

# Business News

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## Africa to double natural gas production by 2040, global consumption to double by 2050

*Africa will contribute as much as 9.2% to global natural gas production by 2040*



NATURAL gas growth prospects were outlined during the 2nd Gas Exporting Countries Forum (GECF) International Gas Seminar recently.

According to the GECF's Global Gas Outlook Model, natural gas will be the only hydrocarbon source to increase its share in the global energy mix, remaining the fastest-growing fossil fuel. GECF member countries currently represent 71% of natural gas reserves, 44% of marketed gas production, 55% of pipeline gas trade and 53% of LNG trade globally.

"Our main message is that natural gas is the destination fuel and will play a central role in energy transitions. We continue and will continue to defend the position of the Forum on benchmark prices, stressing that oil indexation is still the optimum choice for buyers and sellers of gas," H.E. Yury Sentyurin, Secretary General of the GECF, said.

The African continent is set to increase its presence in the global energy sphere, more than doubling its natural gas production by 2040 and altering the global energy supply mix in the process. Africa will contribute as much as 9.2% to global natural

gas production by 2040, resulting in an expansion from 255 bcm (billions of cubic metres) to more than 505 bcm and corresponding to a compound average annual growth rate of 3.4%.

"The Joliet plant ... has recorded emission reductions of 99.9% for sulphur dioxide, 97% for particulate matter, 34% for nitrogen oxides plus a (undisclosed) CO2 reduction..."

"Natural gas will continue to be in demand and will help us meet the objectives of sustainable development and the energy transition for our country, for Africa and for the world," noted H.E. Gabriel Mbagi Obiang Lima, Minister of Mines and Hydrocarbons of Equatorial Guinea. "We are working on the gradual implementation and exploration of various gas fields. All of the work that we are doing is in line with the policies that the international community is asking us to have for fossil fuels. We want to protect the environment and provide for the needs of remote communities in rural Africa."

"Natural gas is growing to become the

fuel of choice globally," stated H.E. Dr. Seyed Mohammed Hossein Adeli, Head of the Iranian Delegation. "The share of gas in the energy mix used to be 18%. Currently, it is 23% and has the prospect to increase to 26% in the next couple of decades. Gas is replacing coal and oil. Coal represents 26% and will be down to 17-18%. Oil is now dominating at 32% and is going to be down to 25-26%. This goes mostly to gas and renewables."

*Ed comments.*

*With an abundance of natural gas, virtually on our doorstep, why aren't we looking into converting our aging, inefficient, high maintenance and polluting coal fired power stations to natural gas? Conversion projects undertaken in the USA in recent times cost in the region of \$205-million or +/- R4-billion in our money for an 800 MW station – considerable less than horrendous per MW cost overruns of Medupi and Kusile and a far cry from the recent utterances from Eskom of the R300-billion price tag to clean up our existing coal fired stations to meet pollution control targets.*

*A conversion to gas fired boilers will make costly coal carrying conveyor systems obsolete, and the transportation of coal, often by road or rail, to feed power stations will also disappear, together with a substantial reduction in (often blamed) maintenance costs, health and environmental benefits.*

*The converted Joliet plant, 60 km southwest of Chicago has recorded emission reductions of 99.9% for sulphur dioxide, 97% for particulate matter, 34% for nitrogen oxides plus a (undisclosed) CO2 reduction, according to a company spokesperson.*

*While suitable candidates for conversion - according to the Babcock & Wilcox Power Generation Group – are stations that are 50-plus years old, less than 300 MW and have sub-critical utility boilers; that shouldn't rule out further investigations into converting our 6 x 600 MW or 3 600 MW stations. Two of the Juliet station's generators are 518 MW units...*

*Clearly the coal interests will be up in arms at the suggestion, but it's time we prioritised the national interest against the few with political connections: you can't make an omelette without breaking eggs and this would taste real good.*

## Walking the talk



ATLAS COPCO places safety consciousness at the core of operations and is committed in its drive to promote a safety-first culture not only amongst its employees, customers and suppliers, but also in communities. Walking this talk, the company recently donated personal protective equipment (PPE) and delivered a safety dialogue to the Manger Care Centre's Eden House in Benoni, Johannesburg.

Manger Care Centre's Eden House provides protection care services to abused woman and children, orphans, recovering addicts, ex-parees, the unemployed, and destitute, physically challenged individuals as well as the elderly that are unable to care for themselves. With the aim to reintegrate back into society, Eden House is focused on upskilling these individuals by offering training in useful trades such as welding, carpentry and baking. The items produced are sold and the funds are used to upkeep the center.

With the goal to contribute to a more sustainable Centre by creating a safety-centric culture, an enthusiastic Atlas Copco team arrived at Eden House on last November, ready to impart safety knowledge and give away safety equipment. Following the distribution of safety shoes, safety glasses, a complete set of welding gear, overalls and gloves, the team gave an in-depth explanation on the correct use of PPE. The informative session also included a tool box talk.

Sarika Loubser, Manager at the Manger Care Centre, thanked Atlas Copco for the generous donation as well as for sharing valuable safety knowledge. "We really appreciate the PPE donation which will make a big difference in ensuring that our trainees work safely."





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# Ascending the debt pile

CAPE TOWN-based pharmaceuticals giant Ascendis – which was concocted by Steenberg-based private equity investor Coast-2Coast – remains under serious debt stress.

Ascendis had been looking to capitalise on unsolicited interest in its offshore subsidiary Remedica – but prolonged negotiations were called off in late December.

Proceeds from the sale of all or part of Cyprus-based Remedica – which could have fetched anything between R2bn and R4bn – would have culled the group's debt levels considerably. At last count Ascendis was lumbered with a hefty debt load of more than R5 billion.

Ascendis said it ter-

minated negotiations with the preferred (but unidentified) bidder “as the parties did not agree key terms for the transaction”.

Ascendis also stressed it remained committed to deleveraging its balance sheet through the disposal of certain assets (including Remedica) – but added the key rider: “at prices reflective of the underlying value of those assets so as to safeguard shareholder value.”

If CBN reads between the lines, then it seems apparent the bidder was trying to snaffle Remedica on the cheap – especially since Ascendis noted that: “Remedica, in particular, remains a high-quality business that is delivering a sizeable portion of the

Ascendis group's earnings growth and cash flow”.

Ascendis' share price went into free fall after the Remedica talks were terminated – suggesting that the group may battle to sell the unit at an attractive price.

The group reassured shareholders, however, that it would work towards disposing of Remedica at a price that was reflective of market value and yielded a significant deleveraging of the group's balance sheet.

Ascendis had, importantly, negotiated an ‘Interim Stability Agreement’ (ISA) with its lender consortium in May last year to allow the Remedica disposal to be completed.

Fortunately, the

lender consortium agreed to further extend the ISA period – although, during the period, efforts will be made to hammer out an agreement around a permanent restructure of the existing debt facilities to allow the group to push ahead with the orderly disposal of Remedica and other non-core assets.

Ascendis also indicated that Remedica continued to perform well in the 12 months to end November. The group disclosed that Remedica delivered revenue growth of almost 19% and growth in normalised earnings of 21% on the back of the launch of products in new markets and an improvement in raw material supply.

No information was given on the perfor-

mance of the rest of the group – which includes brands like Bettaway, Chela-Fer, Chela Mag, Compounding Pharmacy, Junglevites, Menacal 7, Nimue, Scitec, Solal, Nimue and, Vitaforce.

In the year to end June 2019, Ascendis reported revenue up 1% to R5.6 billion and a markedly smaller normalised operating profit of R58 million (2018: R514 million).

International revenue was up 8% to R2.6 billion (representing 46% of total sales), while sales in South Africa dipped by 4% to R3 billion.

Ascendis did indicate that the 2020 financial year had seen a strong start with revenue growth of 13% for the first 14 weeks of the new financial year.

# Up in smoke



CANNABIS, which has enjoyed a thriving informal market in the Western Cape for decades, looks set for rapid corporatisation.

While cannabis has already become big business in North America, the industry is still mostly at grass-roots stage in South Africa.

Legal complexities around the use of cannabis for medicinal and recreational purposes are also still clouding the business model – even though the opportunity for small farmers to capitalise on the trend

should speak to government's job creation efforts.

Still, there are some early stage movers. Cape Town-based asset management firm Mergence were the first African institutional investors into cannabis in form of a sprawling project under the MG Health (the old Medigrow business).

Lesotho-based MG is a licenced cultivator and manufacturer of pharmaceutical grade cannabis extracts and products.

MG Health will also

become the first African cannabis grower to enter the retail market with its products are expected be rolled out into Dischem stores – like bath salts, mouth spray and a cannabis patch.

Mike Stringer, CEO of newly formed Labat Cannabis, recently estimated that the local marijuana market could be worth as much as R24 billion by 2024.

Mergence initially took a 7% stake in MG Health – but further capitalised the business with loans. The project has created some 250

permanent jobs – but at full production the workforce headcount is expected to exceed 3 000.

MG Health CEO Andre Bothma said as a rapidly scaling up enterprise the company had made great strides over the past two years. “Our path diverged some time ago from other Medigrow entities, and now as we enter a new era, we go forward as MG Health, a distinct global brand committed to supplying world-class medical cannabis products to our local and international clients.”

He explained that MG Health has both its cultivation and state-of-the-art processing facilities based 2 000 metres above sea-level in the mountains of Lesotho. “Clean air and pristine environment ensure the growth of high quality plants.”

Bothma stressed a best-practice production plant was set-up, and operated according to the Good Manufacturing Practices of the EU.

He said the business is preparing for certification this year. “This will make MG Health one of

the very few EU GMP-compliant cultivation, extraction and processing cannabis operations worldwide, and the largest in the southern hemisphere for the medicinal and pharmaceutical markets.”

With a new office established in the UK, MG Health plans to drive ambitious growth in the developed markets where health and wellness are growing sectors. The aim is also to meet the demands of informed consumers for product integrity and quality.

Bothma said: “We're excited in this new phase to take the MG Health brand onto the global stage to represent the incredible quality that our company and our country can produce.”

Labat Africa has arguably blown the most smoke around cannabis investing following a series of acquisitions – which included a 70% stake in Cape Town-based Knuckles Genetics.

Labat has also recently acquired a South African Health Products Regulatory Authority (SAHPRA) approved

pharmaceutical facility in form of Pac-con Pharmaceuticals.

Pac-con currently manufactures and packages liquids, tablets, capsules, creams and gels for various clients – but will now be utilised to produce high grade cannabis oils and related products for the retail and wholesale markets.

Labat has argued that while there has been a lot of interest in the cannabis industry in Southern Africa, several international investors have been wary to take advantage of the opportunity in the private sector.

Labat noted that a few international companies had seen large investments not come to fruition. Companies also did not always have the expertise and know-how to produce high quality cannabis products.

Part of Labat's grand cannabis plan is to build a platform for small scale farmers to take advantage of the industrial component of the cannabis business.

This will see Labat setting up a production facility for a range of industrial hemp products, and has already

identified 58 hectares of land in the Eastern Cape and is also currently in negotiations with a number of other parties for additional land.

What is potentially huge for Labat's fledgling cannabis business is an ‘off take’ agreement with UK based cannabis group New Frontier Holdings, which is the holding company for New Frontier Botanics.

Labat reckoned the ‘off take’ could be worth around R2 billion for the duration of the contract.

The five year projections for Labat's cannabis business are quite astounding. Revenue in year one is pencilled in at R1.4 billion with gross profit set at R271m. By the fifth year of operation revenue is forecast at over R4 billion and gross profit at R1.2bn. Operating profit is expected to grow from R165 million in year one to over R1 billion in year five.

Of course, this may all be a pipe-dream. Labat still needs to raise considerable capital from local investors to fund its cannabis growth ambitions.

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# Principal private educator steps down

ONE of the prime movers in South Africa's burgeoning private education sector, Chris van der Merwe, will be stepping back from corporate life.

In December Stadio – the Durbanville headquartered private tertiary business – surprised most observers when announcing that Van der Merwe would step down in April this year.

He is stepping down at a delicate juncture for Stadio. The company is planning to open two private university campuses in Durbanville and Gauteng in the next few years. The campuses were Van der

Merwe's big push to find critical mass in tertiary education.

Of course, Van der Merwe will probably be best remembered for launching Curro, the PSG Group-backed private schools business that today is worth almost R7 billion.

Van der Merwe will be replaced at Stadio by Chris Vorster, the founder and CEO of SBS. SBS is one of the businesses that was recently acquired by Stadio.

Stadio described Vorster is a highly experienced businessman with a Masters degree in Management and Development (cum

laude) and over 20 years of experience in the higher education sector.

Vorster founded SBS in 1996, and the business today accommodates around 13 000 distance learning students.

Stadio did recognise that Van der Merwe played a key role in the establishment of Stadio.

The group noted he was instrumental in establishing Stadio through the unbundling of Embury Institute for Higher Education Proprietary out of Curro.

Stadio was separately listed on the JSE in early October 2017 and

has grown from 840 Embury students in 2017 to accommodate over 31 000 students across its registered private higher education institutions - including AFDA, LISOF, Southern Business School, Milpark Education, Prestige Academy and Embury.

Stadio stressed Van der Merwe and the Stadio team had established a framework through which to deliver on ambitions to empower South Africans by widening access to higher education.

Van der Merwe will continue to serve as a non-executive director and will continue to

advise and support Stadio on the development of the two new greenfield campuses in Centurion and Durbanville.

Importantly, Van der Merwe will also continue to investigate the potential establishment of a medical faculty at Stadio.

Stadio has longer term ambitions to accommodate over 100 000 students - including 80 000 distance learning students.

Stadio noted that Vorster had a "vast understanding" of the higher education domain. "The Board believes that this knowledge, together with his leadership

qualities, will be a competitive advantage for Stadio and enable the company to reach its goals over the medium to long term...including the consolidation of its various programmes and institutions under a single brand..."

Smalltalkdaily analyst Anthony Clark – an expert in the business of private education – pointed out that Van der Merwe created enormous value for shareholders – most notable Stellembisch-based investment house PSG.

He said Curro and Stadio had a market value of around R8.6 billion – which was a

far cry from the R50m that PSG Group's private equity interests initially paid for their 50% stake in Curro a decade ago.

He said Van der Merwe left a legacy of innovation, and could take credit for bringing affordable private schooling and tertiary education to hundreds of thousands of South African learners.

CBN will be interested to see if Van der Merwe plays any kind of meaningful role in PSG's other fledgling private education interests – which revolve mainly around distance learning initiatives at school level.

## Brewing beer using renewable energy

SAB and AB InBev Africa's breweries across South Africa will have onsite solar facilities by the end of January 2020. This kicks off a multi-billion rand investment with the goal to purchase 100% of the business's electricity requirements at manufacturing sites across Africa by 2025.

Onsite solar power at its seven South African breweries will partially power each facility and represents 7% of the business's electricity requirements. This is equivalent to taking approximately 2 000 vehicles off of SA roads. This installation will allow for all electricity consumed for the production of its global brand, Budweiser, at its Rosslyn Brewery

north of Pretoria, to be sourced from Renewable Energy. This is part of SAB and AB InBev's 'Budweiser Renewable Energy 100' goal.

AB InBev's global renewable energy commitment is that 50% of the company's purchased electricity comes from renewable energy sources by 2020 and 100% by 2025.

"We've achieved our 50% target in key markets across the globe ahead of schedule and we are well on track to achieve our 100% ambition with good progress being made in Africa," says Taryn Rosekilly, VP Sustainability, SAB and AB InBev Africa.

SAB and AB InBev's Renewable Energy campaign was recently dem-

onstrated with the use of the first electric truck to arrive on South African shores. The electric vehicle, known as the eCanter, is designed and manufactured by Mitsubishi Fuso Truck and Bus Corporation (MFTBC), part of the Daimler Group's global commercial vehicles business. Boasting zero emissions, the 7.5 ton FUSO eCanter is the first of its kind in the world.

The vehicle has a battery capacity of 82.8 kWh and a distance range of approximately 100-120 km. It is currently operating in customer hands in multiple countries, including Germany, Japan, Portugal, and has now been brought to South Africa for customer demonstrations.

SAB and AB InBev Africa is in the process of working on a Pan African Renewable Energy tender, which would seek to source an equivalent of 440 MW of solar capacity in order to meet our 2025 target in Africa. This represents an initial investment of approximately R5.6-billion for installation at these facilities, which would be invested by the business's development partners with a further R12.4-bn in energy cost that would be committed by AB InBev over a 20-year period.

The implementation will consist of 3 phases beginning with onsite solar installations with a capital investment of around R1.1-bn. Once maximum capacity

onsite has been achieved, renewable energy solutions will expand to appropriately identified sites surrounding the breweries:

- Phase 1 represents on-site solar installations
  - Phase 2 are renewable energy solutions installed on land adjacent to SAB's breweries which would be hard wire cables to its breweries
  - Phase 3 will involve offsite renewable energy solutions, which comprise remote installations requiring wheeling agreements to deliver the power to its breweries.
- SAB plans to migrate one of its South Afri-



can facilities to 100% renewable energy supply by the end of 2020, one of the first of its kind in the country. The multi-faceted solution will encompass a wind and solar energy mix, a wheeling arrangement and energy banking.

Outside of its breweries in surrounding communities, SAB and AB

InBev Africa plan to provide access to clean and affordable energy to around 80 000 people. Renewable energy micro-grid solutions will provide power to consumers at a significantly lower cost than current solutions. This process will be delivered and managed through a blockchain solution.

## 2020 marks the 30 year anniversary of specialist fire protection company

ORIGINALLY founded a chemical dosing technology company, DoseTech changed its focus about 20 years ago to concentrate on foam dosing for the special risk fire protection industry.

In partnership with FireDos of Germany, DoseTech has successfully introduced advanced methods of accurate foam addition to firefighting applications.

The benefits of DoseTech solutions

include reduced foam wastage, easy installation, testing and maintenance, as well as lowered operational costs.

DoseTech's most notable projects include harbour fuel out-loading protection installation and refinery firefighting fixed and mobile foam applications, including the first exclusive foam trailer for refinery use in South Africa.

The company's building-top helipad special risk fire protection



project has received recognition as a new industry standard.

DoseTech partner-

ships extend to a number of internationally-recognised manufacturers, such as AKRON Brass

and Mueller from the USA and Delta Fire UK. Products include monitors for various applications, from manually operated to fully automated and remote-controlled units, end-of-line nozzles, water valves, hydrants, foam, bund pourers, tank top pourers and rim pourers.

In addition, AKRON manufactures a range of severe duty monitors for raw water applications such as hydro mining dump recov-

ery and heavy vehicle washing.

DoseTech offers specialist advice on the selection and installation of its product ranges, as well as pre-commissioning and commissioning services, full maintenance contracts and customer training.

DoseTech is a level 2 BBBEE company and prides itself on providing innovation and the latest technology to the South African market. "Our German part-

ner FireDos GmbH have launched Gen III of their foam dosing FireDos units and will be exhibiting at the Interschutz expo in June 2020 and we look forward to meeting many of our SA customers at their stand" says DoseTech MD Mike Feldon.

For more information contact: Mike Feldon mgf@dosetech.co.za +27 (0) 861 111 544 firedos@dosetech.co.za www.dosetech.co.za

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# AYO: Juggernaut or ‘juggernaut’?

CAPE TOWN-based technology conglomerate Ayo is still battling to erase lingering scepticism about its business model and longer term prospects.

The JSE – which many feel is an accurate barometer of prospects – has already smashed Ayo’s initial valuation. The company – strongly (and contentiously) backed by the Public

Investment Corporation – was listed in December 2017 with a market value of almost R14 billion. At the time of writing Ayo’s market value had dribbled down to less than R600 million.

Recently released results to end August showed – on paper – some encouraging signs. Revenue – thanks largely to new acquisitions – increased by

207% to R1.9 billion, and profit before tax shot up 47% to R288 million.

Ayo’s total assets increased by 11% to R5.2 billion, and shareholders were given a generous dividend payout.

Ayo CEO Howard Platjies said the positive results were a testament to the tenacity and professionalism of the

group’s teams as well as the excellent products and services the group companies continue to deliver to a wide range of local and international clients.

He said the improved financial performance was predominately derived from significant organic growth as a result of a contract with a multi-national company (presumably

energy giant Sasol) that commenced in July 2018, and acquisitive growth in from recently bought companies like Sizwe IT and SGT Solutions.

Other acquisitions included interests in Global Command and Control Technologies (GCCT) – a company specialising in the niche field of security, defense and maritime technology – as well buying up 100% in Puleng Technologies.

Platjies said the group – which still has over R3.5 billion of cash left from its initial public offering in December 2017 – has also identified a number of niche sectors for investment in 2020 and beyond.

At face value, Ayo looks a sizeable and vibrant technology contender. But a closer look at the numbers reveals some strain...and some reason for fretting.

The year to end August financial report noted that a Master Service agreement between AYO and a “significant customer” (concluded May 2018) was under notice of termination. CBN believes this contract is the multibillion rand agreement that was signed with energy giant Sasol.

Termination of this agreement would have a profound negative effect on Ayo’s turnover and – more importantly – its annuity income.

AYO has invoked the arbitrations provisions under the agreement and anticipated the matter would be arbitrated in the first quarter of 2020.

While the loss of the Sasol contract would undoubtedly be a blow, Ayo’s financial report does at least show that the company is well diversified operationally.

Managed Services – which makes up about 65% of the business – reported revenue of around R1.4 billion with gross profit of R360 million. The Healthcare segment generated reve-

nues of R11 million and gross profit of R38 million, while Security Services reported markedly lower turnover of R276 million and gross profit of R106 million.

The smaller divisions – Unified Communications, Software and Consulting and Tracking Solutions – collectively generated revenues of R161 million and gross profit of R53 million.

While these top line numbers may look robust there was a serious hitch in that the growth in Ayo’s gross profit was more than offset by a growth cost-of-sales (from R440 million to over R1.4 billion) and operating expenses (from R199 million to R562 million).

Were it not for the R316 million in finance income earned of Ayo’s large cash balance, the group would have operated at a loss. This is borne out in the cash flow statement – which showed a negative cash outflow from operations of R46 million.

This is a scary situation for Ayo because one of its biggest shareholders, the PIC (and the Government Employees Pension Fund), has issued summons against the group for the funds invested with it at listing in late 2017.

Basically the PIC is trying to convince the courts that the (share) subscription agreement entered into by the PIC and AYO be declared unlawful and set aside. Worst still, is that the PIC is looking for an order to make AYO pay back the almost R4.3 billion invested in the group ahead of the listing (together with a not insubstantial interest re-payment set at 10.25% a year).

AYO, understandably, has instructed its attorneys to oppose the action.

Some believe that the PIC is unlikely to succeed in its actions as it would set a precedent that would leave any companies that raised

funds on listing vulnerable to a ‘re-payment recourse’ from dissatisfied shareholders. Others hold that Ayo’s listing price was grossly over-valued and prospects over-stated – even though most observers agree that a professional investor like the PIC should have tested the prospectus forecasts more rigorously.

Whether Ayo are just putting on a brave face is not clear at this point. But Ayo has indicated that in the event that the PIC and GEPE are successful in their court application, management will be able to reconfigure the group into a pure investment holding company.

The group noted: “AYO has several subsidiaries that have been in existence for more than 20 years, delivering both satisfactory trading performance and dividend income for AYO. These subsidiaries are expected to continue trading at an optimal level independent of the PIC funding.”

Looking ahead, Platjies said Ayo would continue to focus on additional acquisitions and increasing the diversification of its service and product offerings. “The group expects an increased contribution to the performance of the group for the 2020 financial year resulting from the acquisition of Sizwe, SGT Solutions and GCCT...”

But Platjies conceded deal-making would be tricky under current conditions. “AYO has been operating in an extremely difficult market environment, exacerbated by the current narrative arising from the PIC Commission of Inquiry as well as the litigation instituted by the PIC and CIPC against the group. These trying conditions are significantly impeding on our acquisition growth plans and operational performance.”

Clearly a testing time lies ahead for Ayo.

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# Tech group celebrates 20 years at cutting edge

CELEBRATING two decades in business at its new premises in Somerset West recently, Iritron founders, Alwyn Rautenbach and Johann Pienaar, attribute their business success to highly skilled, experienced staff with a sound fundamental understanding of processes, mathematics, networks, hardware and software applications which ensures viable and valid solutions for clients.

From small beginnings in Pretoria in January 2000, Iritron was formed as a black economic empowered technology company providing quality solutions in the fields of electrical, instrumentation and control systems engineering, systems integration, simulation as well as information systems and MES.

Iritron's extensive engineering expertise and substantial local and international engineering exposure has a proven industry track record in mining, metals, cement & aggregates, mineral processing and utilities, including power, energy, water and waste water. Typically, Iritron provides:

- A wide range of project services delivery models, including turnkey, EPCM and single phase project segments.
- Electrical, instrumentation and control system engineering, design and consulting services.
- MCC and panel manufacturing.
- Structured projects, executed as per the International Society of Automation (ISA) and ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 methodologies.
- Training and process simulation enabling rapid implementation and a faster return on investments.
- Plant audits with respect to energy studies, electrical compliance, automation optimal process throughput.
- After sales service and engineering support contracts.

**The i3 Group**  
Adorning the façade of the new building in Olive Grove Industrial Estate is a new logo, that of i3 Group which indicates that the building not only houses the Cape division of Iritron but other complimentary businesses that have come together to form a consolidated collection of advanced IT related service organisations under one roof.

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**LTR Front - Andre Roeloffze; Alwyn Rautenbach; Iveta Davidova; Gordon Schoombie; Arshad Samudh**  
**LTR Back - Stanley Barkhuysen; Johann Pienaar; Cobus Nel; Tean Butler; Stefan Bekker**

centre solutions, focusing exclusively on the successful delivery of complete control centre projects.

Solutions include turnkey control centre supply, control centre upgrades and specialised console supply, typically for:

- Mission Critical Control Rooms
- Industrial control rooms.
- Security, aircraft tower controls, port facilities and other control or operational centres.
- Video production and broadcasting facilities.

Oculus is the exclusive

representative of state of the art Technical furniture solutions designed and built by TBC Consoles and the official distributor of world leading VuWall Visualisation hardware & software solutions.

Oculus is a level 4 BBBEE supplier.

**KVM Solutions**

KVMTech is a prominent supplier of digital and analogue KVM equipment used in control rooms for industrial process control, in air traffic control, broadcast studios and on ships.

KVMTech is also the agent for Eurotherm Industrial Automation

and process control, measurement and data management solutions and services. Its innovative products and solutions are designed to bring real benefits to customers by optimising processes, operations and plant efficiency.

Their wide range of products is rich in features and designed for easy operation and reduced engineering time. They contain market-leading control algorithms and recording and data management strategies which add value to industrial processes, improving quality, reducing waste and ensuring data is kept safe for as long as it is required.

**Referro Systems**

Referro Systems is a distribution company supplying electrical, instrumentation and control system hardware and software aimed at providing its customers with the latest technology to their doorstep.

Although located in, and primarily serving the Northern Cape region, Referro supplies equipment and services throughout the country,

and being the authorized distributors of Allen Bradley equipment for Rockwell Automation South Africa and Schneider Electric equipment, its prime area of responsibility is the Northern Cape.

A vast range of products and system are offered, including:

- Electrical Switchgear – Allen Bradley, Schneider Electric, Siemens, Eaton, ABB, CBI and Kraus & Naimer.
- Variable Speed Drives - Allen Bradley, Schneider Electric, Siemens, Mitsubishi, Yaskawa.
- Instrumentation – Timers, Relays, Power Supplies, Transmitters, Switches & Conveyor Instrumentation.
- IT and Industrial Network Equipment – KVM Switches, Network Equipment & Security Cameras.
- Panels & Enclosures – Rittal, World Power Products, Eldon,
- Referro Systems is a level 2 BBBEE supplier

# Saying NO! To improve!

We all know how hard 2019 was, especially when you consider all the business statistics for the year. 2020 is set to be as difficult, however I believe we are better prepared for it and need to adopt a new focus. We need to evaluate our positions and strategies and birth some radical changes if we are to survive another tough year.

Saying NO is definitely not something that businesses like to say. But saying NO can improve your bottom line if done right. As a company we took a look at how and where our bottom line came from. We soon realised, that if we said NO to a third of our business we would not have seen a huge difference in our bottom line.

Therefore we are adopting a hard look at the type of work we bring in and how we charge for it moving forward. Some clients may not like the new approach, but we need to do what is required to see us through 2020. Like a farmer who prunes the dead branches off his vines to allow the plant to grow properly.

2019 saw us merging, which brought about its own set of challenges, with a big shake up internally. Now we are shaking it up even more and it feels good to say NO. This means we can concentrate on what makes us more profitable as a company. A sustainable company, with improved efficiencies and deliverables.

As a sales person, saying NO is the hardest thing I have had to learn, but saying NO means I'm more focused.

It also frees me up to acquire new work better suited to our plant, as I am not bogged down by non profitable jobs, clogging up production. Things just seem to work better.

*Here are two practical tips on how to politely say no without hurting your relationships or tarnishing your reputation.*

**WHEN TO SAY NO**

When considering to say no to a customer, you need to ask is: Is this in our best interest and in the clients best interest? If the answer to either question is not an emphatic "yes," you are better off helping the client find an alternative.

But you can't just say, "No, my company cannot help you" because that would make you look inflexible. Instead of flatly refusing, you need to explain to the client why what they are asking for isn't in their best interest

Pushing back a little. Ultimately is okay, smart clients will see that you share their interest in making their business or project a success.

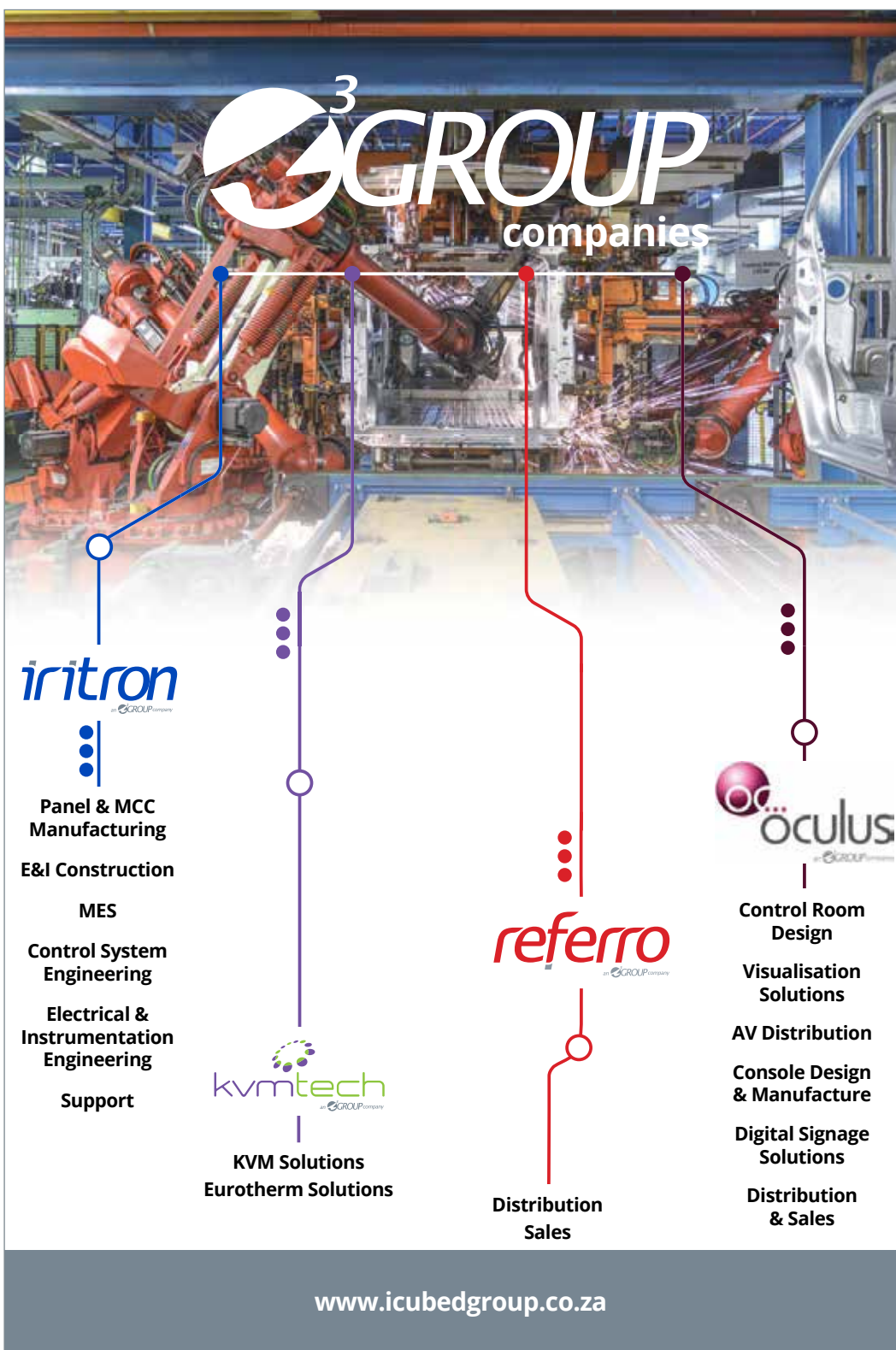
**SAYING NO TO UNREASONABLE REQUESTS**

Often, these requests are couched in the promise of future opportunities that may or may not come to pass.

**CONCLUSION**

If you politely decline to offer concessions and demonstrate that you are always operating in your client's best interest, they will see value and everyone can benefit.

*This article was written by*



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# Is e-tailing terrible for the environment?



**Hadley Dean.**

CHANGE your shopping habits if you want to lighten your environmental footprint." This is the advice Hadley Dean, CEO of JSE-listed EPP, Poland's largest owner of shopping centres.

While there is a giant push in South Africa to reduce the use of plastics, and especially non-biodegradable plastic shopping bags and straws, Dean suggests taking another step too: stop shopping online.

"As the CEO of Poland's largest retail real estate company, I realise this stance may sound like a self-serving case of not liking what is perceived as our biggest competition, e-commerce. But, in fact, e-commerce is actually proving to help sales at our brick-and-mortar shopping centres. So, from a financial standpoint, online shopping is only helping our bottom line," says Dean.

"I am, however, concerned and frustrated as a human being by the amount of waste that is associated with the delivery of items straight to people's homes or offices. It's not unusual to order six different items and have them all come in separate boxes, for no apparent reason. While boxes can be recycled, there's a huge amount of energy wasted creating and

recycling this unnecessary number of boxes," Dean points out.

Add to that the packaging within the boxes that get delivered, which mostly ranges from Styrofoam popcorn to reams of plastic bags full of air. Both Styrofoam and plastic take more than 500 years to biodegrade, if they ever do. Often, the packing material is pointless, but used nonetheless, for non-breakable items such as clothing.

Deliveries also tend to come in irrationally large boxes as well, stuffed with heaps of packing to stop items from rattling around. Because many online retailers use pre-set boxes, the sizes often don't make sense. These large box sizes carry a secondary environmental impact; they can't be sent by a small courier in an urban environment, result-

ing in more vans and polluting trucks on the roads.

"E-commerce vendors really need to take a long hard look at how and why they are conducting their business," concludes Dean. "Until they do, consumers can have a big impact on the global pollution problem by hopping on public transport with one's reusable bag and doing their shopping the clean way: in person."

Dean has also challenged retailers to stop the packaging madness. The EPP team won't be ordering anything with plastic and Styrofoam in it for one month, and Dean has challenged others to join them. Watch Dean's #NoPlasticChallenge in this video: <https://www.linkedin.com/feed/update/urn:li:activity:6531158586813411328>.

# Another dud? WCF – dysfunctional

By Gerhard Papenfus, Chief Executive of the National Employers' Association of South Africa (NEASA).

AS a result of NEASA's first hand experiences dealing with the Workmen Compensation Fund, as well as numerous complaints received from employers, NEASA recently conducted a survey regarding employers' experiences in dealing with the Fund.

The overwhelming feedback from employers illustrates their extreme frustration with the Fund's complete lack of service and competence.

Having perused hundreds of complaints, the Fund's level of competence can be best described by this statement from a very frustrated employer: "...documentation being lost for the third time. The incompetence, unhelpful, inefficient display by

the COID (Compensation for Occupational Injuries and Diseases) together with the inability to comprehend and address an issue".

Apart from the fact that billions of Rands are fed into the coffers of the Compensation Fund, without any service in return, the inefficiencies of the Fund have a direct impact on the operational abilities of employers. The fact that businesses lose contracts because 'certificates of good standing' cannot be obtained from the Fund and medical practitioners refuse to treat injury on duty claims as a result of non-payment of the Fund, are just two examples. There are a host of others.

It is clear that there is a total regression of the Compensation Fund into a dysfunctional, non-accountable shell of its former self.

Despite NEASA's attempts to engage offi-



cial at the highest levels of government regarding the myriad of issues plaguing the Workmen Compensation Fund, our pleas have seemingly fallen on deaf ears as the situation is clearly not improving.

Notwithstanding the fact that the previous correspondence directed at the Minister has gone unanswered, we again escalated the matter to the Minister.

The fact that the Department of Employment and Labour has neglected to engage on this matter, prompted us to ventilate the crisis in the public domain.

# Is your supplier a partner in the running of your factory?

**Heinrich Vollgraaff, Sales Manager at NDE Stainless Steel Western Cape shares his advice.**

RUNNING a factory or plant is not an easy task, with all the realities of fixed costs, maintenance, breakdowns and capex expenditure. Helping buyers and project engineers navigate through these issues should be the main focus of every supplier.

A supplier who builds long term customer relationships has to operate as a business partner, understanding issues faced by their customers and offering solutions.

NDE has been in the marketplace for many

years and we know a lot about the 'supplier as business partner' relationship with customers, so I want to offer some advice in unpacking some of the challenges, drawn from our experience with customers in one of the important industries we serve, the hygienic industry.

Buy cheap, pay later. At the beginning of the financial year project managers and buyers often want to accept and settle on the lowest price. This could simply be the supplier with the lowest price or, in the hygienic industry, an example would be substituting PVC pipe for stainless steel dairy pipe.

Yes, the price of



**Heinrich Vollgraaff, Sales Manager at NDE Stainless Steel.**

UPVC pipe is much lower than dairy pipe BUT:

- the life cycle of dairy pipe is far, far longer;
- the hygiene of dairy pipe is far, far

- greater;
- with dairy pipe you don't have to worry about leaching, discolouration or downtime cost every time that you have to replace the UPVC pipe.

So the cost in the long run will far outweigh the short term saving.

## Breakdowns and the value of a committed supplier

Which brings me to the breakdown cost. Stopping a production line is costly. Aside from the lost revenue of downtime, there is the cost of time, parts, petrol and labour to fix the line.

So the fewer the breakdowns the better and the shorter any breakdown even better. Your supplier can offer major support to shorten breakdowns by carrying a wide range of stock that is always available. After hours service is crucial.

Back up with technical knowledge is also part of a package suppliers should offer. In fact, if buyers and project engineers could steer away from the urge to buy on cost only up front and take into consideration the technical advice of their trusted supplier, breakdowns could be significantly reduced or even prevented. So suppliers must be vetted by factory buyers and managers to make sure they offer proper support.

When the supplier has insight into your factory they can make recommendations about alternative solutions, guaranteeing less downtime and headaches. This advantage normally comes with

years of experience and employing knowledgeable people.

At NDE we pride ourselves on the fact that we have been supplying stainless steel and corrosion resistant solutions with professional service to a wide range of hygienic industries - including wine, food, beverage and pharmaceutical - for the past 30 years. During this time we have forged relationships and participated with our customers in the building of many plants and a lot of equipment that has stood the test of time - which translates into the significant savings for our customers of lower maintenance and minimal breakdowns.

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# Tax-Shielding Hotel Investment opens in Cape Town



THE 10-year old 5-star Pepper Club Hotel in Cape Town's CBD is the focus of a Section 12J investment fund launch by Pepper Club Hotel Investments (Pty) Ltd, administered by Grovest Corporate Advisory.

The hotel, located on the corner of Pepper and Loop Streets has been successfully operated by SBG Hospitality and has been the winner of numerous hospitality awards over the years.

Solomon Brothers Group of which SBG Hospitality is a subsidiary, are a forty year old diversified real estate, investment and development group, spearheaded by directors David, Irving and Jeffrey Solomon, all of whom were the founding directors of Cape Town's Central City Improvement District and served on the boards of two JSE-listed REITs (Real Estate Investment Trust).

"Pepper Club Investment fund is the only one of over 170 registered Section 12J funds that owns a 5-star hotel as its underlying asset and our intension is to raise approximately R300m, or two-thirds of the property value, through an attractive offering to investors which employs the tax benefits of a Section 12J Venture Capital Company listing" said director Jeffrey Solomon.

Partners in the investment fund are Grovest Corporate Advisory who pioneered the first Section 12J fund in 2014 and today administer over 40 funds with a total current investment value of over R1,4 billion.

## The Investment

The investment is 100% tax deductible and requires a five year minimum hold. Investors subscribe for shares and receive a share certificate as well as a Section 12J tax certificate, which is submitted with the Investors tax return (instead of a tax payment).

Any unused amount of the Section 12J tax certificate may be deducted in the following year and an investor recovers 45% of the investment from SARS (assuming a tax rate of 45%), either as a

deduction from tax payable on 29 February, or as a refund of tax already paid.

This tax recovery becomes the investor's down payment on the shares in the Venture Capital Company (or VCC), Pepper Club Hotel Investments (Pty) Ltd, which owns the un-bonded hotel property and its business operations.

The minimum investment is R1m with a maximum of R2.5m for individuals (and trusts) and R5m for companies per tax year. There are no capital raising fees, so there is a 100% allocation of the investment funds into the hotel assets.

## Guaranteed Minimum Yields

"We are guaranteeing a minimum average yield of 7.6% pa for the first 5 years, which equates to 13.9% pa on the net cost of the investment (net of the tax recovered by the investor), with a projected yield in year 6 of 17.4% on the net cost (pre-admin fees and taxes). In the unlikely event that the minimum return is not achieved, the parent company guarantees the shortfall to the investors. As a bonus Life-Style return, investors receive six free room-nights pa per R1m investment!" explained Solomon "which equates to an extra shadow return of 3.8% pa"

## No Cash Out-Lay Finance Facility

A major investor incentive is the no-cash outlay finance facility, bearing interest at prime. Investors may make use of a 45% "Bridge Loan" for the down-payment (repayable on 30 September 2020 from tax monies recovered from SARS) and a 55% "Term Loan" repayable (with interest, less guaranteed dividends) at the end of the five-year term. So, no loan service is required from the investor at any time during the 5 year minimum hold period.

## Exit options

"Should an investor decide to exit the fund, there are a number of options:

- Guaranteed Buy-Back

(Investor may exercise a Put Option)

- VCC lists on JSE ALTX - investors shares become publicly tradable
- VCC takes mortgage on the hotel property and distributes the capital to investors (to re-pay their Term Loan)

- VCC sells the entire hotel to a large single investor or hotel group Or, simply hold and reap long term benefits of growing income and free room nights.

CGT (at 18%) is only payable if an individual sells his shares. Companies may, however, exit free of CGT after 5 years" he said.

## Management fees

"VCC companies often demand high fees – typically 2-3% pa, plus performance fees of 20%.

But, our fees are only 0,5 % pa with a 10% performance fee (thereafter pro-rata to shareholding), which makes our fees the lowest of any 12J investment in South Africa", added Jeff Solomon.

## Conclusion

"So, with a fund that is 100% tax deductible, requires no cash outlay, offers guaranteed minimum returns with a guaranteed buy-back, a 100% investment allocation (no capital raising fee) and free bed nights, we're confident of an extremely positive reaction from investors" enthused Solomon.

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# Getting it right

SELECTING a high speed door is not all that simple. It requires significant product and applications knowledge to ensure the appropriate solution is chosen for a specific operation.

Wim Dessing, sales executive at Apex Strip Curtains, highlights that incorrect selection can impact on the efficiency of an operation and lead to additional costs being incurred.

"Factors such as size of opening, frequency of opening and closing and the volume of vehicular traffic must be taken into consideration," he explains. "Purchasing a high speed door is not about selecting something from a catalogue during a quick office meeting. It is essential that a company with the correct level of knowledge does a comprehensive application-specific assessment and then presents the best overall solution."

Fast opening and closing actions of the Apex high speed door not only improves productivity levels, but also enhances supply chain activities. These doors do not hinder personnel, forklift or vehicular traffic and, depending on the actual operation, can be either automatically or manually controlled.

Dessing says that, in addition to selecting an appropriate high speed door solution, it is also

essential to deal with a company whose products are manufactured according to high quality standards and will stand the test of time. Apex Strip Curtains undertakes thorough quality testing of all working components of the high speed doors it supplies and this ensures complete customer reassurance.

The electronic units of the Traffic and Sector high speed doors, which form part of the company's range of solutions, comply with all IEC regulations and can be activated by any type of remote control equipment including photocells, pressure sensitive mats, movement detectors or induction loops. The counterweight balancing system is designed for high standards of performance and safety as well as fast semi-automatic re-opening. The built-in automation unit protects the components from wear caused by the elements.

For the safety conscious business, the high speed doors available from Apex Strip Curtains feature a proximity sensor. This ensures that these high speed doors will not accidentally close while a vehicle or person is positioned in the open doorway.

In instances where doors need to be opened for short periods of time to allow



*Apex high speed doors offer optimum solutions which will enhance operations in manufacturing and warehousing facilities.*

the passage of vehicles, the Apex Traffic high speed door is the best option. This door is ideally suited to outdoor access applications in shipment areas and warehouses. Available in sizes up to 8 000 mm wide and 8 500 mm high, the door is a robust and aesthetically pleasing solution for medium and large entrances.

Standard Apex Traffic high speed doors can resist wind speeds of up to 50 km/h although a custom model which can withstand winds up to 90 km/h is also available. The material of construction is a strong self-extinguishing Class 2 fabric with excellent thermal insulation properties with a supporting structure made from high quality galvanised steel.

Vision windows can be incorporated into the panels.

Installation is quick and easy as all the electrical drive gear and a special mechanical counterbalancing system is housed within the support structure. Doors are fitted with a safety release lever that opens it from either side in the event of a power failure or malfunction.

The fast acting Sector high speed door uses the same exclusive counterbalancing system as the Traffic door, and also has an extension spring activated by a release lever to facilitate semi-automatic re-opening. This door is compact, structurally flexible and has interchangeable transparent or coloured panels.

# African Energy Indaba

THE 12th Africa Energy Indaba and the affiliated side events, will take place from 2 – 4 March 2020 at the Cape Town International Convention Centre. The Exhibition and Conference provide an opportunity to participate in an integrated platform committed to creating business opportunities and energy solutions across the African continent.

The Exhibition will feature 200+ par-

ticipating exhibiting companies, providing attendees with the opportunity to source products, find new energy technologies; meet with existing clients, whilst creating new business partnerships across three days of industry networking.

The Conference will feature two dedicated discussion tracks, setting the stage for key & relevant conversations that will promote renewable, alternative and affordable energy

solutions across the African energy value chain. The conference will include:

- A three-day Strategic Conference featuring African Energy Ministers, senior decision-makers and industry thought leaders
- Free-to-attend Knowledge Hub Sessions showcasing technical presentations and industry knowledge hosted in the Exhibition Hall.

Learn more: [africaenergyindaba.com](http://africaenergyindaba.com) / Email: [info@energyindaba.co.za](mailto:info@energyindaba.co.za)

## Africa's first lithium ion battery mega-factory

OVER 70% of sub-Saharan Africa has no access to a reliable energy grid. This lack of energy is directly linked to low levels of industrialization and unemployment, and as a consequence, dire levels of poverty. Since there is a direct correlation between economic growth and a reliable energy supply, Africa desperately needs an energy supply that is accessible, reliable, efficient and clean.

Speaking at the 2019 Batteries and Electric Vehicles conference in South Africa, Nechan Naicker, the founder and CEO of The Megamil-

lion Energy Company emphatically announced: "Africa's time has come. The Megamillion Energy Company will be Africa's first large-scale producer of lithium ion batteries, making lithium ion batteries in Africa for Africa's benefit first." Producing lithium ion batteries on African soil makes absolute sense. After all, all the critical minerals used in them such as manganese and cobalt are found abundantly in Africa. "It doesn't make sense that if sub-Saharan Africa has over 80% of the world's manganese, over 60% of the world's cobalt, the world's largest

reserves of Fluorspar that the lithium ion battery value chain is not localized on African soil," says Nechan. "Furthermore, localized minerals beneficiation and cell manufacturing will result in a lower overall cost of batteries, encouraging a greater penetration of affordable energy storage solutions throughout Africa.

Commencing in 2020 with a 20 000 m<sup>2</sup> pilot plant in the Coega Special Economic Zone in the Eastern Cape, The Megamillion Energy Company will construct a scalable world-class 0,2GWh manufacturing facility capable of producing about 10 million lithium ion cells per year. "The main focus initially will be to produce affordable cells that can be used in energy storage systems throughout Africa," according to Nechan. "Working with technology partners and pioneers of the industry from Asia, the master plan is to scale up to a final factory output of 32GWh of cells per year by 2028, capable of producing cells for both the energy storage and electric vehicle markets."

Over 400 hectares of special purpose land is made available in Coega by the Department of Trade and Industry to accommodate the lithium ion battery value chain. This includes making the battery powders for Nickel-Manganese-Cobalt and Lithium-Manganese-Oxide battery chemistries, manufacturing individual cells, assembling battery packs, as well as recycling the end-of-life battery products. According to Nechan, "over 3 000 sustainable new upstream and downstream jobs will be created, further benefiting the region's socio-economic landscape."

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# Drakenstein Municipality ranked #1

STRIKING a fine balance between sound cash-flow management and expenditure on progressive infrastructure investment, Drakenstein Municipality in the Western Cape has officially been rated by National Treasury the Number One most financially healthy city in South Africa and in the Western Cape.

The Municipality – a secondary city covering Paarl, Wellington, Mbekweni, Hermon, Saron, Gouda and Simondium – tops the list of South Africa's 27 municipalities with the largest budgets. These municipalities include the country's eight metros and 19 secondary cities. Drakenstein Municipality is followed by the Steve Tshwete Municipality (Mpumalanga) in second place, and George Municipality (Western Cape) and Emalahleni Municipality (Mpumalanga) jointly in third place. Last year Drakenstein Municipality shared the top spot with the City of uMhlathuze (Richards Bay).

In the Western Cape – once again the top-performing province – Drakenstein Municipality also continues to make its mark, achieving the first place among the province's one metro and three secondary cities. George Municipality claimed the second place, while the City of Cape Town and Stellenbosch Municipality share the third place.

Treasury has rated South Africa's metros and secondary cities, as well as 186 local municipalities and 44 district municipalities – in total 257 municipalities – on a series of indicators.

"This is a remarkable achievement and we are honoured to officially be recognised by National Treasury in this manner.

"We also apply zero-based budgeting principles, which is sound financial practice that enables the Municipality to review tariffs, revenue and expenditure, and to ensure that our budget is credible and focused on the service delivery needs of our community."

We believe effective, responsible financial planning and budgeting; clean governance; high levels of execution; and a zero-tolerance approach to corruption are what gives Drakenstein Municipality the competitive edge when it comes to financial management," says Alderman Conrad Poole, Executive Mayor of Draken-

stein Municipality.

Municipalities in South Africa in general face revenue and funding challenges. Water scarcity forces consumers to use less water and in turn shrinks municipal revenue, while exorbitant Eskom tariff increases and disruptive load-shedding encourage consumers to turn to renewable energy,

again effecting municipal coffers. In addition, land invasion, urbanisation and worn infrastructure challenges put pressure on scarce available resources, of which limited amounts are received from government. Stimulating economic growth through investment in bulk infrastructure and housing supply, in an economy that

has slowed down over years, requires a fine balancing act.

While facing these challenges, Drakenstein Municipality honours its commitments and pays its creditors within 30 days of receipt of invoices. The Municipality implements cost containment measures and ensures it has good record-keeping and

auditing systems in place.

"We also apply zero-based budgeting principles, which is sound financial practice that enables the Municipality to review tariffs, revenue and expenditure, and to ensure that our budget is credible and focused on the service delivery needs of our community. It also empow-

ers the Municipality to continue to build a city of excellence for the larger Drakenstein community and improve the quality of life of our residents," concludes Executive Mayor Poole.

Drakenstein Municipality is the largest municipality in the Western Cape outside of the City of Cape Town.

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## Nine drives supplied to copper-mining project in the DRC



One of the nine-drive package units supplied to a greenfield copper mine in the DRC.

SEW-EURODRIVE has supplied a comprehensive drive package to a major greenfield copper-mining project in the Democratic Republic of Congo. The package comprised nine drives in total, of which the five main 500 kW drives weighed 12 t each. The remaining four consisted of two 90 kW drives on the decline sacrificial conveyor, and two 30 kW drives on the tip-truck sacrificial conveyor.

SEW-EURODRIVE

received the initial inquiry in August 2018. The final units were delivered to site in September 2019, followed by installation and commissioning, Project Sales Representative **Thato MR Sookane** explains.

Due to the hot and humid conditions near Kolwezi, the drives had to be installed with:

- thermal sensors to monitor the input and output bearing temperature, and the oil sump tem-

perature

- positioning sensors in addition to cooling units due to the size of the drives, and

- sun covers to protect the surface of the drives from the worst of the harsh sunlight.

“The fact that this is a new mine means there is significant scope for our further involvement down the line,” Sookane comments.

## Premier mohair sock maker readies for export growth

A manufacturer of mohair socks, Cape Town-based Cape Mohair, is positioned for export-led growth following an innovative deal that addressed its need for new machinery and extra working capital.

The firm is the latest in a long list of local small, medium and micro-sized enterprises (SMMEs) to benefit from the popular section 12J tax incentive scheme.

“Our acquisition of a 46% interest in Cape Mohair is one of many investments aimed at generating long term shareholder value by matching capital with carefully-selected business opportunities,” says Neill Hobbs, co-founder at Anuva Investments. The section 12J compliant venture capital company paid for its stake in Cape Mohair with a combination of cash and assets, chipping in new working capital alongside ‘state of the art’ sock machinery bought out of a competitor firm’s insol-

venty.

“Anuva initially approached us to manage the sock plant they had purchased out of the Impahla liquidation,” says Denys Hobson, founder of Cape Mohair.

“It soon became clear that ‘moving’ our sock manufacturing operations into the newer plant made business sense, despite the respective product ranges and target markets being different”. He adds that the timing of the transaction was perfect: “Our Epping factory had become too small for our needs, while the Impahla plant had loads of spare capacity”. A deal was accordingly structured and Anuva became a shareholder in 2017.

The focus, post-acquisition, has been on exiting unprofitable retail contracts, repurposing the new plant and machinery for high-end sock manufacture and expanding the Cape Mohair product range. “We want to grow off our current

base into the high-end of the market where we see a lot of potential, especially in exports,” says Hobson. “Any bottom-end, high volume business that we retain is simply ‘filler’ to ensure that we fully utilise our manufacturing capacity”.

Hobbs notes that the Cape Mohair acquisition illustrates the versatility of the section 12J scheme in structuring innovative business deals. “In this case our section 12J investment was made in support of a company that was already in the sweet spot, we contributed much needed working capital and ensured that Cape Mohair was adequately capitalised for its immediate needs”.

Cape Mohair has come a long way since its humble beginnings as a small-scale mohair sock manufacturer based in Epping, Cape Town 25 years ago. Today it operates from ‘state of the art’ facilities in Elsie’s River and supports 130 jobs in the extremely competi-



tive clothing manufacturing industry.

The product range has grown to include leisure socks, medical socks and outdoor sport and adventure socks – each made from different combinations of bamboo, cotton, mohair and wool fibre.

“The star in our portfolio is our Medi Sock range which is made from a mix of bamboo and mohair fibres,” says Hobson. “They are leisure socks that are popular with people who struggle with diabetes, poor circulation or concerns over foot infection”.

## Leak detection for boiler tubes keeps the lights on

WHILE we experience regular power outages – often blamed on power generators being shut down due to boiler tube leaks – a well-established and proven solution is provided by RTS Africa Technologies – who are accredited agents and service engineers for Procon Boiler Tube Leak Detection equipment – based in the UK.

The well proven Procon technology offers an effective system that can detect leaks that may occur in boiler tubes – long before they grow to the point where they cause a tube burst that will result in the boiler having to be shut down. When this happens at

one of the large new power stations, a shut down immediately removes 800 MW off the grid. A leak in a boiler tube can start as small as less than 1mm – and remain an undetected problem for an extended period of time.

Of course, it is not only at power generation plants that Boiler Tube Leak Detection offers advantages. Many industrial plants operate large boilers that are critical to maintaining the plant processes. When their boilers experience a tube leak, this can even lead to a complete plant shut down, resulting in significant loss in production and

revenue.

Procon Boiler Tube Leak Detection systems provide a continuous diagnostic tool that enables plant operators to identify and locate a leak, long before it results in an un-planned shut-down. Maintenance crews than have the opportunity to locate and repair the leak during the next scheduled shut down – avoiding loss of generation capacity at crucial times.

The system consists of a series of specially designed microphones (acoustic sensors) that are installed at strategic positions around the boiler. Procon’s many years of experience enable them to

recommend the optimum number and position of microphones on any particular boiler. These sensors are tuned to detect the particular sound frequencies emitted by a steam leak. The audio band sound pressure waves from inside the boiler pass along the acoustic waveguide which functions as a ‘listening tube’ where they are detected by the Airborne Transducer mounted at the end of the waveguide. The Airborne sensors can detect a 1 to 2mm hole at 10 m in clear space. All transducers contain a sound, or vibration, generating element to enable on-line functional tests to

be made by operational staff from the control room. This feature is unique to the systems offered from Procon.

The signal from the microphone is converted into a 4 -20mA signal which is sent to the central diagnostic console. A bar graph display provides individual sound level indications for each sensor on the monitor screen, up to a maximum of 48 channels. A boiler diagram [Mimic] is provided on the monitor screen to show the location of each sensor on the boiler.

The operator may interrogate the system via a Keyboard/Mouse terminal to change the display page to select:

- Bar Graph Display with alarm messages.
- Boiler Mimic Diagram with alarm messages.
- Signal Trend Display, 10 min to 60 days period [up to 8 channels].
- System Test with alarm legends.
- Frequency Spectrum.

It is important to note that the Procon Boiler Tube Leak Detection system is a diagnostic tool that needs to be continuously monitored and interrogated. The system is readily accessible and a designated operator can easily observe a rising sound

trend on one or more channels which enables this data to be logged and used to locate the leak at the next shut down. If the leak has existed for some time, the origin can be traced on the Signa Trend Display.

RTS Africa Technologies can provide the complete package – including initial design, installation, training, and on-going support.

At this time, Procon Boiler Tube Leak Detection equipment is installed at both Medupi and Kusile power stations and some years ago RTS Africa carried out a full installation at Arnot Power Station in Mpumalanga.

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# Portable LED lighting

WITH the enormous investment placed in large open-pit mines, the pressure is on these operations to produce. Inevitably, this dictates that they work around the clock. However, working at night does present some very real potential safety hazards which are not present during the hours of daylight.

Rand-Air has the solution in its portable LED lighting units, according to Fleet Manager, Craig Swart.

“As these units are fitted with LED bulbs, they are remarkably economical and will run for days without requiring refuelling or any other attention. In addition, modern LED bulbs last longer and fail less often than their earlier filament counterparts, and can handle harsh mining conditions without burning out prematurely,” Swart explains.

As the diesel engine, generator and lighting tower are all contained



on a single trailer, there are no trailing cables to either get cut, damaged or trip over. Furthermore, as they are mounted on a robust trailer, moving them to new positions as mining shifts in the pit, takes a matter of minutes.

Rand-Air lighting units are all manufactured by world leader Atlas Copco and, as such, these units

deliver the most cost-effective, lowest maintenance service.

Rand-Air lighting units are available for short-term hire, as well as via the company’s long-term rental scheme which allows customers to take advantage of considerable cost savings.

“In the past couple of years, our portable lighting units have

been a boon to the surface mining industry. With proper lighting, workers can concentrate on getting the job done and being more productive, but in a well-lit and therefore far safer environment. In a nutshell – and true to our Rand-Air business ethos - we always place our customers in a ‘favourable light’,” he concludes.

# Take the guesswork out of carbon tax compliance

“AS the world’s 14th largest emitter of carbon dioxide, South Africa has an urgent responsibility to drive a positive response to climate change by striving for a lower-carbon economy,” explains Francois du Plessis, Operations Director at EDS Systems.

“With the Carbon Tax Act, if the activities of companies in certain industries result in emissions above the legislative threshold, they are liable to pay carbon tax,” du Plessis notes. “It is therefore crucial to have access to a tool that assists businesses to monitor and understand their carbon emissions in order to reduce them.”

### Carbon tax analytics tool: driving a carbon-conscious mindset

Essentially the Carbon Solution is a cloud-based

system that enables organisations to ‘plug in’ their emissions or process data in order to produce a report that breaks down tax liability into the relevant emissions sources.

This provides visibility into a business’ carbon emissions across the entire organisation. Once, the tax liability status has been determined, the tool calculates a carbon tax liability amount, taking into consideration any offset reductions.

Du Plessis adds, “The beauty of the solution is that it is so simple. All it takes is someone to input data, and the rest is calculated and automated,” he continues.

“Training is provided to in-house resources if businesses wish to manage the solution themselves. Alternatively, the solu-

tion can be offered as a holistic service by 5Inc.”

A tool that is 100% South African

Intended to reduce the administrative burden of compliance measurement and reporting, the solution is designed for local conditions, developed wholly in South Africa for South African businesses.

“We’re confident that this carbon analytics tool is the perfect solution for companies that realise it’s time to shift to a more carbon-conscious mindset, regardless of industry.

Why? Because the cost of ignoring climate change will be far higher than the cost of reducing emissions through legislation such as The Carbon Tax Act,” du Plessis concludes.

# Fully automated cranes at Marikana



Factory floor at Condra’s Johannesburg works.

CONDRA has announced a fully-automated overhead crane capability, simultaneously revealing details of its first delivery of this type of technically advanced machine to Lonmin’s Marikana mine.

An alternative to traditional pendant and remote control, full automation is in line with a general trend away from manual control in industry and mining.

Condra’s managing director, Marc Kleiner, said that the company was making full use of new developments in sensors, controls and software to offer a very precise positioning capability in automated applications.

“This is a capabil-

ity that we will offer to our customers as an option,” Kleiner said.

“We will mainly but not solely target the copper mines, especially tank house and copper-leaching applications where we have extensive experience.”

Condra’s announcement follows the steadily increasing sophistication of its semi-automated installations, which began in 2003 with a grabbing crane installed at a Durban spice company to pick spices and transport them to specific points for release over hoppers servicing the blending and packing operations.

At Lonmin’s Marikana platinum mine, the fully-automated machine just installed,

is a 16 t, 16 m span double-girder electric overhead travelling grabbing crane, featuring a customer-specified mechanical rope grab in place of the hydraulic alternative to deliver the improved durability of mechanical operation within Marikana’s abrasive operating environment.

The new crane is programmed by an operator from a remotely located control room, where on-screen monitoring is complemented by a visual monitoring capability via closed-circuit television.

There are dual hoists in the design; one to raise and lower the load, the other to mechanically close

the grab by means of an internal sheave arrangement to overcome the spring-loaded open state.

Variable speed drives are fitted throughout the crane, delivering maximum speeds of 10 m/min on the lift, and 20 and 40 m/min on the cross-travel and long-travel respectively. Four long-travel motors deliver the materials handling equivalent of four-wheel-drive, enabling automated control of all four wheels for precise crane positioning accurate to within 5 mm.

The crane is fully automated with a manual override.

Condra’s fully-automated option applies across the company’s product offering of single-girder and double-girder overhead travelling cranes, gantry cranes, bridge cranes and cantilever cranes for markets worldwide.

These machines go up to heavy duty Class 4, with a tight focus on product quality and reliability to the standards of ISO, GOST and other internationally recognised quality control bodies.

Two lines of hoists are manufactured in a number of standard models suited to most mining, industrial and general applications, from 1 to 500 tons.

# Lead in paint - 10 years on – still no action



IN 10 years, the SA government has still not prosecuted a single company for producing paint with hazardous lead levels, Deryck Spence, executive director of the SA Paint Manufacturing Association (SAPMA), has stated.

Spence’s observation marks International Lead Poisoning Prevention Week starting on October 20, an awareness week introduced by the World Health Organisation to try to reduce the number of fatalities from lead poisoning. The WHO has estimated that 143 000 people died from this last year with leaded paints a major contributor.

Spence says, for SAPMA, every week is lead poisoning prevention week - but the government does not seem to share SAPMA’s concern for prompt action.

“SAPMA has been trying since the promulgation of the Hazardous Substances Act pertaining to lead in paint back in 2009, to have the SA Act amended from the

present 600ppm lead in paint to the WHO-UN’s Global Alliance and IPPIC (now the World Coatings Council) internationally-accepted levels of 90ppm.

“With this objective in mind, the SA Department of Health formed a Technical Working Committee in April 2018 with members drawn from the DoH, the Department of Environmental Affairs, Department of Trade & Industry and the SA coatings industry represented by SAPMA and the Chemical and Allied Industries Association.

“The original objective was to amend the existing Act before the general elections in May 2019, but it soon became evident that this target would not be met because of the demands placed on the coatings industry to comply with measures that will result in severe financial burdens that include the changing of all labelling on packaging, tests to be conducted by accredited

laboratories before paints can be sold, and affidavits by manufacturers for each batch produced.

“These draconian requirements - during a severe financial downturn - follow a history of absolutely no prosecution by the DoH for companies still using lead-based pigments since promulgation of the Hazardous Substances Act in 2009. To aggravate the situation for SAPMA members who are operating on a reduced lead content / reduced profit basis, there is still a continuous flow of imported, cheap paint products from China and other Asian countries landing on our shores – all with questionable levels of lead,” Spence states.

He says, despite all these delays and setbacks, SAPMA is continuing its anti-lead quest and is determined to see the reduction of the lead levels of all paints produced in South Africa to less than 90ppm as soon as possible.

## Advanced new range of vertical turbine pumps

STRONG demand for high efficiency vertical pumps has prompted global pump manufacturer, KSB, to manufacture a comprehensive range of advanced vertical turbine pumps for a wide range of applications.

The new "B-Pumps" are multistage vertical turbine pumps with a submerged hydraulic system comprising strong and efficient discharge casing assemblies, column pipes and pump bowls in the assembly. Depending on the size and application required the new range is available in 17 sizes with three different impeller types.

According to KSB Pumps and Valves regional sales manager for Sub-Saharan Africa, David Jones, the pump sets cover heads of up to 200 metres and flow rates of up to 720 litres per second with anything from one to 25



*KSB's new B-Pump series is suitable for a wide range of above-floor or underfloor discharge applications.*

stages. Stage casing diameters range from 152mm to 610mm with various designs allowing above-floor or underfloor discharge. B-Pumps can be driven by vertically mounted electric motors or via a right-angle gear with a horizontal diesel engine

or electric motor. The maximum permissible speed is 3 500 r/min.

A wide range of materials can be specified including standard grey cast iron and steel derivatives or special material including stainless steel, duplex and super duplex stainless steel or customised materials.

Internally the pumps have intermediate pump shaft bearings which are lubricated by the fluid handled, or may be fitted with an external lubrication supply.

Externally, the casing is designed for a pressure of 16 bar; the discharge flange dimensions are compliant with DIN, BS and ASME standards. On request pressure ratings above 16 bar can also be supplied. The maximum temperature of the fluid handled should not exceed 105 C.

## Enhanced maintenance with adjustment technology

RECOGNISING that throatbush wear rate has a major impact in the overall efficiency of slurry pumps, Weir Minerals has developed superior rotating and axial adjustment technology.

In many applications, the pump's throatbush is the component that has the shortest life compared to the impeller and liners, with considerable variability.

Adjusting the gap between the throatbush and the impeller front shroud reduces hydraulic recirculation in the pump. This prevents localised wear on the throatbush, improves hydraulic efficiency and lowers the total ownership cost for the operator. To avoid impacting the plant's production, these adjustments are often performed while the pump is operating. However, this can have safety implications for

individuals working at the front of the pump unit.

"Manually adjusting an alloy throatbush on a large pump requires several people and is labour intensive. It requires mechanical tools to adjust the four pusher bolts, one at a time, in order to reduce the gap between the throatbush and impeller. We wanted to find a safer and quicker way to extend the wear life of the pump with regular adjustments, which led us to development of this technology," states Marcus Lane, Global Product Manager for Centrifugal Pumps for Weir Minerals.

"Our automated throatbush adjustment solutions are available for pumps fitted with either rubber or alloy throatbushes on Warman slurry pumps used in the most arduous applications. By mechanising the adjustment procedure, personnel are removed from the line of fire, and the accuracy of axial movement is increased," states Ron Bourgeois, Director of Slurry Pumping Technology Group for Weir Minerals.

Weir Minerals' automated adjustment systems speed up the process, allowing for more

frequent adjustments with minimal effort. When maintaining an alloy throatbush, all four bolts are adjusted at the same time to ensure even adjustment and accurate positioning, improving the wear life of the throatbush.

Rubber throatbush adjustment is considerably different because it poses the risk of hysteresis and premature failure of the throatbush.

The goal is not to adjust to a minimum clearance but to maintain a standard gap to ensure that there is no contact between the impeller and throatbush, whilst periodically rotating the throatbush face to avoid acceleration of localised wear.

"We developed an automated rotating solution which maintains an optimum gap between the throatbush and impeller front shroud for the particles to flow through without catching and tearing the rubber. The localised surface wear is usually near the discharge position, but by slowly rotating the throatbush, we even out the material loss over the entire face. Field results have been very positive, showing an average of



*Adjustment mechanism reduces throatbush wear.*

40% increase in wear life," states Claudio Needham, Application Engineer for Weir Minerals.

For the smaller Warman® slurry pumps used in medium to heavy duty applications, Weir Minerals offers a single point adjustment mechanism, providing both axial and rotational repositioning. This allows one individual to safely stand to the side of the pump while making the adjustment.

Mining operators who have trialled Weir's adjustment technology have reported improved wear life and safer, simpler maintenance through the process of regular adjustment.

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## Tough new nylon ball and check valves

NYLON ball and check valves designed and developed for irrigation and agricultural applications have been introduced by Incedon.

Featuring a nylon body with a steel ball and stem, Tekflo nylon ball valves are particularly suited for such arduous applications in that they are resistant to hydrocarbons and various harsh chemicals. The valves have a nominal pressure of 1.6 MPa, with a working temperature of -20°C to 120°C, and are available in sizes from 15 mm to 50 mm.

Additional features include a low thermal conductivity, a higher corrosion resistance than traditional metal, a light weight for easy installation, high resistance to freezing and

high temperatures, a high UV resistance, a low material cost compared to brass, and a BSP thread.

With similar features and applications, Tekflo nylon check valves boast a nylon body, a polycarbonate disc, a SS304 spring, a BSP thread, and a working temperature range of -20°C to 120°C. Suitable for use where water is a medium, the valves

are designed to handle a nominal pressure of 1.6 MPa.

Incedon has branches in every major South African city, with a national footprint, including Bloemfontein, Upington, Cape Town, Durban, East London, George, Johannesburg, Mbombela, Polokwane, Port Elizabeth, Secunda and Rustenburg.



# Pumps match consumer appetite for superfoods



MASOSINE Certa pumps from Watson-Marlow Fluid Technology Group (WMFTG) are up to the challenge when it comes to the transfer of viscous foods such as guacamole, a popular dip or spread for Mexican food. Guacamole is both thick and contains solid pieces of avocado, neither of which are problematic for Certa sine pumps thanks to their effective yet gentle handling capabilities.

As well as delivering high suction capability to handle viscous products, Certa pumps offer many further advantages over alternative technologies. Unlike traditional pumps with rotors that cut through the fluid, Certa's sinusoidal rotor gently carries fluid through the pump to dramatically reduce shear. In addition, energy consumption is cut by up to 50% when handling high-viscosity foods such as guacamole.

In short, the benefits and performance levels delivered by proven MasoSine sinusoidal technology include virtually no pulsation, superior viscosity, simplicity, reliability, energy efficiency, interchangeable parts and low cost of ownership. Fully CIP-capable, Certa pumps can transfer foods with viscosities of up to 8 million cP, at flow rates up to 99 000 l/h.

# Sucker relieves silting



The SlurrySucker cleaning a tailings dam at a chrome mine.

WHEN a chrome mine in the Steelpoort area recently experienced a challenge with a tailings dam overflowing with slurry sediment, it was Integrated Pump Rental and its SlurrySucker Maxi dredging unit that came to the rescue.

"One of our mining customers had a tailings dam that was filled with slurry to over 110% of its capacity and the sediment needed to be removed to ensure optimum functioning of the tailings facility," Lee Vine, managing director of Integrated Pump Rental, explains.

Equipped with 37 kW Bravo 700 Grindex pump, and with

capacity to pump 70 t/h of slurry, the SlurrySucker Maxi operates at an average of about 40% concentration, depending on factors such as the material's specific gravity and how solid the sediment has become.

"The beauty of the SlurrySucker Maxi is that we only need one small area to begin the desilting work," says Vine.

"In this case, we started in one corner of the dam and created a cut by attacking the sediment to create space for more water to re-enter the working area."

He highlights that the mine needed the dam to remain on line during the dredging, so water would continue to enter the pond from

the processing plant. "The SlurrySucker only needs a 400 mm draught of water above the sediment for the floating unit to operate," he says.

"A dewatering pump takes the top layer of water and feeds it down to the dredge-head, where the slurry is agitated so it can be pumped away."

The dredging unit is pulled back and forth across the dam, creating a new cut on each journey by removing a lane of silt at a time.

Despite its capacity of 75 dry t/h, the SlurrySucker Maxi model's compact design makes it simple to move and operate. It measures just 5,4 metres in length and is 2,5 metres wide and 3 metres high.

# Control valves range extended

JOHNSON Controls have introduced a new addition to its line of pressure independent valves that deliver stable temperature flow regardless of pressure fluctuations. The new compact VP140 Pressure Independent Control Valves (PICVs) provide a small footprint valve with robust performance. Its patented cartridge is designed for maximum resistance to dirty water, ensuring performance does not degrade, even in less than ideal water conditions.

Traditional systems are balanced at full-flow positions; however, under actual conditions, pressure dynamics often result in either too much or not enough flow through the coils, even though the valve position did not change. Compared to a pressure dependent valve, the automatic balancing action of the PICV regulates pressure to reduce temperature fluctuations caused by changing load conditions in other areas (zones) of the building. This reduces pumping requirements and lowers demand on the heating or cooling system.

Including a PICV also helps simplify specification. Valves are selected based on the design flow rate of the coil, eliminating the need for sizing based on Cv calculations. PICVs provide the appropriate flow given the load requirement of the coil, which is determined by the actuator position and not the pressure differential seen by the

valve. The PICV also reduces installation and upfront equipment costs by enabling the right-sizing of equipment within the HVAC system.

The PICV combines the function of a control valve, pressure balancing valve and regulating valve into a single valve, eliminating the need for intensive system balancing, while providing the right flow, at the right

time. As additional zones are added, the system can be commissioned zone-by-zone, reducing lifecycle costs by minimizing re-commissioning expense.

For more information on the VP140 Series of Pressure Independent Control Valves, visit <https://www.johnsoncontrols.com/building-automation-and-controls/hvac-controls/valves-and-actuators>.



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## New range of dewatering pumps

ATLAS Copco WEDA 50+ and 60+ dewatering pumps have been designed to provide customers with enhanced levels of performance alongside improved efficiency, hassle-free maintenance as well as augmented capacity.

The WEDA pumps range contains a built-in starter and motor protection system that allows for optional automatic level control. The pumps' smart modular design includes machined slots that allow for the easy separation of the different parts of each pump. All stainless steel bolts and nuts used within the machine are the same size, therefore making it possible to use one effective tool to complete the entire operation. Other standard components include a reinforced cable entry, built-in run capacitor / contactor, an adjustable discharge connection of 90° or 180°, Class F insulated stators with thermo switches in all windings as well as external plug for grease filling.

These pumps have adjustable wear resistant nitrile rubber diffusers and hardened high quality clog-free chrome impellers. Adding to its durability, the machine's light weight and compact design allows for easy transportation, installation and storage in confined areas.

Featuring a low friction sealing system, operators are able to change seals, the impeller and other components within minutes. Maintenance is simple thanks to the WEDA ISP (Instant Service Pack) that contains the seals, bearing oil and oil housing that can easily be changed onsite.

A novel feature across this range is the rotation control and phase failure protection that prevents the risk of the impeller rotating in the wrong direction and in the case of phase failure will halt the pump.

The economical WEDA+ range features a fuel efficient new motor design with greater efficiency and



reduced start current, double row ball bearings with better lifespan as well as new hydraulic ends.

The 50+ and 60+ pumps are offered in a normal head (25m and 30m) and high head (41m and 52) respectively with the 60+ also available in a super high head (76m). The WEDA 50+ features a maximum flow between 1 173 – 2 347 l/min while a maximum flow of between 984 – 2 650 l/min can be achieved with the 60+ pump, accord-

ing to the head size used. The 50+ only requires a maximum power input of 7,5kW while the 60+ pump needs a maximum power input of 10kW. Both units have a maximum solid handling size of 8mm.

With the introduction of the dewatering pump range, Atlas Copco Power Technique added a fourth pillar to its portable energy product offering to bring 360° air, power, light and flow solutions and services to mining and industry across Southern Africa.

## Flow meter for very small quantities

EVEN extremely small quantities of low viscosity and translucent fluids can be reliably measured and monitored with an impeller flow meter. INSTRO-TECH has on offer Kobold's flowmeter DPL, specifically designed to measure and monitor liquids. Its compact design is perfect for use in equipment where space is at a premium. Made of high-grade plastic, DPL has a very low wear-rate, as the rotations of the sapphire mounted impeller are sensed without contact by optoelectronics working with infra-red light.

The connection to the process can be made with hose sleeves or 1/2 "connection threads. With an Enclosure Class of IP 65, the DPL flow meters are ideally designed for rough industrial use on site. There is also a choice of five different measurement ranges from 0.025 ... 0.5 l/min up to 1 ... 25 l/min.



DPL's significant characteristics:

- Linearity:  $\pm 1\%$
- Pressure max: 10 bar; Temp max: 70 °C
- Viscosity range: low viscous
- Connection: G 1/2 male, hose connector
- Material of case: PP
- Output: pulse
- Without magnets or metal parts
- Medium: infrared light transmissivity

DPL finds applications in machinery and plant building, the flow meters are ideal for monitoring or dosing problematic (even non-con-

ductive) media such as distilled water, fuel, alcohol or special chemical compounds. Also, in low viscosity liquids, non-conductive liquids, volume dosing with external electronics, filter aid and the beverage industry. There is a choice of different frequency or analog outputs for measurements. Additional evaluating electronics with analog or digital display or switching outputs round off this comprehensive range.

Contact INSTRO-TECH for more information on 010 595 1831 or sales@instrotech.co.za

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## OEM's switch to smart services – survey reveals

THE European Positive Displacement (PD) pumps market has experienced a surge in partnerships among Original Equipment Manufacturers (OEMs) as well as Automation and IT sectors, according to a Frost & Sullivan Forecast.

In addition to conventional services like pump installation, commissioning, and decommissioning, OEM's now offer Predictive Analytics, Remote Monitoring, and Virtual Maintenance to enable cost savings, boost productivity, and facilitate decision-making.

The rise of cloud technologies, Industrial Internet of Things (IIoT), and synergies between IT and operational technology (OT) companies are enabling PD pump manufacturers to adopt the Software-as-a-Service (SaaS) model," said Srividhya Murali, Senior Research Analyst for Industrial at Frost & Sullivan.

"Using Big Data Analytics, Machine learning, and Sensorization, Smart pumps can help conserve energy by pumping out only the required levels of fluid." Frost & Sullivan's

recent analysis, European Positive Displacement Pumps Market, Forecast to 2022, focuses on the application of PD pumps across various industries.

The Pumps are segmented as Rotary, Reciprocating, and Peristaltic Pumps. The study presents in-depth analysis of the Drivers and Restraints that impact the market as well as the political, economic, and technological factors influencing investments in end-user industries.

"End-user industries' desire for improved hygiene and reduced downtime is especially increasing the uptake of Peristaltic and Rotary Pumps in the Food & Beverage, Biotech, and Pharma sectors," noted Ms.Murali.

"The Market will also gain from the enforcement of the EU2020 strategy, which mandates the use of Energy-efficient pumping solutions. Regulations and the increasing environment consciousness among end-users will cause existing pumps to be replaced with higher-performing, energy-efficient pumps."

PD pump manufac-

turers can tap into additional revenue and adoption opportunities by:

- Pricing their products competitively, as they migrate production to low-cost Asian countries.
- Employing the Cloud to store and access historical data collected from the sensors, equipment, and other assets, and then applying Big Data Analytics to help plant operators make on-the-spot decisions.
- Using secure communication protocols, reliable networks, authorized identification, and latest firmware updates to raise consumer confidence.
- Leveraging modern technologies such as Artificial Intelligence (AI), Digital Twin, Sensors, and 3D Printing to create intricate designs and value-added functions.

For further information on this analysis, please visit: <http://frost.ly/2mb>

## The world's most powerful boiler feed pump dispatched

A boiler feed pump with the largest drive rating worldwide was dispatched by the KSB Group based in Frankenthal in late December 2019. It will be used in the coal-fired power plant Pingshan II that is currently being built in Huaibei, China. The supercritical power station employs a new technology that is said to reach an efficiency of almost 50% at a unit output of 1 350 MW.

The developers designed the CHTD 11 boiler feed pump specially for a maximum inlet temperature of 270°C and a maximum pressure of 520 bar. Two steam turbines drive the pump set. When the pump takes

up operation it will reach an efficiency in excess of 88%, which is a significant increase compared with previous models.

Two booster pumps of the type YNK, also made in Frankenthal, supply the boiler feed pump with the required inlet pressure.

At the KSB site in Shanghai, baseplates, couplings and gear units will be fitted to complete the pump sets.

In addition to the pump package the manufacturer will also supply the valves for the piping of pumps and steam boilers. Commissioning of the power station is projected for 2021.



## Dirty water no problem for pump range

ACCORDING to Henru Strydom, Sykes product specialist at Integrated Pump Rentals, the hardened stainless steel internal components on its range of Sykes auto-prime pumps is a key factor in ensuring their high performance and low maintenance needs.

Strydom points to the tough 316 stainless steel impeller and wear plate construction in the pump range from Sykes, making it suitable for harsh construction, mining and sewage by-pass environments with high water flow and long pipe runs.

"These pumps are at home transferring anything from clean water to slimes, sewage, sludge and liquids laden with solids," he says. "In addition to the robust design of the internals, the priming design is also very user-friendly; our contractor pumps feature fully automatic priming and can run dry for extended periods without damage."

This is achieved by an innovative oil bath mechanical seal assembly that allows priming with long suction hoses and suction lifts of up to nine metres.

"As fluid levels fluctuate, the pump will 'snore' until there is enough liquid for it to fully reprime itself automatically," he



*Hardened stainless steel internal components promise high performance and low maintenance.*

says. "This means that they can be run mainly operatorfree, as the diesel powered units come standard with a minimum of 27 hours of fuel supply – much longer than the usual refill intervals of about 12 hours."

Options are also available on standard models for full plug-and-play automation, in applications where automatic stop and start functions are required to regulate water levels.

Efficiency is also a strong point for Sykes, with an average efficiency across the range of about 78%, while handling larger solids than most other auto-priming units on the market, he says, highlighting the higher shaft stiffness ratios due to an over-designed shaft and bearing housing.

"The construction sector will find the

rental units on trailers particularly versatile and easy to operate, especially as Integrated Pump Rental can provide all the pipework for quick and easy setup as well as lay-flats, couplings and adaptors," says Strydom. "Where a specific application needs a solution to be designed and managed, we also conduct project work to the customer's specifications."

These pumps can be coupled to either diesel engines or electric motors. As the agents for Sykes for the past three years, the company also conducts in-house builds of electrically driven pumps in permanent installations with variable speed drives for lower energy consumption. Its generous stockholdings of wet ends shorten the lead-times on these builds by up to four weeks.

## Plug and socket option extends range

THE Rotork plug and socket option provides further flexibility to the advanced, user-friendly design of IQ3 and IQT3 actuators. Rotork IQ intelligent electric valve actuators are recognised for being technically advanced, robust, reliable and user-friendly. These qualities have now been further enhanced with the option of a bespoke plug and socket electrical connection.

The new optional modular Rotork plug and socket interface provides a fast connect / disconnect option for IQ3 multi-turn and IQT3 part-turn actuators, encompassing 3-phase, 1-phase and DC (IQT3 only) electrical variants and including many actuators with explosion proof EXd enclosures conforming to ATEX, IECEx, CSA and CSAus international standards. The plug and socket terminal cover maintains the integrity of the actuator's double-sealed enclosure and IP68 watertight environmental protection (submersible in 20 metres of water for 10 days).

A plug and socket interface is favoured in some industries for providing quick and easy field wiring and quick removal or interchange of actuators for maintenance and other operating requirements. The Rotork solution provides further flexibility to the advanced, user-friendly design of the IQ actuators. These



include secure Blue-tooth® non-intrusive setting, an informa-

tion-rich display, real-time status reporting and configurable datalogging to provide

detailed analysis of the valve condition and asset management support.

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# New service enables remote performance monitoring in shale operations

EMERSON launches IIoT-enabled Connected Services to support multiphase flow meters in unconventional shale

Oil and gas producers have a new means of optimising wellhead production that lowers operating costs while increasing safety, thanks to a newly launched service from Emerson that leverages cloud-based technologies to remotely monitor flow meter performance at the wellhead.

The Roxar 2600 Multiphase Flow Meter Performance Monitoring service provides operators with actionable recommendations to optimize meter performance and enable proactive maintenance, based on advanced, continuous data collected from an onsite multiphase flow meter and analysed remotely by Emerson's experts.

Specifically, the service delivers performance monitoring of Emerson's Roxar 2600 Multiphase Flow Meters, which have been used in the oil and gas industry for more than 25 years to accurately measure well production rates. The Roxar 2600 Multiphase Flow Meter

platform offers solutions for well testing, unmanned wellhead platforms, production metering, wellhead monitoring, and shale oil applications. Using next-generation network technology, Emerson experts can remotely deliver advanced diagnostics, data interpretation and reporting from the multiphase flow meters on a regular schedule.

As the industry is in the midst of a digital evolution, Emerson is supporting operators in their transition to new metering technologies with remote support. Emerson experts provide guidance, from installation and calibration to data-driven recommendations for optimizing operations. To achieve this, the service utilizes secure connec-

tivity architectures for the safe transfer of data from the flow meter to the cloud where it can be analysed. This enables issues to be identified without having to send personnel to the field and before they become larger problems that impact production. Periodic performance reports, regular ongoing data sharing, and evaluation of meter performance provide operators with a complete overview of operational continuity, while also forming the foundation of a proactive planned site activity and maintenance strategy.

The monitoring of multiphase flow meters is the latest service in an expanding portfolio of remote monitoring solutions for equipment and processes offered

through Connected Services. Emerson Connected Services leverage expertise to improve reliability and performance of critical equipment. Connected Services are Emerson service offerings where data is collected from critical equipment and securely sent to Emerson experts so that they can make actionable recommendations to enable proactive and predictive maintenance. Connected Services leverage decades of Emerson's deep domain expertise, making use of technology to capture data from a variety of devices and deliver it to applications and experts who, in turn, provide valuable insights. The service is part of the company's Plantweb™ digital ecosystem, a scalable portfolio of technologies, software and services that enable significant performance improvement through the digital transformation of operations.

To learn more about the Roxar 2600 Multiphase Flow Meter Performance Monitoring service, visit [www.emerson.com/Roxar2600MPFM-PerformanceMonitoring](http://www.emerson.com/Roxar2600MPFM-PerformanceMonitoring)



# Very low flow liquids and gasses measurement

INSTROTECH is offering Kobold model KDF/ KDG, low volume flow meters and monitors, now available with shorter (90mm) installation length.

The instruments operate on the suspended float principle with a stainless steel ball, and are available in special versions for liquids and gases (air). The devices with stainless steel housing are installed vertically with flow direction from bottom to top via 1/4" thread or hose connection of 8 mm diameter. The needle valve enables an optimal setting of the flow rate. The respective flow rates can be read quickly and easily by a direct view of the measuring tube made out of rugged borosilicate glass.

The version for liquids is available with 11 standard measuring ranges from 0.02...0.25l/h up to



10...100 l/h for water. The KDG with 12 measuring ranges from 2...20 NI/h up to 300...3000 NI/h for standard air can cover many applications. In addition to the standard measuring ranges on stock, the devices can be customized for almost any other media, operating pressure and operating temperature. Optionally fitted with ring type proximity switches, preset flow rates can be remotely monitored from the outside.

The meters with differential pressure

controller, that can be supplied with upstream pressure controller or downstream pressure controller, are a simple and practical way to keep the flow rates constant. In the robust stainless steel housing, a valve with diaphragm made of FPM or FFKM ensures that the flow rate is kept constant in the preset range.

For more information on Kobold's KDF/KDG low volume flow meters and monitors, contact Instrotech on 010 595 1831, [sales@instrotech.co.za](mailto:sales@instrotech.co.za)

# Versatile and low cost pressure sensors

INSTROTECH is offering the compact and versatile type SEN-98/-99 pressure sensors. The tried and tested principle of a thick-film ceramic

measuring cell ensures great reliability. This pressure sensor meets the highest demands by virtue of its robust construction,

overpressure safety properties, as well as temperature stability and good reproducibility. The unit's overload protection limit is dependent on the measurement range, of which there are 31, running from -1...0 bar to 0...600 bar relative pressure or from 0...1 to 0...25 bar absolute pressure. There is a choice of 4...20 mA, 0...5 V or 0...10 V analogue outputs for signal transmission. Fast, on the spot information of the measured pressure is made possible by the practical AUF type plug-on displays. Standard sensors have protection class IP65. The wetted parts are stainless steel, ceramic and sealing material FKM. The SEN-98/-99 is manufactured with an accuracy of 0.5% as standard, an accuracy of 0.25% is available optionally.

The optimum design opens up a wide range of applications for pressure sensors, for example, hydraulic systems, compressors, refrigeration industry, welding, vacuum, water and oil, gases.

For more information on Kobold's SEN-98/-99 Pressure Sensor contact Instrotech on 010 595 1831 or [sales@instrotech.co.za](mailto:sales@instrotech.co.za)

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## Modernisation of storage infrastructure reduces cost and risks

MUCH of the work performed by Bidvest International Logistics (BIL) is data-driven and transaction based and operations are 24/7 due to the nature of the logistics sector. As a result, maximum uptime is crucial, and any downtime equates to lost productivity and a loss of revenue for both BIL and their customers.

Moreover, they are also required to comply with import and export legislation and documentation must be submitted timeously.

“Due to the fact that we were struggling to support legacy technology, this introduced potential exposure. First Technology National (FTN), our preferred hardware and infrastructure provider for the past decade, was the natural choice for an upgrade in order to mitigate this risk. They proposed a new hardware solution that would address all of our challenges and offer a number of additional benefits,” explains Morne Visser, IT Operations and Infrastructure Manager at BIL.

The previous storage solution comprised of a 25U rack of SATA hard drives. FTN provided a modern solution in the form of two storage arrays that featured twice the capacity of the previous solution with



Morne Visser (left) and Soon Broodryk.

an All-Flash Array in a 4U form factor. Subsequently, BIL is now future proofed against data growth and can leverage vastly improved performance.

In order to minimise downtime, FTN performed a side-by-side implementation that only required 3.5 hours of downtime while the database was migrated. This was performed after hours to minimise the impact on business. A top team of engineers was involved to ensure that the project ran smoothly. Moreover, training was performed during the implementation to ensure skills transfer.

“While BIL was originally looking to extend maintenance on their existing hardware, they looked to FTN for strategic advice and we were able to prove the benefits of replacing the current storage infrastructure.

Not only did it make sense to replace the legacy storage devices, but also provided peace of mind for the IT Team to insure uptime. The new storage solution offers higher performance and improved processing speed, enhanced deduplication and compression ratios, all of which will stand them in good stead for future growth and expansion,” says Soon Broodryk, External Account Manager at FTN.

Additionally, BIL is now able to take advantage of dedicated storage for their Enterprise Resource Planning (ERP) solution as well as general storage for all other applications and systems. The new storage arrays also significantly reduce the physical storage footprint, with a cost benefit implication as it requires a smaller real estate footprint and less electricity.

## When choosing a logistics provider, what’s more important: cost or customer service?

Katrina Arabe of Inbound Logistics magazine asked the question—US industry execs reply.

“WITH a tumultuous global economy and trade uncertainties, the most important consideration is value. Can they provide global visibility to your supply chain? Can they help you effectively navigate the ever-changing regulatory landscape?” Park Williams, VP, North America Sales, BDP International.

“Customer service. Simply put—you can win and lose with cost, but you will always lose with poor customer service. A cheap rate still carries a minimum level of service expectations. Without customer service, your rates won’t matter.” Bryce Williford, Senior Director, Commercial Sales BlueGrace Logistics.

“Now is not the time to trade off costs

for customer service. While costs cannot be ignored, with the growth of e-commerce and the heightened expectations of customers, enterprises are leveraging transportation as a competitive weapon, and it is a critical element of the customer experience.” Brian Hodgson Senior Vice President, Industry Solutions Descartes Systems Group.

“Driving costs out of the supply chain is a given when choosing a logistics provider. What’s key is building long-term, mutually beneficial partnerships that deliver efficiency, transparency, and supply chain optimization year over year.” Bill Goodgion, President, Ascent Global Logistics.

“Depends on the mode of shipping, type

of product, and parameters of the move. If you’re shipping LTL or truckload without time restraints, then cost is most important. On the other hand, if you have time restraints or need added attention because of your product, then customer service should be the #1 consideration.” Scott DiCicco, Account Manager, Exline Global Logistics.

“Why not have both? With the volatility of order profiles and the new metric of next-day delivery, it is extremely important you and your selected logistics provider perform a detailed design session to align on the key metrics of success, and on how when volumes go up, so does the price.” Michael Wohlwend, Managing Principal, Alpine Supply Chain Solutions.

“Customer service, especially when an emergency strikes. You want a partner that invests as much time/resources into relationships with customers and partners as it does developing solutions.” Yamini Vellore, CIO & Head of Customer Success, Blume Global.

“Companies shouldn’t have to choose between cost or customer service. With human capital management tools and processes, organizations equip their people managers with tools to monitor workplace productivity and limit overtime, optimizing labor costs and passing the savings on to customers.” Robert O’Dwyer, Logistics Industry Principal, Kronos Incorporated.



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## South African PPE innovator develops spine protection gear



“CURRENT PPE gear on the market includes helmets, safety boots, overalls, and goggles, but none of these offer support to the spine, shoulders, ribs, or kidneys,” explains 23 year old Sello Malinga.

In 2015, Malinga came up with concept of the Spinetector Safety Costume, a safety suit that is used to minimise the impact of injuries sustained by mineworkers, when their upper bodies are struck by heavy machinery or rocks.

“The Spinetector South African PPE innovator developed spine protection PPE gear aims to reduce injuries of the spine,

shoulders, ribs, and kidneys of mine workers caused by heavy equipment or rocks. This will save companies money by reducing the risk of injuries or potential disabilities.”

Malinga developed further developed his concept with the Vaal University of Technology, followed by a prototype development with the Technology Innovation Agency. He is currently in the process of testing the product with the Mine Health and Safety Council

The Spinetector will be made from carbon fibre – a material that is lightweight but has been proven to resist considerable impact.

Weighing only 1 kg, it comprises padding in all the necessary areas of the body, is breathable and allows for natural movement.

### Determined to succeed

Malinga has always had a particular interest in science since he was in school. To that end, he participated in many science expos such as the Eskom Expo for Young Scientist and other educational roadshows.

The inspiration for the Spinetector manifested while Malinga was in Grade 10 in 2013. “Hailing from the mining town of Stillfontein – where we often experienced mild earth tremors – the idea comes as a result of realising that many devastating fatalities occur in underground mining operations,” he says.

However, his humble beginnings meant that Malinga lacked the funds to pursue his love for science at a tertiary level. However, that was

not going to deter him and Malinga decided to pursue a career as an entrepreneurship with the intention of making his Spinetector a reality.

He spent hours in the public library making use of free internet in order to research PPE equipment and common injuries in the mining sector. Subsequently, he developed a concept of his safety gear using recycled materials.

After pursuing various R&D and investment organisations, Malinga got the nod to develop his idea through an award from the Office of the President in 2017.

### Going international

While development and testing of the prototype are ongoing, Malinga is keenly focused on securing funding to develop the Spinetector. He vision is one step closer to reality after he was a winner at the 2019 The SAB Foundation Social Innovation Awards.

Launched in 2011, the Social Innovation Awards invest in sustainable innovative business ideas that can solve social problems. This includes, but is not limited to energy, mining, water, health, education, housing, and food security.

“With the funding, I can now produce 50 samples of my product for technical testing at a lab and practical testing at mining sites. I will then be able to certify the product with the South African Bureau of Standards,” says Sello. What’s more, further investment from SAB will ensure funding for enterprise development for his company.

However, Malinga is not just focused on providing a safety solution for the South African mining sector, rather he wants to present the Spinetector to the International Labour Organisation in the hope that it will make it international best practice when it comes to preventing spinal injuries in

the mining sector.

In addition, Malinga is already making his presence felt on international forums where he hopes his presentations will garner investment interest for the Spinetector.

“I was part of a delegation of young entrepreneurs who travelled to Switzerland in October to pitch to venture capitalists and explore business expansion opportunities in Switzerland and Europe,” he explains. What’s more, last month Malinga was the only person to represent South Africa at the BRICS Young Scientist Forum in Brazil.

### Paying it forward

Once developed, the Spinetector will contribute significantly to the Zero Harm initiative.

However, Malinga is keen to give others from less fortunate backgrounds a chance to be a part of his success.

“Manufacturing the Spinetector means job

opportunities for many young people. Furthermore, I also want to implement a learnership programme to encourage skills development in the PPE industry, he states.

Malinga draws his inspiration from coal mining investor and self-made billionaire, Quinton van der Burg. “I share similar business experiences with him.

He started his business while he was young, encountered several failures with his cellphone business, but he did not quit on his entrepreneurial journey.”

Despite his humble background, Malinga remains determined to provide a sustainable mine safety solution is the near future, proving that with dedication and perseverance, you can achieve success in the face of adversity.

*This article first appeared in Mining Review Africa Issue 12, 2019*

## New GORE® Particulate Hood improves comfort without compromising performance

W. L. Gore & Associates announced its next generation in hood technology with the highly breathable GORE® Particulate Hood GEN2. This enhanced design deliv-

ers improved comfort, certified protection, and long-lasting durability at an affordable price.

The GORE® Particulate Hood GEN2 delivers increased comfort due to higher

breathability, enabling you to wear the hood on the scene longer. Gore’s GEN2 hood exceeds requirements of the NFPA 1971, 2018 Edition for both particulate-blocking

and thermal protection. The hood’s optimized construction minimizes interference with fire site sounds without sacrificing its particulate-blocking performance.

### Comfort

The level of comfort you get from the GORE® Particulate Hood GEN2 has been improved for a more natural feel without compromising protection. Its highly breathable construction helps reduce heat stress, enabling you to wear the hood longer at the fire site.

### Protection

The GORE® Particulate Hood GEN2 exceeds requirements of the NFPA 1971, 2018 Edition for both particulate-blocking and thermal protection. Its innovative design integrates a barrier that blocks more than 99.99 percent

of particles between 0.1 and 1.0 microns in size. It delivers reliable protection throughout the entire hood—blocking smoke at critical seams more effectively than other particulate hoods currently available. At the same time, its construction is optimized to reduce interference with sounds and signals on the fire site.

### Reliability

The exceptionally durable GEN2 hood retains its level of more than 99.99 percent particulate-blocking performance even after laundering. The hood’s unique inspection opening enables you to inspect the entire hood—inside and out.

According to Holly Blake, North American product manager in Gore’s Fabrics Division, the fire industry continues to recognize the need for protection against exposure to fire site contaminants. “In



2017, Gore addressed the vulnerability of firefighters’ head and neck areas by delivering the first hood certified to the NFPA 1971, 2018 Edition’s option for particulate protection.” She continued, “Based on feedback from firefighters, we have improved the comfort of the GORE® Particulate Hood GEN2 with a new design and increased breathability. At the same time we maintained the high level of particulate protection and reliability

of our original hood. To deliver quality consistent with the original hood, we have continued to work with Majestic Fire Apparel to manufacture the GEN2 hood.”

Available in two knit options — Ultra C6 (black) and Nomex® blend (white) — the GORE® Particulate Hood GEN2 is being sold through Majestic Fire Apparel’s dealers.

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# Service and range makes an institution



Starting from a small office in Cape Town CBD, the company name Pienaar Brothers was registered in 1962. Over the years they have grown to one of the largest suppliers of Personal Protective Equipment in Southern Africa. Currently it has 10 branches throughout the Northern, Western, Southern and Eastern Cape and KZN, located in Cape Town (head office), Wellington, Worcester, Saldanha Bay, George, Mossel Bay, Port Elizabeth, East London, Durban and Kathu.

The company – a level 3 BEEE contributor – is proud of its reputation, stock holding and service delivery to its customers. A comprehensive range of personal protective equipment is supplied to a diverse spectrum of industries including Mining, Manufacturing, Oil & Gas, Agriculture, Construction, Fishing and Food industry.

Its mantra is at all times, to strive for on-time, in full order delivery to the customer’s doorstep by well-presented friendly staff via its fleet of 22 highly visible delivery vehicles.



Well trained sales representatives are on the road daily and a friendly and efficient telesales department is on hand should a sales rep be unavailable. For those customers still wanting to walk into a shop to see, feel and touch products, retail outlets are available at any one of its branches.

Over the years Pienaar Brothers developed their own range of products that cater for a number of industries, one of them is the well-known Raven Spectacle range. It also has close relationships with number of international suppliers and provides premium PPE products from 3M, Bova, LeMaitre, Wayne, Neptune, Profit, Uvex, Honeywell, DuPont and CAT amongst others.

Pienaar Brothers recently completed a major revamp of its retail outlet at its Paarden Eiland premises -22 Auckland Street - and invites customers to view its comprehensive range of PPE approved gloves, workwear, safety footwear, eye protection and respirators – all in one modern and accessible retail outlet that provides for all industry.

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OMNIstar-midi illuminates the new sports hall of the German International School Cape Town.

## LED highbay lighting for state-of-the-art sports hall

BEKA Schröder is proud to have supplied the LED highbay lighting solution for the new state-of-the-art sports hall of the German International School Cape Town, also known as DSK.

The new sports hall is one of the most modern and well-equipped halls of the Western Cape, if not country-wide. Some of its key features are: a gallery with space for more than 150 spectators

overlooking a 23 x 44 m court with a clear height of nine meters; two automated curtain walls that divide the main court into three sections, allowing three classes to take place simultaneously;

acoustic panels ensuring that the noise levels meet DIN requirements for acoustics in school sports halls; three basketball, three volleyball and six badminton practise courts while the main centre court offers a handball, basketball, tennis and volleyball court of international size.

The required lighting levels of 900 lux were achieved at very low energy consumption levels.

Such a modern facility called for a high-quality LED lighting solution. BEKA Schröder's OMNIstar-midi was the luminaire of choice, due to its high efficiency. The required lighting levels of 900 lux were achieved at very low energy consumption levels. Further energy savings can be achieved with the installed DALI lighting control system. The system enables the school to control the light level of each luminaire independently or grouped. This allows them to have the right light level depending on which sport is being played, and at which game level, namely practice or match game, or even an international event. This can be done remotely from a smart device. Thus, by selecting the required light level, energy savings are achieved by only consuming the exact amount of energy needed.

The South African designed and manufactured OMNIstar-midi is a cost-effective and efficient lighting solution to maximise energy and maintenance cost savings. It is the smaller sized floodlight in BEKA Schröder's OMNIstar family. The various optical solutions make it a very versatile floodlight, ensuring the correct lighting for the area to be illuminated. Various optical solutions are available to achieve the highest energy savings and the most economical lighting solution.

BEKA Schröder locally develops and manufactures energy-efficient LED lighting products, designed and suitable for local conditions. We are very proud to be associated with Claassen Auret in providing a successful lighting solution for this project.



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# Custom floor grating solution for macadamia industry



Mentis Gripweld floor grating has been used to provide a custom solution to the macadamia industry.

ANDREW MENTIS, a leader in steel grating since 1950 and Endecon Ubuntu, engineering consultants with 20 years' experience in the agricultural industry, have joined forces to come up with a cost

effective custom solution for the macadamia farming industry.

According to Sybrand Mostert from Endecon Ubuntu the macadamia industry has grown exponentially in South Africa and worldwide

over recent years with no sign of slowing down.

"Macadamia nuts are picked and stored in drying bins, then moved to holding bins before being shipped out for export," Mostert explains. "Currently costly steel bins with welded angle iron floors to accommodate fans are used in the all critical drying process, and a more cost effective solution had to be found."

A cost effective solution was found in the use of Mentis Gripweld floor grating with 57 x 4.5 mm bearer bars spaced at 160 mm and 200 mm, and 7.7 mm round transversals at

100 mm. Significantly, Andrew Mentis can achieve the required size by slitting the steel to the exact specified dimensions.

Lance Quinlan, national technical sales consultant at Andrew Mentis, says this capability differentiates the company from others in the industry as it is the only floor grating supplier who is equipped to do this.

Sheets of Mentis Flatex 345A, an expanded metal product manufactured from 1.6 mm and not 3.0 mm material for costing and weight purposes, are welded onto the top of the floor grat-

ing before installation.

The future lies in the use of concrete bins, optimising the thermal mass the concrete provides which acts as insulation in the drying process, coupled with the durability properties of concrete. The specially customised prefabricated Mentis floor gratings are dropped into the concrete bins from above, eliminating the need for potentially hazardous on-site welding.

When asked about the projected cost saving for the macadamia industry, Mostert says this is significant not just in terms of material cost but also in the savings due to the

shorter manufacturing and installation times.

"Nuts are stacked to heights greater than seven metres and the Mentis custom floor grating offers the most economical solution when compared to the use of a welded angle iron floor grid."

Andrew Mentis and Endecon Ubuntu are confident that the durability, cost effectiveness and ease of installation of the Mentis floor grating will make it a preferred solution for large scale macadamia processing plants that will be developed across South Africa in the coming years.

# Growing local manufacturing



Interlocking steel tiles from Andrew Mentis provide a non-slip surface with the screed filling the perforations.

AS South Africa looks to revitalise its manufacturing sector in the ongoing quest to create decent jobs, it could take more than a few salutary lessons from

home-grown market leader Andrew Mentis (Pty) Ltd, trading as Mentis Sales.

Now a prominent supplier of steel grating on the African con-

tinental, Andrew Mentis was started modestly as a precision engineering works in 1950 by the man after whom the company was named. With its founder's ingenuity and tireless pursuit of quality, the business grew even beyond the country's borders, and now has a significant footprint in Australia and New Zealand.

"Our recipe for success today continues to build on the philosophy of our founder, which includes specialised engineering expertise, innovation, high-quality products and constant investment in the

latest technologies," says Lance Quinlan, national technical sales consultant at Andrew Mentis.

The company's unique Rectagrid grating, which it began manufacturing in 1967, remains a popular choice in South Africa, despite other manufacturers now replicating the design. As early as the 1970s, the company invested R1 million in specialised Austrian-built equipment to achieve the quality it sought – giving the business the world's most modern fusion-welding equipment for grating.

"Now more than ever, this successful formula needs to be a national focus in the country's efforts to keep local manufacturing vibrant and create jobs in which people can grow their skill-levels" says Quinlan

At its 55,000 m<sup>2</sup> premises Elandsfontein, Johannesburg, the company walks this talk – employing over 300 people at the most modern grating manufacturing facilities in the southern hemisphere. Beyond its steel and fibreglass floor grating, it makes a wide range of expanded metal building prod-

ucts and meshes. This includes Interlink tubular, solid and angle iron hand-railing; Die-Line Safety walkways; Mentrail and EasyRail Highway Guardrail systems; Steel Floor tiles; and Hexmesh.

"By pioneering our own grating and expanded metal products, we have developed a substantial database of intellectual property and application experience," he says.

"This ensures that the value we create is embedded in the South African economy, so we are self-reliant in terms of design."

# Sustainable flooring has Pride of place



A view of the Interface flooring supplied and installed by KBAC Flooring's Cape Town operations at Lion's Pride in Paarl. (Photos: AiA).

KBAC Flooring supplied and installed the sustainable flooring for Lion's Pride, the striking new head offices of chemical supplier UDEC and medical company, Neurospine,

in the Zandwyk Industrial Park in Paarl, designed by Architects in Association (AiA). Shirley Milne, architectural consultant for KBAC Flooring in Cape Town, worked

closely with Barbara Farrell (UDEC) and Rob Farrell (Neurospine) in selecting the flooring finish which combined Interface square carpet tiles and slimmer Interface

carpet planks to create a textured finish that complemented the overall appearance of the building.

KBAC Flooring, currently in its 51st year of operations, is the SA distributor of Interface, the world's leading modular flooring producer, whose entire product range – including all carpet tiles and luxury vinyl tiles (LVT) – is now carbon-neutral.

To mark the 25th anniversary of its "Mission Zero" commitment to sustainability, Interface adopted a holistic approach to carbon neutrality, looking beyond manufacturing carbon emissions to also include emissions across the entire product lifecycle including transportation, maintenance and end-of-life recycling.

# New carbon neutral flooring has acoustic benefits

INTERFACE, the world's largest modular flooring producer, has launched a new carbon-neutral sustainable collection that employs carpet tiles in combination with luxury vinyl tiles to mimic concrete and terrazzo



surfaces. "Look Both Ways" provides flexibility in design without a damaging environmental footprint as the carpet tile is made from recycled nylon.

KBAC Flooring, now in its 50th year of operations, is the sole SA supplier of Interface flooring.

"Look Both Ways" provides an innovative concrete and terrazzo flooring appearance coupled with diversity of colour and texture while absorbing more sound than most alternative flooring offerings.

For more information contact: [www.kbac-flooring.co.za](http://www.kbac-flooring.co.za)

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## Comprehensive guide now available to address expat tax



WITH the effective date of 01 March 2020 for the 'expat tax' drawing closer, South African expatriates, their employers and tax advisors have little time to come to grips with the impact that this tax policy and law change will have on them personally. This amendment will bring considerable change to the South African expatriate landscape and the complexities thereof demand a technically holistic and specialist approach, as well as a deeper understanding of practical issues surrounding internationally mobile employees.

"There is a common misconception that once a South African resident leaves the country to take up employment abroad, their South African tax obligations fall away automatically", says Jerry Botha, Managing Partner of Tax Consulting South Africa.

"The reality is, South Africa operates on a residency-based taxation system. This means that no matter where a South

African resident lives and works, they are required to disclose their earnings to SARS. A tax exemption is something which must be claimed specifically by the taxpayer and correctly assessed by SARS."

The newly released title, *Expatriate Tax: South African Citizens Working Abroad and Foreigners in South Africa*, unpacks the resultant tax consequences of individuals or international employees with interests in multiple jurisdictions.

The first of its kind in South Africa, the title addresses the complexities of expatriate taxes from a South African perspective in a manner that speaks to the tax specialist, as well as to the concerned taxpayer. *Expatriate Tax* provides a comprehensive, technical and practical guide to South African tax and deals with aspects of international mobility, including work visa strategies, citizenship, retirement funding, international remuneration, international share schemes, and exchange control considerations.

Judge DM Davis, perhaps the most esteemed tax expert on the Bench and now Judge President of the Competition Appeal Court, says "The increasing global economy has resulted in many employees and entrepreneurs crossing

national boundaries to exploit their talents. Consequently, whether it is by way of entry into South Africa or migration to another country a host of complex tax implications are triggered each of which requires careful analysis. This book seeks to address all of these questions ... It is a most welcome addition to our body of tax literature and will doubtless be essential reading for anyone advising his or her client with regard to the tax consequences of migration."

*Expatriate Tax: South African Citizens Working Abroad and Foreigners in South Africa* will be invaluable to international taxpayers, expatriates, specialist tax advisors, tax managers, financial planners, SARS and National Treasury officials, tax lecturers and scholars of tax, human resource professionals, finance executives and managers, remuneration and reward specialists, payroll experts, attorneys, chartered accountants and tax practitioners.

*Expatriate Tax, South African Citizens Working Abroad and Foreigners in South Africa* is available in Print format (9780639005195) for R747.50 including VAT and excluding delivery, eBook format (9780639005201) for R747.50 including VAT. To purchase, visit the LexisNexis online bookstore.

## Invest in a franchise or do it alone?

RUNNING a business is not for the faint-hearted, but when done right it can be one of the most rewarding elements of life. A key decision you'll have to make is whether you'll buy into a franchise or build a new company from the ground up.

### Pros & cons

"Both ownership models offer distinct advantages and disadvantages, which requires aspiring business owners to do their homework thoroughly," says Charl Jacobz, Head of Business Development at alternative small business financier Retail Capital.

"When going the franchise route, you'll have to invest in an initial license fee and pay ongoing royalties to the franchisor," he advises. "In return, you're allowed to use their brand and trademark, sell their products and

services, coupled with their ongoing support.

Independent business owners don't need to pay a franchise fee, nor royalties, but they won't get any support either. This means you are more-often on your own.

### Tried & tested vs risk

The main advantage of running a franchise is that the brand, services and products offered by the parent company have all been tried and tested.

When running your own business, you will have to do everything yourself, meaning you are in control for the full 100%.

"The total set-up costs of an independent business may be a bit higher than the costs associated with an initial investment of a franchise license, but what you get for that is total autonomy," Jacobz points out, adding that fortunately indepen-

dent entrepreneurs have an array of funding mechanisms at their disposal to get their ventures financially off the ground. "Over and above options offered by banks and other traditional financiers, the community of alternative lenders is growing."

### Creativity vs autonomy

Another key disadvantage of owning a franchise, as opposed to running an independent business is that it limits one's creativity and individuality. "Franchisees have to ask for permission to incorporate their personal touches and vision into their business," Jacobz says, adding that other restrictions often apply to where and when you want to operate, the products you sell and the suppliers you use. "This may be frustrating at times; particularly if you know for sure that your ideas

will work."

Setting up your own business from scratch is attractive as it puts you in charge of your entrepreneurial journey, with no need to justify any of your actions. "You'll get to build something of which you are in charge of. And if you strike gold, your independent venture could become successful enough to become a franchise, he says."

### No wrong decision

"Speak to fellow franchisees and independent business owners, meet with experts, and attend relevant networking events that can tell you more. There is no wrong decision in terms of how you want to go about it, but you have to make sure you know what you are up against. Bad preparation and being uninformed are the biggest killers of small businesses," he concludes.

## Short-term insurance sees new entrant

SHORT-TERM insurance brands are among South Africa's most successful businesses and have changed consumer perceptions of what used to be grudge purchase with smart branding and ongoing product innovation. However, consumers often pay premiums for years on end, without claiming or receiving anything in return for their purchase.

Solvency, an emerging financial services company thinks its business model with

an Insurance Savings Account (ISA) that is funded through car and household insurance premiums will cause a stir in this competitive marketplace. Solvency is a product underwritten by GENRIC Insurance Company.

"The Solvency solution offers insurance cover combined with an easy and structured way to save and invest" says Mutoda Mahamba, Solvency CEO and founder. "It will help South Africans deal with two vital

challenges: protecting themselves against claims and saving for the future."

Mahamba worked at a range of prominent South African insurance brands for over a decade. Through his actuarial and product development work, he saw the opportunity to create a financial product that empowers consumers while still equipping them to manage the risk of negative life events, from burglaries to a car being written-off.

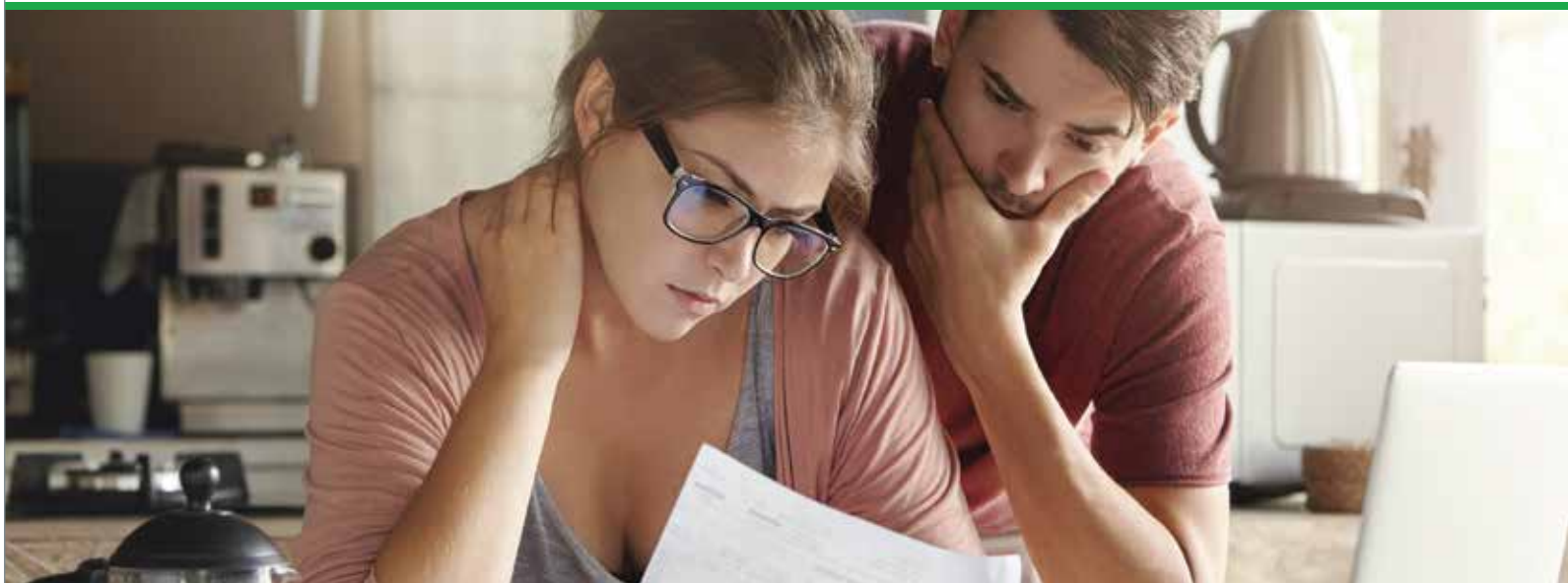
The Solvency website is said to offer easy-to-use features that allow anyone to assess exactly how much they can save, supported by a quick sign-up process that can be managed using a smartphone or a computer.

Clients choose how much of their monthly premium (up to a maximum of 50%) goes to their Insurance Savings Account (ISA), like the medical savings components on medical aids. The decision is guided by how much excess the client is prepared and able to pay in the event of a claim. The excess is paid from the ISA and should the funds in the client's ISA not cover their excess payment, only then would the client need to pay in the difference.

"The average short-term insurance client claims an average of R18 000 every four years," explains Mahamba. "With an insurance premium of R1 000 per month, and without considering escalations, the client would have paid almost R50 000 in premiums over this time. Up to nine out of ten clients will claim far less than the premiums paid, or not claim at all, but may not receive anything in return."

Whether or not the client makes a claim in a year, they have the option to withdraw in cash up to 50% of their savings in a 12-month period, for their own use. Alternatively, they can leave the money invested to grow and earn money-market rates.

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# Defending the common property

SECTIONAL TITLE (ST) owners need a better understanding of how ownership of the common property works and what they can and cannot do with it.

So says Andrew Schaefer, MD of national property management company Trafalgar, who notes: "We find that one of the most frequent causes of friction between residents in ST schemes is misuse of the common property by one or more owners - and that this usually arises from a simple lack of knowledge about where sections actually start and stop and how shared ownership of the common property needs to be viewed.

"For example, we have seen owners - and tenants - decide to block off the section of a walkway that only leads to their front door with a security gate, put a fence around a piece of garden in front of their unit, hang an awning over their balcony from the outside wall of the building, or put up a carport on the roadway in front of their garage."

In a big complex, he says, there are also always those few owners (usually long-time residents) who will become "territorial" over certain parts of the common property - such as the particular open parking bay that they prefer, the swimming pool which happens to be adjacent to their unit, the stairway that leads to the roof area above their top-floor home, and even their favourite braai spot.

"But fortunately, problems like this are usually quickly resolved when we explain to the owners in question that the actual 'sections' in an ST scheme are defined by the interior walls of each apartment or townhouse - and that ownership of an 'undivided share' of whatever lies beyond those walls does not mean that they can do as they please on this common property or just appropriate any part of it that they estimate to be their 'share'.

Schaefer says it is important for ST owners to remember that whatever they do on the common property affects all the other

owners and residents.

In addition, he says, if you wish to gain exclusive use of any part of the common property, such as your favourite parking bay or a part of the garden, the trustees will first need to consider what sort of precedent this might set, how it could affect the relative values of all the sections, and who will now be responsible for the maintenance and upkeep of this part of the common property - and the costs involved. If they agree to your request, you will most likely have to pay an extra levy.

"But first, the trustees will need to take steps to formalise the arrangement. Just like alterations to individual sections, changes to the common property can't be allowed to go ahead without permission or being properly recorded, for the protection of the value of your investment as well as those of the other owners. And alienating any part of the common property can only be authorised by unanimous resolution, which requires 100% owner approval."

# Buy-to-demolish

Here's what you need to know.

By *Barrie Swart, Head of Gumtree Property*

MANY first-time or small-time property investors buy dilapidated homes to fix them up and sell for profit. If you have the time and the skills, there's a lot of money to be made this way. But is the same true for buying a home and then demolishing it to rebuild from scratch?

Because the primary value of a property lies in the land itself, theoretically it makes sense to tear down a less-than-ideal home and rebuild something that is more likely to attract a great buyer. However, the reality is that buy-to-demolish is a risky approach and is both expensive and bureaucratic. Your investment can get tied up with various bodies, failing to earn an income for an unknown amount of time, and remain at risk of being turned down. It's important to have a Plan B in place, should your project end up being rejected.

In effect buy-to-demolish is a niche strategy demanding very careful consideration of a multitude of factors.

- Demolition itself is pricey and subject to the National Building Regulations Act. If the

local authority finds that your site is dangerous in any way, you will be required to secure it. If you fail to do so, they have the right to secure it themselves and send you the bill.

- You will need a property lawyer, surveyor and town planner involved from the get-go to assess the property and advise on the specific zoning rights of the area you wish to develop - even subdivisions are governed by these laws. Be especially careful about heritage buildings - you may be surprised by what is officially considered 'heritage' and therefore demolition is either ruled out altogether or subject to extra processes.

- Aside from lodging an application with the local authority, the development will be subject to public participation - and your neighbours may not be keen to have bulldozers on the street.

- Once objections and responses have been dealt with, an engineer will have to perform a technical assess-

ment, and only then will the council make a decision to approve or decline the application.

- Once approved, you will need to plan for a number of other factors. Environmental issues - such as the presence of asbestos - could complicate the issue. Dumping and hauling the rubble will also require permits and further costs. Likewise, water, sewage and electricity cannot simply be switched off and ripped out. There are many requirements for safely disconnecting or abandoning utilities that you will have to adhere to.

- Most banks will not allow you to demolish a mortgaged home because you are destroying the security for the loan. In which case, you will have to have equity on hand - either your current home or cash in hand. Talk to your lender about an investment or construction loan upfront and be sure to study the fine print of any mortgage agreement you may enter into. You will have to be able to prove that the home

you will be building will be worth substantially more than the one you are tearing down. This will require significant amounts of documentation from a surveyor, the builder, the architect and other parties.

If you can find a property and a loan that is free of liens and conditions, and you have the time and resources to go through the lengthy approval process, you may be able to successfully buy-to-demolish. One alternative is to go through the process and then sell off the land at a premium with all approvals in place to another party to do the building.

In most cases, though, you are much better off salvaging the existing home than demolishing it entirely. (After all, the chances of you building a R4-million house for R1-million are very slim). And if you are able to live on the property as it is being renovated and to rent out your current home, you can still earn an income from your investment during the process - providing that you and your loved ones are able to put up with the constant noise!

# Simplified resource consumption at the click of a button



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ONTEC Home is a smart monitoring application that provides consumers' access to monitoring their household water consumption as well as purchase prepaid electricity. Through Ontec Home consumers can monitor more than one household at any given time.

Consumers are able to compare their monthly water account with the consumption data available via

Ontec Home and therefore contact the utility with accurate data for billing purposes. This data provides the utility with the opportunity to identify potential faulty water meters that might require recalibration or replacement to ensure accurate billing.

With the GaugeIT solution within Ontec Home consumers can monitor their household water consumption in near real-time and set daily targets

in line with the water saving goals set by the municipality. GaugeIT will send notifications to the consumer when nearing their consumption target and also once the daily target has been reached. Consumers are also notified of possible leaks that have been detected, which they can then investigate and fix quickly to avoid further water losses.

The prepaid purchases function allows consumers to buy electricity online from anywhere in the world or from the comfort of their own home. A history of previous purchases is stored, providing the consumer insight into their energy purchasing patterns, which is depicted visually in graph format.

Consumers can register their meters and access services via <https://home.ontec.co.za/>, or download the free Ontec Home mobile application from the Google Play Store or Apple App Store.




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# The driving force behind always visible

CTRACK, a Software as a Service (SaaS) solution offered by Inseego Group, is a global supplier of vehicle tracking, insurance telematics, and fleet management solutions. It provides tailor-made solutions for its business and industrial customers with technology and electronic research division that designs

and develops a wide range of asset management and monitoring systems using GPS satellite positioning, GSM cellular communication, other advanced communication, and sensory technologies. Operations under the Ctrack brand span over 55 countries on six continents with 500 employees and over 1

million Ctrack systems sold. It has strengthened its position as a provider of advanced machine-to-machine (M2M) communications and telematics solutions, for specific industry solutions. C-track's range of products and services include:

- Transport & Logistics

- Airport Solutions
- Mobile Assets
- Security & Safety
- Agriculture
- Mining & Yellow Equipment
- Safety and Security companies
- Government and Public Transport
- Driver specific Management tools

- Small & Medium Business Solutions
  - Supporting Software & Business Intelligence Platform for all of the above.
- Ctrack also provides integrated solutions with third parties and products that are not normally seen as true tracking products. This one-stop shop for fleet

managers also provides a state-of-the-art camera solution, Ctrack Iris, where transport and asset managers can view live camera footage of dash-cams, as well as up to six cameras fitted to trucks, trailers and inside cargo bodies. In-cab devices that assist drivers with multi-tasking and route manage-

ment is also a result of years of development of software reports, that are easily accessible via mobile devices and cloud-based platforms.

## Ctrack's Five Key Areas of Fleet / Asset Management

Owning and operating vehicles efficiently - in any business - requires that the owner of the fleet has as much information about their performance as possible.

Furthermore, transport operators need to make sure that a holistic telematics solution is used to address the Five Key Fleet Management Areas identified by Ctrack, namely: risks, cost control, fleet utilisation, operations control and asset control.

**Risks:** Rough and dangerous driving is a major threat to a business, as is unauthorised vehicle use. This element includes the safety, fatigue and rest times drivers. It also includes general vehicle security, theft, hijackings, signal jamming, route adherence and area management.

**Cost Control:** Driver behaviour out on the road has a big impact on the bottom line. Cost control provides insights into speeding, accidents, harsh braking and cornering, excessive idling, tachometer analysis and fuel monitoring. The monitoring of driving patterns further helps reduce fuel consumption.

**Fleet Utilisation:** This reduces fuel and maintenance costs. Business owners need to know how their vehicles are being used, not just how they are being driven. Ctrack provides odometer readings, vehicle operating hours, turnaround times, route adherence, auxiliary monitoring and waypoints.

**Operations Control:** Real-time fleet management helps reduce fuel consumption. Keeping control of vehicles becomes increasingly difficult as the fleet grows in size and routes and schedules change. Ctrack tackles this complexity with productivity reports, route deviation details, time adherence insights and more.

**Asset Control:** As vehicles age, it becomes difficult to have a holistic view of their individual condition. With Ctrack it is possible to receive daily health checks and odometer/hour meter readings. From here it becomes much easier to schedule vehicle maintenance, keep up with vehicle license renewals and perform accident analysis.



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# From cold to bold

FISHING giant Oceana Group – which is best known for its Lucky Star canned pilchards brand – looks set to bolster its cold storage and logistics segment, which trades under the CCS banner.

CCS is a large scale operation that offers cold storage, blast freezing and transport of fish, poultry, meat, vegetables and dairy - but has long been regarded as the Cinderella of the Oceana empire.

The business comprises eight storage facilities and more than 123 000 pallets – yet accounts for just 5% of Oceana’s revenue and operating profit lines. In the last financial year CCS saw revenue markedly down at R373 million (2018: R433 million) and profits slumping by a quarter to R60 million.

Oceana said CCS continued to feel the impact of the subdued local economy, with low occupancy levels in its Gauteng and Walvis Bay operations placing pressure on pricing and

margins.

Writing in the latest annual report, CEO Imraan Soomra noted that Oceana had consolidated CCS’ inland capacity and focused efforts on driving growth in the South African coastal facilities. The Angolan storage facility was closed after poor fishing conditions and steep increases in import tariffs.

But the poorer performance from CCS should not detract from the key role the cold storage hub is increasingly playing for Oceana.

Soomra indicated that under a new leadership team, CCS played an instrumental role this year in enabling effective implementation of Lucky Star’s frozen fish strategy as well as adding value more broadly to South African importers of frozen produce. “We believe that there is further growth potential...”

Soomra also added that although CCS’ occupancy levels were

lower than planned, these were still “very good” compared to others in the market.

Soomra said the strategy for the past financial year was to stabilise the Gauteng region, which had been facing disappointing occupancy levels for a number of years.

He explained that the cold storage requirements have reduced in Gauteng - where distributors and producers tend to have their own capacity. “The tough competitive environment and excess capacity was exerting pressure on pricing and margins. We decreased our capacity by exiting one of the Midrand leases.”

He said CCS would continue to have some footprint in Gauteng, but the focus will be on coastal areas where there was a competitive advantage.

“Our Cape Town and Durban facilities enjoyed a fourth successive year of occupancy levels above 85%.”

Soomra said CCS consolidated some its Cape Town operations into the most efficient grouping by expanding on the company’s own capacity and reducing leased assets.

He reported saw volume growth in fish imports and pointed out that the division played a larger role in Lucky Star’s frozen fish procurement strategy - storing much higher volumes than in 2018. The lack of local pilchards has forced Lucy Star to import frozen fish mainly from North African countries.

But the need to store additional frozen fish for Lucky Star is a double edged sword for Oceana.

Soomra elaborated: “Given our frozen fish strategy, significant space was reserved to accommodate the frozen fish requirements of Lucky Star. This came at a cost of external CCS customers that would ultimately have improved the performance of CCS.”

But, Soomra stressed



that the benefit to Lucky Star enabled the division to achieve its record sales volumes.

Clearly the cold storage hub is taking on an increasingly important strategic function for Oceana.

Soomra stated: “We will continue to expand on our capacity in the Western Cape to meet the needs of the wider cold storage market for fish, other proteins, confectioneries, fruit concentrate and vegetables. Our leadership team changed dra-

matically this year along with a drive to develop people, making sure we have the right skills and succession planning in place for the future.”

It will not be without challenges, though.

There are several risks to CCS – including failure to renew key port lease agreements, competitor pressures causing reduced occupancy and the cyclical nature of consumer segments could create volatility in earnings. Then there is also increasing energy and labour

costs that could eat into profit margins.

That said, CCS – which at this point is predominantly in the fish and poultry markets – has already seen three logistic companies closed their doors in the first six months of the year.

More specifically, Soomra said Oceana would restore the profitability of CCS to previous levels by leveraging its port operations where there was a location advantage and customer base.

## Penguins could help inform fishery management

ACCORDING to a recently published study in the Journal of Applied Ecology, how adult penguins fish and the body condition of their chicks are directly linked to local fish abundance. These findings could potentially inform fishery management and marine conservation.

The researchers studied an endangered African penguin colony during a rare three-year closure of commercial fisheries around Robben Island, Cape Town.

Dr Kate Campbell, who led the research at the University of Cape Town (UCT), said: “Understanding how African penguins forage to feed their chicks in their variable marine environment can help us identify conservation measures for these endangered populations.” “A three-year commercial fisheries closure around Robben Island created a unique opportunity to study how African penguins directly respond to natural changes in local abundance of their prey – anchovies and sardines,” she added.

biodiversity loss in the ocean. It is so widespread that we lack an understanding of the ‘natural’ relationships between marine predators and their prey, and thus the extent to

which predators are disrupted by competition from fisheries.

This is a critical knowledge gap since many marine predators such as penguins are considered indi-

cator species: a species whose success indicates the condition of their habitat. The researchers estimated fluctuations in prey fish populations over three years

within the fisheries closure zone (20km radius around Robben Island) using 12 hydro-acoustic surveys, which detect the presence of anchovies and sardines by bouncing sound


waves off their swim bladders (gas-filled organs). Over the same time period researchers used GPS-temperature-depth loggers to monitor adult penguins’ fishing behav-

iours for one trip to sea per breeding season. At the Robben Island colony, researchers also measured the diet of breeding adults and the body condition of chicks.

### Understanding predator-prey relationships

Fishing is often considered to be one of the biggest drivers of

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# Innovation, skills and learning at Machine Tools Africa 2020



AS the biggest trade exhibition of its kind in Africa, Machine Tools Africa is all about innovation with its focus on manufacturing, automation and control, CNC machinery, cutting tools, machines, robotics, and more. Taking place from 12 to 15 May at the Expo Centre in Johannesburg, it's a showcase of everything that twists, turns, rotates, cuts, forms, bends or shapes.

Reflective of the South African

machine tools market, the exhibition has been designed in partnership with the Machine Tools Merchants' Association of South Africa (MTMA). Although the local machine tools industry has been experiencing tough trading conditions, there is an understanding of the value of exhibiting and the importance of an industry showcase of this nature. Support from industry has been positive with 92%

of floor space already sold.

As a value-add for visitors, the Seminar Theatre, hosted by the South African Institution of Mechanical Engineering (SAIMEchE), will see top industry experts presenting topics covering latest innovation, industry trends and future technologies. These seminars are free to attend.

Another visitor attraction will be the ATI Skills Zone,

where the future of skills development will be in the spotlight. Developed in partnership with the Artisans Training Institute (ATI), this area will be a fully functional workshop where learners will demonstrate trade skills learned at ATI including electrical, instrumentation, welding, and fitting & turning, amongst others.

The South African Capital Equipment Export Council (SACEEC), representing the capital equipment and project sector both for new projects and for the aftermarket, has partnered with Machine Tools Africa and will be supporting the 'new products and technologies' walk-way with its demarcated stands.

Also committed to the show is the South African Institute of Welding (SAIW), a non-profit technical organisation dedicated to furthering standards in welding-fabrication and related technologies.

"We're heartened by the response we've had to Machine Tools Africa 2020," says Gary Corin, Managing Director of Specialised Exhibitions, the organisers of the show. "We're mindful of the current economic trading conditions and so it is very encouraging that we've had such a positive response from exhibitors."

"We're also delighted to work

alongside the Machine Tools Merchants' Association of South Africa again this year and to have the support and endorsement of the South African Institution of Mechanical Engineering, the South African Capital Equipment Export Council and the South African Institute of Welding. This support will bring further value to the exhibition experience," says Corin.

"High performance machine tools touch every aspect of our lives. We're looking forward to Machine Tools Africa 2020 and seeing the very latest in global machine tools technology," Corin concludes.

For more information about Machine Tools Africa 2020, visit the website [www.machinetoolsafrica.co.za](http://www.machinetoolsafrica.co.za)

## Automated screw driving

DEPRAG SCHULZ GmbH from Amberg, Germany, is one of the global market leaders in the field of automated screw driving and feeding technology. Their recipe for long-term success is the continued drive for evolution and innovation, combined with the development of intelligent and efficient system solutions. With this in mind, DEPRAG Schulz GmbH developed their complete CleanFeed concept with specific CleanFeed components to meet the requirements for technical cleanliness in feeding.

It includes elements for low abrasion part feeding to minimise the generation of damaging particles from the outset. Low abrasion sword feeders are particularly gentle at sorting, separating and supplying fasteners. Sensors on the device automatically determine the number of strokes necessary so that stroke movement and therefore abrasion is kept to a minimum. Furthermore, hoppers help to keep a consistently low quantity of fasteners in the feeding



system because fewer screws mean less contamination. However, because the generation of particles cannot be entirely eliminated, suction systems are also an effective method of creating cleanroom conditions. The DEPRAG "Particle Killer" targets and removes dirt particles before assembly and ejects them through a filter. The DEPRAG SFM-V vacuum screw driving module on the

other hand, uses suction to remove residual dirt directly from the screw driving tool via additional vacuum sources.

As well as modifications to the hardware, particle contamination is also combated by intelligent adjustments managed by the controller, such as a reduction in speed during bit engagement with the screw head, at the same time averting wear and tear on the tool.

## UNIBASE-S single automatic dispenser

MAPAL offers various UNIBASE dispensing systems for optimum storage and management of tools, components and accessories, which can be individually networked with one another according to a modular principle. These systems are often situated in a central location in the manufacturing. In order to store and manage frequently required consumables in a decentralised and space-saving manner, MAPAL has developed the new, cost-effective UNIBASE-S single automatic dispenser. This can be connected to existing UNIBASE systems or

used as an individual solution.

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rectly to the device via the integrated touchscreen. Only registered employees can remove articles. If no employee is logged on, central locking is active. After the desired article has been selected via the pre-installed software, the search function of the software supports this and an LED illumination identifies the compartment with the corresponding article. The dispensing drum is rotated manually so that it is at the removal position and the article can be removed. The system automatically registers the withdrawal – in this way, the current status is always used.

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## How to steal a nation or two

Continued from back page

“Leader of the Black First Land First groupies Andile Mngxitama: ‘You kill one of us, we’ll kill five white people. We will kill the children! We will kill the women! We will kill anything that we find on our way!’”

“Okay, enough of that!” The Governor raised his voice. “This is a civilized establishment and we will not have threats of

murder and bar fights in here. Angela, please see to it that the glasses of these good ladies and gentlemen are filled!”

“Well then, thank you dear Irene,” said The Prof, “for your research in the service of our enlightenment, if not our entertainment.”

Our glasses properly recharged according to the poison of choice, we proceeded

to toast St Valentine’s Day, leap year and any other deserving cause, in wonder – in more ways than one – about how the ANC has liberated us into a rainbow with no white and black, free from intolerance, prejudice, hatred, racism and discrimination.

E-mail: noag@maxitec.co.za

## Prof Michael Mouse signs climate petition

Continued from back page

- Thou shalt replace all coal, gas, and petroleum-based products in your lives.
- Thou shalt not mine or drill for any carboniferous fuels.
- Thou shalt end all subsidies to companies that produce petroleum oil and or gas. (Easily done, this one. There aren’t any)
- Thou shalt tax the petroleum companies to death.
- Thou shalt swiftly cut emissions of methane and soot.
- Thou shalt cease clearing land for agriculture especially forests, grasslands, and mangrove swamps.
- Thou shalt eat mostly plants and consume fewer animal products.
- Thou shalt stop growing your economies.
- Thou shalt stop breeding especially the poor, the uneducated and ignorant among you. (My italics. It is not said but clearly that is what they mean)

So much for these climate loons. To bring us down from unicorn land, here is a reminder of a petition signed by 31 487 real scientists. The preamble is as

follows: It is short and sweet.

There is no Catastrophic Anthropogenic Global Warming. And the warming and carbon dioxide increase is mainly beneficial.

There is no convincing scientific evidence that manmade increases in carbon dioxide, methane, or other greenhouse gas is causing or will in the foreseeable future cause catastrophic heating of the earth’s atmosphere and disruption of the climate.

Now there is no denying that the world is going crazy for alternate energy, solar panels, wind generators, LED lights and generally all existing and any new ways of getting off the grid.

It’s a fact and a pretty good market opportunity that the world’s inventors and entrepreneurs would be silly to ignore. Some may grow very rich indeed. Good for them if they do.

Change in the way we live, trade and manufacture is already upon us, but if we are not to invite via the back door a new totalitarian terror driven by those who see themselves as the high priests of a new world religion, we have to be very wary of accepting their leadership.

For, that is what is happening with the climate change scare.

The grip of the Dark Ages, when Europe was dominated by priestly tribunals, was only broken by the intrusion of reason and the rise of individual conscience and therefore liberty. That priest-like class now resides in the recesses of universities and overblown civil services around the world.

Give them political power and history shows what horrors can emerge. Nazi Germany let loose loony ideas like euthanasia which, allegedly for the good of the German population, allowed the wholesale killing of physically and mentally imperfect humans first, and then anybody else the State deemed to be inferior – Jews, gypsies, male homosexuals, communists, priests and any anti-Nazis.

The other example of a generally-good-idea-at-the-time leading to mass tyranny was of course the domination by communism of Russia, China and Eastern Europe. It led to the squashing individual freedom of any kind, execution of the stubborn and drug-addled incarceration for those dissidents too prominent and articulate to kill.

It seems to me that the first petitioners above herald such a fate for us all. The second is the Voice of Reason being heard once again.

## BEE: a failing fantasy

By Gerhard Papenfus

IT was with an element of joy that I read about the President’s announcement, in terms of a number of reforms to improve business conditions in South Africa, to introduce the Public Procurement Bill, which will require organs of state to sub-contract SMMEs, to a minimum of 30% of the value of the contract, for contracts that are above R30 million. I was disillusioned to see that this arrangement is only reserved for “SMMEs that are at least 51% black-owned.”

I was disappointed that this came so soon after the President had witnessed first-hand in Japan, what a ‘team’, working together, towards one goal, can do. I therefore considered to express my concern that what is being done here is not for the benefit of South Africans - and those supposed to benefit the most, will eventually be prejudiced the most.

I wanted to articulate my view that:

- these policies, before and after 1994, are the root cause of South Africa’s inability to make progress;
- it is emphasising racial differences and entrenching racial prejudice, resulting in us ‘playing against’ each other, ensuring that South Africa does not reach its full potential;
- many entrepreneurs, not meeting the threshold of ‘51% black-owned’, will be excluded from participating in these state contracts, simply because of their skin colour, the ‘sins’ of their forbearers and the fact that they, being sincere entrepreneurs, want to control the destiny of their own businesses, which they have established and risked everything for;
- these entrepreneurs who, against all odds, remain the heartbeat of the economy, are still involved in state contracts, but only behind the scenes.

Their involvement requires, in most cases, multiple middlemen, also known as ‘tenderpreneurs’, whose involvement inflate the price of the product or service multiple times. In this scenario the client (taxpayer) is the loser;

- since it is so difficult to start a new business (90% of start-ups fail within the first 5 years), the last thing any government can afford is to neglect or attempt to exclude existing and established SMMEs from any facet of the economy;
- these non-BEE SMMEs are tax contributors, but disqualified from doing business with the very institutions of state which they sustain with their taxes; this is an unjustifiable arrangement; and
- South Africa’s gradual increasing unemployment rate and inequality is indicative of the disastrous consequences of these policies.

However, since I have realised that raising these issues fall completely outside of the current transformational narrative, I have decided not to raise my concerns. I have made complete peace with the fact that a change in the current unsustainable approach will only take place within the context of a combination of a Damascus road experience, political integrity and courage. Although anything is possible, I can’t see any prospect of change to the current approach.

What might bring about change may not necessarily be a change of heart, but an overdue rude realisation, that for a nation to claw itself out of trouble, it cannot turn down the offer to sincerely contribute - by any of its citizens.

My message is directed at the millions (black, white, Indian, Coloured) who do not benefit from the current ‘transformational narrative’, of which BEE is only one element. My message, however, does not exclude those currently benefitting from these policies, simply because:

- the ‘benefit’ will be short-lived;
- the resources funding this economic hostile approach will soon be depleted;
- while the above is underway, the competition for resources will intensify, even turning nasty;
- fear and uncertainty in this environment will consequently increase;
- simultaneously, valuable innovation opportunities and experience to compete on the basis of sound economic principles will be lost; and
- lastly, but very importantly, the current BEE beneficiaries are our co-citizens, co-South Africans, and, just like us, are also subjected to the ‘ups and downs’ of life.

My message to each and every South African is:

- count your blessings;
- play the hand that you have been dealt;
- if this particular policy affects you, you’re already in a very privileged position;
- millions of South Africans will sacrifice much to be in your position;
- all the obstacles you encounter are to your benefit, bringing balance and preparing you for a more substantial role;
- nothing is easy; and when it is, it is not sustainable;
- real wealth goes far beyond the ‘glitter’ upon which we so easily fixate our vision;
- you only lose once you’ve given up; and
- hard work, integrity and perseverance bring the best results, but it requires patience.

To a current or prospective entrepreneur: do not allow any obstacles to stand in your way.

The very thing you see as an obstacle, is your opportunity, clothed in adversity. Also, do not tolerate negativity or any form of bitterness. Lastly, never take advice from people who harbour these traits.

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- Plastics & Recycling
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# How to steal a nation or two

**T**HE Prof was in his usual chair under the No Smoking sign, obviously filling his pipe with his private mixture of rolled leaves. Honourable members of the parliament of the public house were placing their orders with Angela the Angel (what else?) our most appreciated bartender. Luke the Dude had the floor.

“Yes! Yes! Yes!” he remonstrated with the dishonourable members ignoring him.

“No! No! No!” reprimanded Jon the Joker, “the correct words are Hear Ye! Hear Ye! Hear Ye!”

“Humph,” acknowledged Luke, “so you have also been watching the impeachment trial in the American senate.”

“Hasn’t everybody?” enquired Miss Lily. “What a strange trial. The hundred senators are acting as an impartial jury, supposedly the same as in a criminal trial, but almost all of them seemed to have made up their minds before the first Hear Ye!”

“Indeed,” nodded Bob the Book, If President Trump stormed in there and shot one of the house managers with an AK 47, they would still find him not guilty by a margin of 53 votes to 47.”

“But not if he killed a Republican senator instead, Mitch Romney for instance,” enlightened Jon the Joker, “then the vote count would be 52 to 47.”

This was met with general unanimity and good cheer. Almost.

“I do not agree,” objected Big Ben. “Donald John Trump is the greatest president in that country’s history. He has managed to achieve what every president before him tried with all his might to do – but they failed to the man. Only this president, finally, has made a deal and found a solution to the never-ending problem of Israel and the Palestinians.”

“As Trump said, he was not elected to do small things and shy away from big problems. And prime minister Netanyahu himself said Trump was the greatest friend Israel had ever had in the White House.”

“Netanyahu is absolutely right,” sneered Luke the Dude. “Trump’s so-called solution is a one-sided piece of tyranny, giving the Israelis everything they ever wanted and taking from the Palestinians even what little they do have. Is it any surprise that one side is overrunning with praise while the other is rejecting the scheme with contempt, in its entirety, with a thousand times ‘No!’”

“Just hold it right there,” protested Big Ben. “Trump promised the Palestinians a million new jobs in the next ten years! He also promised them investments of 50 billion dollars in their new state and an economy growing to three times of what it is now!”

“Useless!” interjected Jon the Joker. “He also promised that Mexico would pay for the wall he also promised to build along the entire southern border.”

“Spot on Boyo!” enthused Colin the Golfer, “and now he is lying that Mexico did pay for the wall that he did not build!”

“I don’t know about Israel’s best friend,” pondered The Prof, “but Trump is certainly the best friend Netanyahu has ever had in the White House. “Is it not a strange coincidence that this miraculous solution to the Middle Eastern dilemma is announced at the very time Trump’s impeachment trial is being heard in the senate –while Netanyahu, on the very same day, gets indicted on criminal charges? How could their nations be so ungrateful to these two political geniuses? Very stable ones too, to use Trump’s phrase.”

“Hear Hear to the Right Honourable Gentleman,” concurred Colin.

As, at the time of this session we could not foresee the future of former Trump adviser John Bolton’s health, I suggested we maintain the peace with Big Ben and move on to local matters. The collective of concerned conversationalists, being the considerate people they are, agreed.

“Seeing that you ask,” supported Irene the Queen, “I have noted down a few statements by South Africans that, I believe, deserve our attention.”

“Please,” invited Bob the Book, always keen on new information. He used to be an investigative journalist in the days when good newspapermen were more plentiful.

“Right on!” conceded Luke the Dude, handing over the floor he never quite had.

“Okay then,” smiled Irene serenely, “here we go, with a nod to Politicsweb’s Raceballs – ‘Official Almanac of the People’s Republic of Racial Lunacy.’”

“On the appointment of a white CEO at Eskom: ‘The EFF rejects the anti-transformation and racist appointment of Eskom’s new CEO, Andre de Ruyter ... (It is) a clear demonstration of deliberate intent to collapse Eskom... (and) part of a racist project led by Pravin Gordhan to undermine Africans.’”

“Chief Justice Mogoeng Mogoeng: ‘And anybody who says, please stop blaming it on apartheid and colonialism, is being mischievous.’”

“Union leader Irvin Jim: ‘J Steenhien (sic) of DA propangandist (sic) is for racist legacy of Toney (sic) Leon and Zille if he doubts he must go and ask Maimane, Confused Mashaba and he is just being used to help extreme right wingers (sic) in politics who thinks (sic) that blaks (sic) and Africans don’t deserve to own the SA Economy?’”

“Jim again: ‘My message to comrade Jessie Duarte the only way to deliver a society free of racism, free of patriarch and non sexist is to affirm the African majority blacks and Africans into ownership contro of the economy through nationalization such will change power relations.’ (sic all)

“Prince Mashele in the Sowetan: ‘That

will be the final judgment of history on Zille: a stubborn white woman who showed the middle finger to black people in her last senile days on Earth. Indeed, she is too old to redeem herself.’

“Academic Jonathan Jansen complaining about being addressed in Afrikaans:

‘This morning in a bookshop in Stellenbosch:

‘Me: Good morning

‘She: Waarmee kan ek help?

‘Me: I need stationery

‘She: Is jy die Prof van die Vrystaat?’

‘Me: No, I’m DJ Black Coffee (now you know why black people sometimes flip because of language intolerance)’

“Gauteng Education MEC Panyaza Lesufi: ‘My only plea to racists please don’t harm my kids and my family, as for me you are free to do as you wish. I know you attempted on various occasions to harm and attack me. I’m unsinkable.’ (sic, not ‘unthinkable’)

“EFF spokesperson Doctor Mbuyiseni Ndlozi, on the day of the Rugby World Cup, when the Springboks beat England for the title: ‘Aggg please, today is England vs. England. I mean during 2010 World Cup the settlers had both flags in their homes &

## OPINION

### ON THE CONTRARY



.....  
Pieter Schoombee  
.....

cars. It’s a win win for them because they are still England at heart! You should be focused on removing apartheid statues’

“The Doctor Again: ‘I hope Ramaphosa puts Siya in his plane when he comes back home. When the colony of England loses the kith & keen are going to unleash frustration on him. Please, we must unite behind Siya when the English colony loses.’ (all sic)

“And yet again, after the game: ‘Congratulations to #SiyaKolisi... the rest go get your congratulations from Prince Harry’

Continued on P27

## Prof Michael Mouse signs climate petition

**T**O anyone who may still doubt that the quality of “the mainstream media” has not degraded to the point of being only useful for lining parrot cages, read on, for you may have missed the latest example that proves the point.

Back in November last year newspapers around the world accepted at face value i.e. without thinking, a press release centred around a petition signed by 11 000 scientists warning the world of a climate emergency.

Ho, hum. Heard that before. That should have been the response. Old news. Nope, it got the expected headline as sub-editors around the world dutifully pushed the climate change agenda along, thus ensuring continued invitations to free lunches on which they now depend.

Then some sceptics looked deeper, and lo and behold, among the signatories of scientists was the John Hancock of one Professor Michael Mouse of the University of Namibia. Needless to say the laughter was loud enough to be heard and the good professor Mouse’s name was removed.

But the digging did not stop there. Indeed, the 11 000 names revealed more,

### THE OTHER SIDE OF THE COIN



.....  
Keith Bryer  
.....

more idiocy. The usual non-scientists were allowed to claim knowledge of the climate – sociologists mainly, as you would expect, and the usual environmentalists, biologists, Vegans, and so on. I will not bore my small reading public with the whole list.

However, the 11 000 petitioners did tack on solutions to the climate catastrophe they all warn us against. Here then, from the horses’ (mouth) is what the Green enthusiasts insist the rest of us do, on pain of “Untold Human Suffering”.

The list is a kind of 10 Commandments written for the rest of us by the new wannabee High Priests. There seem to be six laws but actually there are nine on closer inspection. Read and weep.

I shall tweak the language so that Moses would agree with the tone:

Continued on P27

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