’s top horse breeders, and has produced several champion racehorses.

Goss had humble beginnings starting the stud farm. He came from a family of generations of horsemen and was previously a lawyer, when after 17 years, he gave up law to start out with nothing in the horse business but “a deep-seated will to make it work”.

“I inherited the horse ‘disease’, for which there is no known vaccine,” he jests.

Today, his farm runs a school of management excellence in equine studies, the only one of its kind in the southern hemisphere, he says, and the results have been “extraordinary”.

Goss says South Africa is set for a record year.

“2018 will be a game-changing year,” he says, with respect to the efforts now being made to rejig the racing and breeding industries “with substantial investments towards the normalization of export

protocols with international trading partners”.

There is significant demand for South Africa-based horses in the international market for their quality and affordability. A case in point being that in the past, at the \$10

million Dubai World Cup, the richest day in international thoroughbred racing held in Dubai in March every year, South African-trained horses have won at many levels.

“We have produced winners at the highest level in almost all of the major racing jurisdictions of the world. It is little surprise that our horses are as sought-after as they are internationally, more so as they cost a fraction of their counterparts from other major racehorse-producing



**THE RICHEST RACES  
COULD BE WON JUST  
AS EASILY BY A  
WORKING MAN AS BY A  
MULTI-MILLIONAIRE.**

those numbers.

And as with the expatriates taking to horse racing in Mauritius, here too, it’s no longer the pastime of only the privileged few.

“These days, horse racing is no longer the domain of royalty, and with this shift came the glorious possibility that anything is possible and that the richest races could be won just as easily by a working man as by a multi-millionaire,” says Adrian Todd,

Managing Director of SA Equine Health and Protocols NPC, in South Africa.

Mick Goss, the CEO of Summerhill Stud in South Africa’s KwaZulu-Natal province, says while owning racehorses can be an aspirational endeavor, it can also arise from “a deep-seated connectivity with animals in general, or horses in particular”.

“The result is that racehorses are owned by people from across the social and

countries,” says Goss.

But there are challenges, and these include strict export restrictions, quarantine controls and prevalence of the African Horse Sickness (AHS).

“The current onerous export restrictions make it difficult for the racing and breeding industry to expand and very hard for our horses to travel and compete internationally,” says Todd.

Experts say the country has been severely curtailed in its ability to export horses due to AHS.

South African horses have to endure a quarantine of up to six months before they reach their country of destination.

“Compare this with the delivery of 30 days of horses acquired in countries like Australia and New Zealand, destined for South Africa,” says Goss. “From this, you can deduce the obstacles South African horse people face in the export of their products.”

AHS is a vector-borne viral disease, and has affected South African horse exports since the 1960s.

Goss says he has only suffered one loss to AHS in 40 years on his farm, but says, if properly managed, the losses can be avoided.

“Proliferation of game farms around the country has meant concentrations of zebra in close proximity to horse farms, which has exacerbated the problem,” says Goss.

“The reason is many zebras are carriers of the virus, though they have an inbuilt immunity against it, and while the disease itself is not contagious, it can be carried from one animal to another by a vector.”

Thankfully, there have been breakthroughs in its detection.

“The latest technologies mean that we are able to detect AHS within a matter of hours nowadays and with the quarantine protocols we now have in place, we can guarantee we are unlikely ever to export infected horses,” says Goss.

“With new scientific developments and a new Polymerase Chain Reaction (PCR) test to detect AHS within hours, South Africa is busy working towards a much shorter period



A stallion at Summerhill Stud



## THOROUGHBRED STUDS ARE CASH GUZZLERS.

of quarantine of possibly 16 days. This will obviously open the door to the world market and allow the entire horse industry to grow to its full potential,” says Todd.

The PCR test has been developed by Professor Alan Guthrie and colleagues at the Faculty of Veterinary Science’s Equine Research Centre in the University of Pretoria, which has improved the lab diagnosis of AHS by increasing the sensitivity of detection and shortening the time required for the diagnosis.

Equine experts like Todd are optimistic the strides taken by the industry will make this year more successful for the horse industry.

Currently, horses are exported from Cape Town’s Kenilworth Racecourse, which



Mick Goss

serves as a quarantine, transit and export station. The horses are required to serve a three-month quarantine period in Mauritius on top of the three weeks already spent in quarantine in Cape Town, before going on to their final destination.

“The opening of export protocols will allow the industry to unlock a potential billion rand market. This in turn will lead to an expansion of the industry and a significant increase in rural employment...,” says Todd.

The platforms and opportunities are plenty.

In November, FORBES AFRICA visited the Turffontein Racecourse in the southern suburbs of Johannesburg for the glitzy Gauteng Sansui Summer Cup. Dating back 128 years, and along with the Durban July and the Sun Met in Cape Town, it’s one of the big three races on the South African horse racing calendar, with a prize money of R1.25

UNDERSTANDING YOUR CAPABILITIES  
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million (\$104,373) up for grabs.

In South Africa, horse-lovers come from all walks of life.

“From rural communities who use horses for transport, to families who buy ponies for their children to ride for fun, to show jumpers and wealthy [South African] businessmen like Dr Richard Maponya who loves horseracing,” elaborates Peter Gibson, the CEO of Racing South Africa.

Prices range greatly depending on the breed and what it will be used for, but buying a thoroughbred racehorse could set

Approximate annual cost to maintain a horse on a stud farm in South Africa: \$5,000

you back by an average of over R300,000 (\$25,000).

Furthermore, it takes R50,000 (\$4,000) to R60,000 (\$5,000) a year to maintain a horse on a stud farm.

“Thoroughbred studs are cash guzzlers, and you need to surround yourself with people that are capable of contributing towards the capital needs of the business by way of their support as clients, as well as developing strong relationships with the financial institutions that support you,” says Goss. “The horse breeding and racing industries by their very nature are among the most labor-intensive activities in South Africa, and according to a recent audit of the industry by Grant Thornton, it employs in excess of 100,000 people, either directly or in those businesses that provide services to racing and breeding.”

Hopefully, in the years to come, the “cash guzzlers” will repay the favor, in leaps and bounds. 🍀

Resilient Ivorian social entrepreneur, Lynda Apling-Kouassi established her business, Kaizene in 2014 to service private and public sector enterprises in applying their human resources.

After 15 years of working as an investment banker, Apling-Kouassi created her internationally-acclaimed business, seeking to pave the way for potentially successful business areas and believed it was fundamental to not only have a lasting impression but have the ability to develop talents in the most ethical manner. Apling-Kouassi prides herself in knowing that her business has the potential to strengthen the capacities of any organisation.

Offering several services such as coaching, talent development, gender equality, corporate social responsibility and conference organisation for the development of the continent – it’s no wonder Kaizene has become a growing success!

Chivas, Win the Right Way, season 2 presenter – Gugulethu Cele sat with powerhouse, Apling-Kouassi, to discuss some of her entrepreneurial achievements over a glass of Chivas Regal 12-Year-Old Whiskey.

When asked what kind of impact she would like to achieve, Apling-Kouassi, shared that she seeks to strengthen the capabilities of her clients in their daily activities for them to reach their full potential, to develop their surroundings and increase their productivity, this attainment of success to lift others captures the epitome of Chivas Regal Winning the Right Way.

Social entrepreneurship to Apling-Kouassi is a position that self-starters take to defend values of solidarity, sometimes in direct conflict with the search for economic performance. “One needs to know how to surround themselves with a well-grounded team of people who understand the merits of the approach, the vision of the company and who needs to be mobilised to make you move forward together. We try as much as possible to work with other companies to share knowledge, best practises to grow together to have a well-balanced ecosystem,” shares Apling-Kouassi.

“When you create a social enterprise, you do not create it to sell it after two or three years, or to make immediate profit. Its vocation is to ensure, in the long term, the continuity of its missions.”

Apling-Kouassi echoes the Chivas Regal’s principle of shared success, “one needs to have a common vision and the same definition of social entrepreneurship, in the long term, between the various key stakeholders.”

Apling-Kouassi maintains strong ambition to extend Kaizene to the rest of sub-Saharan Africa for Africans to continue to collaborate in the advancement of the continent.

“I attribute my present evolution to God who establishes everything in his time, to the perseverance that I have been able to face and to the criticisms and encouragement that make it possible to advance more effectively, but also to my team from London and Abidjan, which together strengthens our ideas to develop and run our firms better,” she says.

Chivas, Win The Right Way season 2 is a TV series that features Africa’s most inspiring social entrepreneurs who run their businesses based on profit with purpose. These entrepreneurs use their shared success to inspire other African entrepreneurs to be part of this ever-growing movement.

Chivas, Win the Right Way airs on CNBC Africa and on DStv, channel 410. The next episode will be at 21h15 CAT, 22h00 WAT and 00h00 EAT.



Lynda Apling-Kouassi



Chivas, *WinTheRightWay* season 2 is a TV series that features Africa’s inspiring social entrepreneurs who run their businesses based on profit with purpose. These entrepreneurs use their shared success to inspire other African entrepreneurs to be part of this ever-growing movement.. *Chivas, Win the Right Way* airs on CNBC Africa on DStv, channel 410. The next episode will be at 21h15 CAT, 22h00 WAT and 00h00 EAT.



M.6b

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# NO HORSES WITHOUT SHOES

On a farm far from Johannesburg, Scott Borland is a farrier and equestrian entrepreneur, forging shoes for horses and maximizing the animals' functional value.

BY MOTLABANA MONNAKGOTLA

About 81 kilometers from Africa's richest square mile and the concrete jungle that is Sandton, we are on a gravel road that stretches as far as the eyes can see.

It's a Wednesday afternoon and around us, on this stretch in the tiny town of Meyerton in South Africa, is nothing but dry earth and rolling vistas, until we come upon a signpost that says Rooijakkals Street – it's an indication we are not lost.

Up further on the rocky road, in the distance, we see a horse. It's the first tell-tale sign of our destination.

Past an open gate and another electric wired-fence with a gate, we approach the single-storied home of Scott Borland, an entrepreneur and professional farrier, in other words, a smith who shoes horses.

At the gate, a lady, his wife, dressed in black, emerges, followed by at least a dozen dogs.

But we are here for the horses.

Borland welcomes us – as we gingerly sidestep the scary canines – and shows us to the four horses in his stable. He says he has been looking after them ever since his children went overseas leaving them in his care.

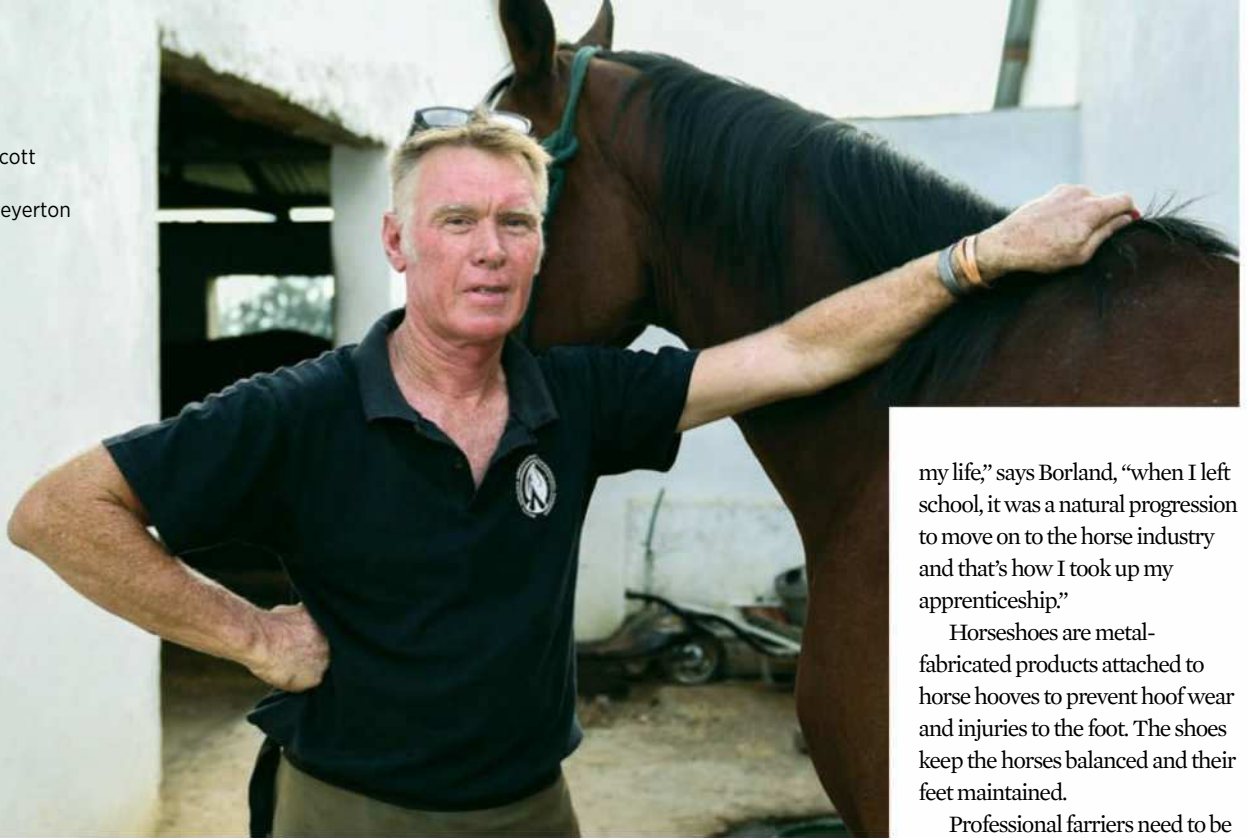
Borland has been working from home for the last 15 to 20 years, he tries to recall, as we share a bench outside the stable not far from his work truck on the farm.

The gentle afternoon breeze fans his memories.

In 1981, he started his apprenticeship at the Newmarket Farrier School in Alberton, south of Johannesburg. The school shut down 15 years ago because there was suddenly a glut of farriers in the market and not enough jobs.

"I have been around horses all

The farrier, Scott Borland, on his farm in Meyerton



my life,” says Borland, “when I left school, it was a natural progression to move on to the horse industry and that’s how I took up my apprenticeship.”

Horseshoes are metal-fabricated products attached to horse hooves to prevent hoof wear and injuries to the foot. The shoes keep the horses balanced and their feet maintained.

Professional farriers need to be skilled, so Borland has also trained apprentices, been on the South African farrier team representing the country in Canada, and has also shod horses in Scotland, Turkey and America.

“Horseshoes are probably one of the things that changed the history of the planet,” Borland says grandly, going back in time to when horses were the prime mode of transport.

“There was a man called Henry Burden. He was a Scotsman who moved to New York before the start of the American Civil War, he was an engineer and developed the first machine to mass produce horseshoes in 1835. That machine can produce a shoe per second,” says Borland, with an intent look in his eyes.

He then references the Boer War in South Africa from 1899 to 1902. The reason the Boers used to blow up trains or hijack them were to steal horseshoes from the British, he says.

“The horse industry had about 300 registered farriers in South Africa and a number of unregistered ones as well,” says Borland.

Today, it’s a specialized skill. Horseshoes are made of



IN EARLY TIMES, HORSESHOES WERE INITIALLY CAST FROM IRON AND BRONZE, WERE SYNONYMOUS WITH GOOD FORTUNE, AND EVEN USED AS TALISMANS.



## HORSESHOES ARE PROBABLY ONE OF THE THINGS THAT CHANGED THE HISTORY OF THE PLANET.

different metals: steel – for work, aluminium – for performance, and plastic – for negotiating slippery surfaces.

Borland's customers are mainly private clients who own horses for both pleasure riding and competition. He also shoes the horses used by the Johannesburg Metropolitan Police Department (JMPD) who have been his clients for the last 25 years.

Is it a lucrative profession to be in, I ask.

"A partner and I have recently started a horseshoe manufacturing plant on this very farm and it's the only horseshoe manufacturing plant in the southern hemisphere; prior to that, all horseshoes were imported, so there isn't really any revenue for the country out of it," offers Borland; the only other regions producing horseshoes are India, China and Europe.

Borland and his partner started their business, Mustang Horse Shoes, in 2013, producing horseshoes locally, employing three people. They had to mostly learn by trial and error as there was no existing frame of reference for them in South Africa.

A fact they are proud of

about the business is that they also sell their products in the coal yards based in the townships. This is where horses are used to pull carriages filled with coal, going street to street selling or delivering it.

"Ninety percent of those shoes are our shoes. We make a very good shoe for their type of work. It's a hard shoe and provides a lot of grip; most of these horses work on tar," says Borland.

Mustang Horse Shoes uses rolled mild steel, produces its own plastic and will be using aluminium for its horseshoes.

The company services about 400 horses a month and makes a little over \$8,000. The prices for shoeing horses range from \$50 to \$400 depending on the area and the type of horses they visit. Their business model is a mobile workshop, as they travel to the clients.

"We try to keep our traveling distance down to an 80km radius every day; we probably do 20 horses a day, depending on how far we are traveling," says Borland.

I have never seen the process of shoeing a horse, except in the American cowboy movies I watched as a youngster, but Borland was surely able to throw more light on his unusual skill.

But now, each time I hear the clip-clop sounds of the JMPD horses, I know them to be of the horseshoes made by a humble farrier on a farm far from the sights and sounds of Johannesburg. 📍

Borland demonstrates the process of shoeing a horse



# LEADING WHERE IT COUNTS

**T**he third instalment of FORBES WOMAN AFRICA's Leading Women Summit, proudly presented by MTN Business on International Woman's Day on March 8, was a spectacular gathering of female powerhouses from across Africa.

The theme of the 2018 Summit was 'The Trillion-Dollar Female Economy'. This placed a particular emphasis on the forces leading to a new world order which says if society can close the economic gender gap by 2025, the world will stand to benefit anywhere from \$12 trillion to \$28 trillion, as various seminal studies reveal.

The annually hosted event is ever-growing in popularity and the calibre of ladies passing through this year's Summit doors was at its absolute finest. There was a major buzz around the inspirational Thuli Madonsela. The former South African public protector, and now professor, gave the entire room food for thought saying, "there is a difference between leadership and being in a position of leadership".

A panel of female economists, who themselves face the day-to-day challenge of an elusive work-life balance, shared with the audience their perspectives on the contribution made by women in both the workplace and home. Dr Rolene Strauss, one of South Africa's most successful exports on the world stage, enamoured the crowd as she related her story of how she climbed the ladder to success – from a shy beauty queen raised

Samuel Mensah, Founder of Kisua with Bafana Khumalo, Sonke Gender Justice; Dr Hlonipha Mokoena, Associate Professor at WISER; Lee-Anne Bac, Director for Advisory Services at Grant Thornton; Phinokuhle Mahlala, Group Executive for Human Resources at PPC and Leading Women Summit moderator, Gugulethu Cele



Busisiwe Radebe, Economist at Nedbank with Thabi Leoka, Economist at Renaissance Capital; Gina Schoeman, Economist at Citi South Africa; Tumisho Grater, Economic Strategist at Novare and Trudi Makhaya, Consulting Economist at Mercantile Bank



Uvitha Pather of Diamond Days and Gina Athans, local South African personality



ABN Education Trust patron, Saloni Wahni together with ABN Group Managing Director, Roberta Naicker



Thuli Madonsela addresses the Leading Women Summit

in a relatively unknown town; to Miss World in 2014, becoming a mother, then finally, qualifying as a medical doctor and now, an entrepreneur.

“The Leading Women Summit effectively encapsulates all that FORBES WOMAN AFRICA stands for: feisty fearless women for who success is but a small step towards creating a world where jobs and opportunities exist for everyone; women whose collective might drives business in Africa,” said Methil Renuka, the editor of FORBES WOMAN AFRICA.

FORBES WOMAN AFRICA is part of the ABN Group and is “extremely proud that over the past 10 years as a group, we have placed special emphasis on the role of women, with 60% of our staff, 55% of our senior executives and 40% of

our board all being women,” highlighted Managing Director for the group, Roberta Naicker.

The day-long event shone a light on the women powering the sectors of the future and redefining the rules of engagement. It explored ways to utilize Africa’s full human capital so that no-one is left behind in the path to progress. Discussions examined how the burgeoning female economy is set to impact our world in more ways than we realize, as well as confront the challenges that have shackled it up to now, thus seeking ways to build equal, harmonious societies.

If this year’s Summit is anything to go by, women will not only contribute significantly and meaningfully to the global economy but power it to posterity.

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Chiume at the *Black Panther* premiere in Johannesburg

# CONNIE CHIUME

The South African in *Black Panther*,  
2018's mega hit.

**W**ith a career in acting spanning 41 years, Connie Chiume is the only South African woman to have bagged a role in Marvel's superhero mega blockbuster, *Black Panther*. She plays a tribal leader in the critically-acclaimed film, which amassed a billion dollars in cinemas worldwide within weeks of its opening.

## 1. If not an actress, what would you have been?

Before I went into acting, I trained as a nurse, dropped out to train to be a teacher and then left that too. I think it was because during those days, we were always discouraged to do what we wanted.

I had originally thought I was going to be a singer. Now though, if I wasn't acting, I would have been a farmer. I love the soil; it's intriguing because it's so powerful. Many things depend on soil.

## 2. How did you get to be a part of *Black Panther*?

My agent sent me for an audition and at the time the title was *Motherland*. We didn't get a synopsis of the film and I just had lines to read for the audition.

I just read what I was supposed to and then received a call that I had been cast. Only then did I know the name of the movie. Even when I went to shoot, I was given my lines and not the whole script.

## 3. Did you expect the film to do so well?

When I saw the cast in the film, I realized I was in something big even though I didn't know how it was going to be received. When the first trailer came out, I knew for sure this was going to be a big movie. I was wowed!

## 4. How was it working with the likes of Lupita Nyong'o, Danai Gurira, Angela Basset, Michael B Jordan and Chadwick Boseman?

It was amazing! I went there with an open mind and I was right to do so.

When I got there, I found I was working with people who are so humble, hard-working and professional. I felt like I was being reunited with people I have known for a long time. The vibe you get watching the movie is exactly the same vibe that was there during the filming.

## 5. What's the most lucrative career in entertainment?

There are a lot of things to do in this industry. There are many other careers behind the camera, and not just in front of it. It doesn't matter how you look or how old you are, unlike when you are in front of the camera. There, you stand a better chance to get a job and start from there.

## 6. What's the most difficult thing about the entertainment industry right now?

The industry is small and budgets too tight. I wish there was more money because it's very difficult to be in a production where you will be employed for three months and then you don't have a job after that.

## 7. The one African billionaire you aspire to be...?

Patrice Motsepe, because he is South African and the nearest referral point. He is humble, doesn't show off and is a philanthropist. He always empowers other people, be it in education, sport or business. 🇿🇦

– Interviewed by Ancillar Mangena



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# WILL TRUMP'S TRADE WAR HURT AFRICA?

Trump signs Section 232 Proclamations on Steel and Aluminum Imports at the White House




from a conference call briefing by Acting Assistant Secretary of State for African Affairs Don Yamamoto around the same time in March, ahead of recently fired Secretary of State Rex Tillerson's visit to Chad, Djibouti, Ethiopia, Kenya and Nigeria, African leaders probably do not have to worry much.

However, it may be unwise for them to be complacent, especially as Trump has been known to make decisions on the slightest whim. Trump's comments describing African states as "s\*\*thole countries" are still fresh in most Africans' memories. His apology afterwards suggests he might not be too quick to make decisions that would harm African interests; not directly, at least. Another likely upside is that experts at US Department of State are likely to continue to be given free rein over the administration's Africa policy.

Even so, the continent may not be totally unscathed by Trump's unilateral trade measures. African countries trade with some of the states that would be affected – some source their iron ore and bauxite, the source metals for steel and aluminum, from the continent. So, authorities in, say, Sierra Leone, which is reliant on iron ore revenues, will be watching these developments nervously.

Besides, Trump is unpredictable and no one knows whether he will similarly slam tariffs on other goods. More importantly, Trump's trade unilateralism raises questions about the sanctity of agreements with (or involving) the American government. The new American tariffs violate World Trade Organization (WTO) rules, for instance. So, it is probably foolhardy to assume anything as far as the Trump administration is concerned.

But, there is one lesson African leaders can take from Trump's policies – always put the interests of their countries first. Trump's populist 'Make America Great Again' policy got him elected, and has allowed him to get away with previously unthinkable and nonpresidential acts. Little wonder, nationalist political parties in Europe and elsewhere are increasingly garnering electoral support.

Perhaps then, African leaders would be wise to ask themselves what the potential fallout would be for their countries should other foreign trade partners similarly decide to put their countries first. In any case, it is not something Africa should be too worried about – being relatively unplugged from global trade, the continent is less affected by Trump's whims. 

**I**n early March, US president Donald Trump announced plans to impose import tariffs of 25% on steel and 10% on aluminum. The measures, which are believed to be largely targeted at China, caused uproar.

Trump was unapologetic, tweeting: "The United States has an \$800 billion yearly trade deficit because of our very stupid trade deals and policies. Our jobs and wealth are being given to other countries that have taken advantage of us for years. They laugh at what fools our leaders have been. No more!"

Incidentally, China is not even one of the top 10 exporters of steel to the US. With 16% of American steel imports, Canada would bear the most brunt of the new measures. Some suggest it could be a negotiation tactic. Trump seemed agreeable to granting tariff exemptions to Canada and Mexico if they, at the time, renegotiated the North American Free Trade Agreement (NAFTA) with terms that the US president deemed fair.

Considering the relatively meagre and declining African trade with America – sub-Saharan African exports were less than 1% of total US imports in 2015 – the continent's leaders likely just watched in amusement. Should they worry, though? Judging



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**T**hese days there is too much noise when it comes to advertising. It has reached a point where the public have mechanism to prevent ads from reaching them. For a business to catch their attention, it now has to repetitively interact with them.

Advertising dollars have shifted in a major way from the traditional platforms, like print media, to online – this is the reason newspaper companies are retrenching staff, losing revenue and filing for bankruptcy.

Some that have tried to transition online haven't yet mastered monetizing their content. They grapple with questions on whether to make you pay to read their content, put ads next to articles, or do brand activations through events, etc. Some that require readers to pay a subscription have lost their audience to platforms that offer similar stories for free.

In an inherently disruptive world, what got you to your current point won't necessarily get you to where you want to be in the future.

So, digital marketing is the way to go, and there are established players you need to advertise on. Google is the search engine of choice for about 74.54% of internet users; Facebook has 2.2 billion monthly users, followed by YouTube with 1.5 billion users; then Instagram, which is growing in popularity, with 800 million users. Twitter, with 330 million monthly users, and LinkedIn, with around 500 million users, should not be discounted.

Social media is not an activity solely for connecting young people anymore – businesses rely upon it to drive their revenue base.

Big brands are committing larger sums of money for digital marketing. Last year saw a 60% increase in social media budgets from 2016, and this is set to continue into 2018.

Companies not only need to advertise on these platforms, they must also run campaigns that will create brand awareness around what they're offering.

A dynamic website is vital. It's your online image, and most online campaigns drive traffic to your website. Customer experience is critical here. Make sure the design is visually appealing, easy to navigate, and that it is responsive on a desktop and a smartphone. Furthermore, design elements should be clean and uncluttered.

If you're talking about digital marketing, you have to touch upon search engine optimization (SEO). This is how a website is configured to appear in search engine results, preferable on the first page of Google search results. It is largely dependent on




your website having key words that relate to your company and the sector you operate in.

There are quick trends to consider that will resonate with the public. First, get a social influencer. This is someone popular on social media networks that will promote your brand, service or product and is one of the most effective methods used in digital marketing.

Second, use messaging platforms, such as Messenger, WhatsApp and WeChat. By deploying these platforms for customer service, it becomes more scalable and cost effective for companies, and provides a better experience for the customer. Using messaging platforms, businesses can resolve problems speedily and retain customers more easily.

Thirdly, video ads are gaining more popularity on YouTube, social media networks and publishing sites.

Finally, e-branding has stood the test of time. This is where outgoing e-mails have an image on top, which can be anything the entrepreneur might be trying to promote in their company.

Good is no longer good enough – companies and their brands need to be amazing. All these strategies help with gaining market share, and more importantly, retaining customers. 



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# THE SPEEDSTER THAT BOUNCED BACK

Fast bowler Lungi Ngidi overcame adversity to become one of the brightest prospects for South African cricket.

BY NICK SAID

In a summer of cricket that produced many exciting new discoveries, the one with perhaps the most long-term potential is that of fast bowler Lungi Ngidi, who has overcome tough times to take his place in the country's Test side.

Ngidi is potentially the long-term successor to Morne Morkel, who announced his retirement from the international game in February, and is likely to form a fearsome attacking duo with Kagiso Rabada in the coming years – both are able to clock speeds of 150 kilometers per hour.

The 22-year-old is part of a new wave of black cricketers earning their stripes in South Africa's national side, with the sport finally able to tap into a segment of the population that had been excluded from the game for so long.

Aside from Rabada and Ngidi, Temba Bavuma and Andile Phehlukwayo have played Test cricket in the last year, while Khayelihle Zondo recently made his debut in the One Day International

format, and Junior Dala and Aaron Phangiso played as well in the Twenty20 games against India in February.

It is a radical change from the days when Makhaya Ntini furrowed almost a lone career as South Africa's only international black cricketer, joined ever so briefly in the national team by the likes of Monde Zondeki, Mfuneko Ngam and Thami Tsolekile.

Much needed transformation within the sport has had some role to play, but few would argue that all the recent recruits to the national side have not deserved their elevation and most grabbed the opportunity with both hands.

Ngidi, perhaps more than anyone, took advantage after he became an injury replacement for Dale Steyn in the second Test against India in Pretoria in January.

On a wicket more suited to spin bowling, he returned excellent match figures of 7/90, including the prized wicket of the best batsman in the world,





Virat Kohli, with a vicious in-swinger that trapped the Indian captain leg before wicket.

It was not Ngidi's first appearance in the national team; his promise was spotted 12 months earlier when he was selected for three Twenty20 clashes against touring Sri Lanka.

And he excelled there too, taking 4/19 in second match as the bounce extracted from his tall frame



**NOW I REALIZE THAT I AM ACTUALLY STRONGER THAN I THOUGHT.**

and good pace left the visitors hopping around the crease.

But a back injury immediately after that kept him out of the game for six months, and took him from an incredible high to a desperate low.

It was during that time that he struggled to keep his fitness levels at the required level, leading to some tough words at his franchise team, the Pretoria-based Titans.

"It was very difficult but it was worth it in the long run and a lot of credit must also go to the trainer and physiotherapist at the Titans for the work they did with me," Ngidi told reporters.

"And the coach [Mark Boucher] as well – we had some hard but honest chats behind closed doors and that also helped me much in the long run. "That was probably one of the biggest challenges of my career... coming from a high to a low in a short space of time. Being selected to play for South Africa and then getting injured, it was tough.

"I thought I was doing all the right things but it was not going my way. During my time away from the game I got a lot of time to reflect and now I realize that I am actually stronger than I thought."

Ngidi has his roots in Durban – his mother Bongini was a domestic worker and his father Jerome a caretaker at a local school. His life changed when he was selected for a scholarship to

the prestigious Hilton College, a school known for producing international sportsmen in all codes.

"From a young age he was a natural talent, not just a cricketer, but a very talented rugby player and a swimmer," Hilton College Executive House Master Sean Carlisle told FORBES AFRICA.

Aside from Carlisle, Ngidi was also under the tutelage of former Zimbabwe international all-rounder Neil Johnson, who had many years as a top professional.

"There was obviously lots of raw potential there at school level. He was probably a bit frustrated then as at school he suffered a lot of injuries, but the natural ability and the massive potential was clear for everybody to see," says Carlisle.

"What was evident too is that he stood up in pressure situations. When things were tight in match situations, he came to the fore and that gave you an indication that he could handle bigger pressures later in life."

Carlisle believes that it is Ngidi's calm and grounded personality that will see him successful. He is not prone to flights of fancy or the belief that he does not have to work hard to achieve his goals.

"That is probably one of his greatest assets, that he is humble and down to earth. Right from the start, he was very grounded and really was one of those all-round, well-mannered and well-groomed guys. You could say he was, and is, a real good guy."

Carlisle is rightly proud of his former pupil, even if he himself admits he is a little bit surprised at how well Ngidi has taken to international cricket.

"We have been following him and seeing how well he has done at Tuks [the University of Pretoria], and then in the Twenty20s. But to be honest, all of us are slightly taken aback at how quickly and how well he took to Test cricket.

"He is just an incredibly rounded, humble man and we could not be prouder. The cricket side is fantastic, but for me it is the human element that will make him special."

With Morkel out of the picture and the future of Steyn in serious doubt, Ngidi has the opportunity to lead South Africa's pace attack with Rabada for the next decade or more if he can stay fit.

"I'm so proud of him, he's already a role model for millions of South Africans," Ngidi said of Rabada, just a year his senior. "I'd love to emulate his achievements one day but, for now, I'm just happy to be chasing him." 🏏

# 'YOU CAN EITHER GIVE UP OR YOU CAN Fight Back'

Former Springbok captain Jean de Villiers found the perfect role once his playing career was over - trying to make a difference in people's lives.

BY GARETH COTTERELL

It's unusual for a professional sportsman to run off the field and walk into a wealth management company, but that's what Jean de Villiers has done.

"If you asked me 10 years ago, or even two years ago, what I'd be doing now, I would never have said I'd be heading up a philanthropy division at a wealth management company," he says.

For just under two years, South Africa's former rugby captain has been working as the head of philanthropy at Citadel.

"Obviously the transition from being a professional sportsman to anything else is quite a big change, and I'd say mine is quite extreme as well."

The Citadel Philanthropy Foundation is used to channel funds towards socio-economic projects that do the implementation of the programs. Before his role with Citadel, De Villiers was already involved with charities, such as the Laureus Sport For Good Foundation and the

SuperSport Let's Play initiative.

"I'm an ambassador for quite a few charities in my personal capacity, and that's one of the factors that contributed to me getting this job and being a good fit"

When FORBES AFRICA meets De Villiers, he is about to give a talk about his work with Partners For Possibility, an NGO that gets business leaders to help improve South Africa's schools.

"If you look at the issues that we have in South Africa, whether it is crime, whether it is unemployment, whether it is health issues, it all, in my view, stems from a lack of education. The only way that we will improve all of those things is to educate better, and to educate more... The whole system needs improvement and it needs help. It's the responsibility of all South Africans to help with that," he says.

Being a former Springbok captain sometimes makes De Villiers' philanthropic work a bit easier.

"That's why it was such a good fit for

me. Where my name might still mean something, and if there might still be value in that, rather use it for something good and something that might have a sustainable effect rather than a once-off effect. I might not have the knowledge of someone that's been in the game for a long time, and I might not be the best at what I'm doing, but certainly the passion and the competitiveness that comes with being a former sportsman helps."

It's a role that the former rugby player admits he is fortunate to have. When he retired in 2016, he had no plan in place for the next stage of his life.

"I was always very worried about that and very conscious about it... It's something, I think, a lot of professional sportsmen struggle with and certainly former professional rugby players in South Africa have struggled with it," says De Villiers.

"But the reality as well is that a lot of people don't get an opportunity to do anything and I think that's where education



Jean de Villiers during the Autumn International rugby union test match between Wales and South Africa

comes in and we have to provide equal opportunities for everyone,” he adds.

De Villiers thinks sport can play a role in creating these opportunities.

“Sport crosses [socio-economic] barriers, especially a team sport. In a team sport environment, you are all fighting for the same goal. Once you have that, it doesn’t matter where you come from. If the end point is the same and everyone is willing to give everything to achieve that, then you look past any barriers. That’s why sport is so powerful. Where it is even more powerful is not to create the next Wayne van Niekerk, or Siya Kolisi, or AB de Villiers, but to create participation in sport and being active and healthy, and the values you learn through sport: hard work, discipline, accountability, strategizing, sticking to a plan – all those things that can not only help you in sport but can help you in life.”

During his playing career De Villiers won two Tri-Nations titles, a Currie Cup and a World Cup and was seen as one of the best centers in world rugby. Things, however, did not always go according to plan. He was plagued by injury, and they played such an important role in his career that he remembers every single one.

“I’ve had plenty – six knee operations, shoulder reconstruction, bicep rupture, two broken jaws, plates in my jaw, broken ribs, broken toes, broken fingers, muscle strains, concussion, you name it and I’ve been through it.”

They also came at important landmarks of his career – his Springbok debut; the opening match of the 2007 World Cup, which South Africa went on to win; and a broken jaw at the 2015 World Cup that ended his international career.

“The first one, in my first Test match I played, just seven minutes into it, that was definitely the worst, emotionally. To be able to take that in as a 21-year-old and deal with it, that was tough. But every one after that became easier because you know how to handle it and deal with it.”

It may sound strange, but De Villiers is partly grateful to have been so injury prone.

“Without that I wouldn’t have been able to play for South Africa that long or be able to achieve things, if you think I might have achieved anything in my career, because adversity makes us stronger. It’s in times of adversity that you really learn. You can either give up or you can fight back harder. It’s your attitude in times of adversity that determines if you are eventually successful or not. It played a crucial part in my rugby career but also in the growth of me as an individual.”

Another part of his rugby career that surely helped him grow was taking over the Springbok captaincy.


“It’s a complete game-changer. I only realized it once I had got the job and realized what the magnitude of it was, and the responsibility that goes with it. Playing



**IN A TEAM SPORT ENVIRONMENT, YOU ARE ALL FIGHTING FOR THE SAME GOAL. ONCE YOU HAVE THAT, IT DOESN’T MATTER WHERE YOU COME FROM.**

on a Saturday is such a small part of the job. It’s what happens in the week, and how you portray yourself, and the team, that is so important. You can change people’s lives. The platform that you get to do that, that is important. I absolutely loved it. I love the Springboks and I love this country.”

As head of philanthropy at Citadel, De Villiers can continue to impact people’s lives.

“I’m a believer that things happen for a reason.” 

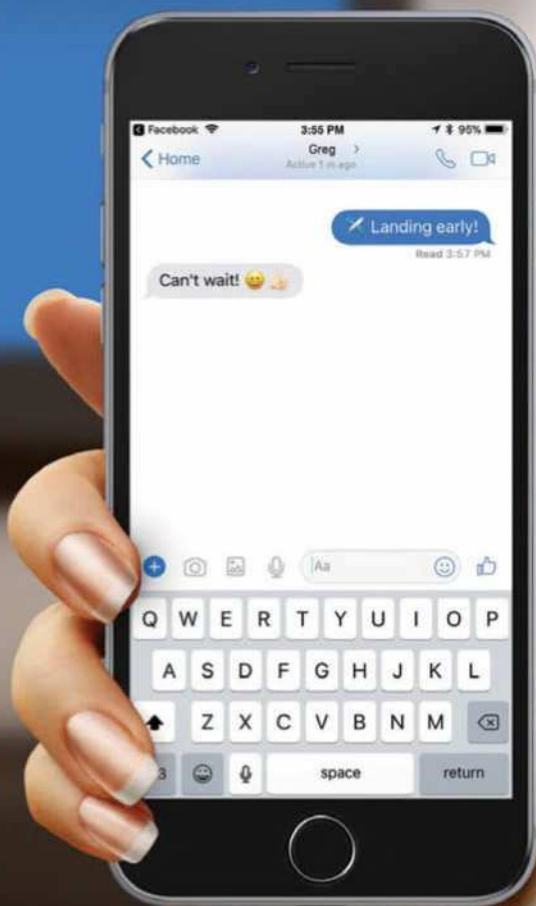




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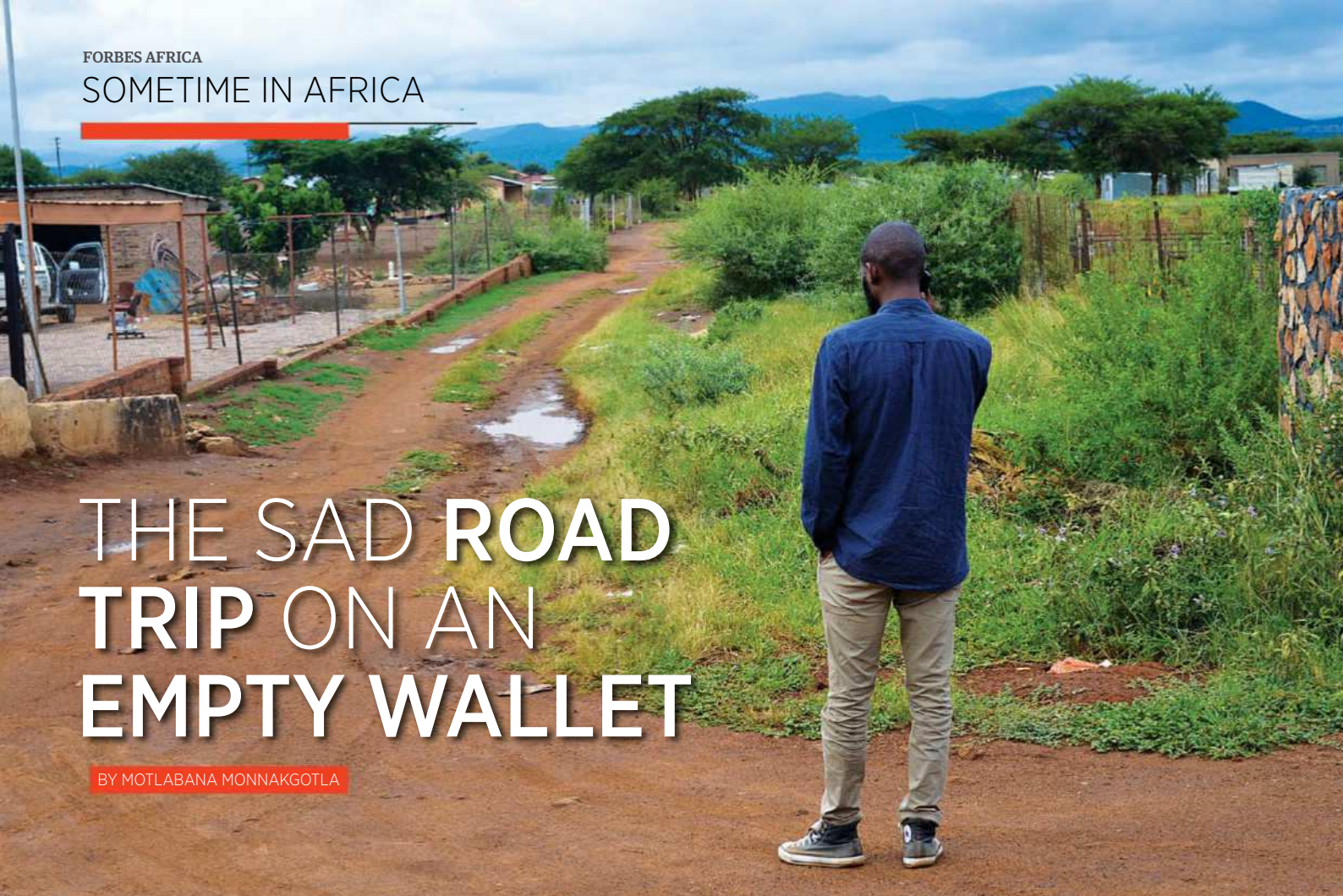


KEEP CLIMBING



DELTA





# THE SAD ROAD TRIP ON AN EMPTY WALLET

BY MOTLABANA MONNAKGOTLA

As soon as I heard of my aunt's death, I knew straight away that I had to make a plan to fill my petrol tank and attend the funeral. I hadn't seen her in months and felt bad about not getting her the mobile phone I had promised her months earlier. Guilt was coursing through my body with blood pumped by a hurting heart.

Back to the tank issue – I was broke and could barely afford to buy enough petrol to drive 175kms to Ledig, in South Africa's North West province. After fetching my uncle from Midrand, north of Johannesburg, and with just a 1.5-liter bottle of Valpre water in the car, we set off on our journey.

Fifty kilometers into our trip, we drove through Hartbeespoort, a scenic holiday spot in the North West known for its dam. We were stunned to see the narrow bridge in the area; it was like being in a different country for the first time, looking at everything with a new eye. It looked like one of those bridges from the movies depicting ancient Europe. It was beautiful.

We didn't have time to stop and take pictures; it was 6.15PM and we didn't want to drive in the rain, especially as it was getting dark.

After driving past the Sun City resort, we knew we had arrived. Far from home, our Tswana dialect wouldn't go unnoticed by locals; they would know we were from Johannesburg.

At Ledig, we were greeted by three men who had been expecting us. I was interested in learning more about the guy in the white Marikana mine overall with an 'X' marked at the back. He was loud and funny, but also helped carry the chairs and tables from the van into the house.

The only thing I found out about the guy though was his age, his

witty nature and that he was known in the area for his *pantsula* (a culture originating from black townships during apartheid) dress sense. He also hoped to go to Johannesburg one day; a desire common among many young people in the area.

On Saturday, the day of the funeral, I couldn't hear a word at the service. What was strange was seeing people waiting at the graveyard for the burial. Even stranger, men were not allowed into the graveyard if they weren't wearing a jacket; my parents had warned me about that.

At most black funerals, the culture that has evolved over the last couple of years is music being played and alcohol consumed after the burial. It is called 'after tears' and done as a celebration of life for the deceased. This 'after tears' ceremony in the rural area of Ledig was no different from the ones we have in the townships in Johannesburg, where I live.

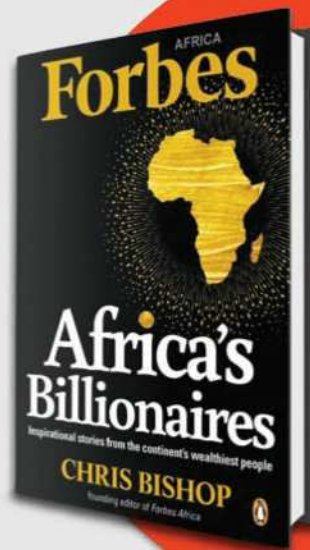
It is now Sunday morning and I have just enough petrol to get us back home to Soweto. It wasn't the most pleasant drive back to Johannesburg because we had nothing to nibble on, nor drink. Just a dry mouth, a hangover, and a dirty car.

Finally, we get home. I freshen up while my uncle heads to bed. I was tired but felt it was important to go to church with a friend after what was a sad weekend.

I never heard the sermon – I was just too tired. Instead I took my shoes and socks off, rested in the car and passed out. I was woken up by a knock on the window; my friend told me I embarrassed her because people saw me sleeping in the car outside church.

I didn't care – I had rested, and was officially back in Johannesburg. 

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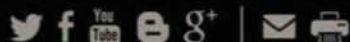
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