

August 2009 Newsletter

Feedback on Recent Activities

B-BBEE Best Practice workshop – Checklist for Verification Process

As part of the DAC Transformation programme, a B-BBEE best practice workshop was held on the 20th August 2009 at B&M Analysts in Hillcrest. The session focused on equipping B-BBEE champions at firms with a comprehensive checklist to prepare verification packs. The following transformation indicators were covered extensively – socio-economic development, preferential procurement, enterprise development and employment equity. Dr Robin Woolley, CEO of Transcend Corporate Advisors, was the guest speaker. Excellent feedback was received from those in attendance. The B-BBEE checklist and details of the verification process can be obtained from Thabani Shale. He can be reached telephonically (031 765 3870) or via email (thabani@bmanalysts.com).



DAC Transformation Technical Steering Committee Meeting

The DAC Transformation Technical Steering Committee (TSC) meeting was held at Smiths Manufacturing on the 31st August 2009. A major concern that was highlighted is inadequate cash flows for SMMEs due to the global economic recession. It was reported that this has resulted in three participants of the DAC BEE SMME Development Programme being liquidated. As a result, the committee members are engaging with government and financial institutions in an attempt to reduce the number of distressed SMMEs.

DAC Infrastructure Technical Steering Committee Meeting

Smiths Manufacturing hosted the DAC Infrastructure TSC meeting on the 27th August 2009. There were deliberations pertaining to the following key issues:

- The Energy Efficiency Network
- Development at Durban Harbour
- Negotiated freight rates
- The proposed KZN Automotive Supplier Park

HR Forum

The DAC's latest HR Forum took place on Monday the 24th August 2009 at Smiths Manufacturing. Mark Roberts, the National Convenor for the components industry at the Motor Industry Bargaining Council (MIBCO) was the guest speaker. Mark informed and updated the attendees with regards to current and future potential industrial relations challenges that could affect the industry, especially during 2010.

HIV and AIDS Programme

There have been key developments pertaining to the programme:

- The 2009 round of VCTs have been successfully completed at all eight DAC member firms participating in the DAC-SABCOHA HIV and AIDS programme. The feedback from Aganang has been made available to the firms.
- The third Champions Forum for 2009 took place on the 6th August 2009 at Ramsay Engineering. The guest speaker was Professor Timothy Quinlan from the Health Economics and AIDS Research Division (HEARD) of the University of KwaZulu-Natal. His presentation addressed aspects such as the constant demand on HIV workplace programmes to evolve; training; how to deal with stigma, discrimination, rumours and myths; prevention programmes and behaviour change; and cost considerations.
- SABCOHA has revisited their fee structure for 2009 and revised and approved a new structure. The new fee structure is largely consistent with the historical structure (of 2008) and allows for increased flexibility from participating firms.
- Pat Mhongo from SABCOHA visited all the DAC member firms that are participating in the programme during August 2009 to do a mini-impact assessment on the implementation and effectiveness of the supply-chain programme. Pat is currently busy compiling a fact sheet on all the issues discussed and raised by the companies which will be made available to participating firms.

For any enquiries concerning the HIV and AIDS programme, please contact Jan Smuts at 031 765 3870 or jan@bmanalysts.com.

Graduate Development Programme

Recruitment of additional DAC member firms to join this skills development programme is continuing. Thus far a total number of 160 graduates from various academic institutions have applied to join this programme. For more information please contact Jan Smuts at 031 765 3870 or jan@bmanalysts.com.

Joint Supplier Auditing and Development Programme

All three JSAD Groups held meetings during August to consider the progress that has been made thus far and to discuss future training sessions for suppliers. Additional issues noted was ensuring increased participation and implementation of training and lessons learnt by suppliers. Group 1 was the only group to have held a session over the last month. This was held on the 18th August. The session was titled 'Financial and Business Development Assistance Offered by the IDC and SEDA' and was attended by 17 representatives. The speakers at the workshop were Pat Moodley from the IDC and Lindani Dhlomo from SEDA. For any enquiries regarding the Joint Supplier Auditing and Development Programme, please contact Jan Smuts at 031 765 3870 or jan@bmanalysts.com.

Retrenchment and Skills Pool Database

The DAC has launched a Skills Pool and Retrenchment Database of skills available in KwaZulu-Natal. This database contains information regarding employees in the automotive industry that have been retrenched due to the current global economic crisis that is impacting severely on the automotive manufacturing industry. The initiative is focusing on artisan, engineering and management skills. All DAC member firms are encouraged to share information regarding employees that have been retrenched in order to grow the database. Firms seeking employees are also requested to utilise the database when recruiting potential employees. For more information contact Jan Smuts at 031 765 3870 or jan@bmanalysts.com.

Remuneration and Retention Practises Survey

The survey is currently being finalised and will be distributed to member firms that participated in this initiative. Over 400 employment specific category questionnaires were completed, across 30 distinct employment categories. The survey will be distributed in September 2009. For more information please contact Jan Smuts at 031 765 3870 or jan@bmanalysts.com.

Logistics Best Practice Workshop

On the 4th August, the Infrastructure programme hosted a logistics best practice workshop at the Makaranga Garden Lodge. 28 persons attended with the session including presentations from the Dube TradePort, Safcor Panalpina, Hesto Harnesses and Toyota Tsusho Africa. There was a high level of engagement amongst all those in attendance with positive feedback also received. If firms require any information pertaining to the workshop, including copies of the presentations, please contact Sean Ellis on 031 765 3870 or sean@bmanalysts.com.

Energy Efficiency Network

The latest DAC Energy Efficiency Network session took place on Monday the 31st August 2009 at Smiths Manufacturing. David Mercer of WSP Group facilitated the session and trained participants in the areas of Heat Balances and High Bay Lighting. In addition, the participating DAC member firms were given an opportunity to share energy efficiency knowledge and experience with each other.

Trade Missions and Exhibitions

As part of the Growth Focus Area, the DAC has engaged with several key stakeholders. These include the Department of Trade & Industry (the dti), Trade & Investment KZN (TIKZN), Durban Investment Promotion Agency (DIPA), UK Trade & Investment, the National Association of Automotive Component and Allied Manufacturers (NAACAM) and the National Association of Automobile Manufactures of South Africa (NAAMSA). The aim is to establish an improved relationship with these key partners in relation to inbound and outbound trade missions and exhibitions, as well as identify and explore additional areas of co-operation. A detailed list of missions has also been compiled and if any DAC firms would like to receive this, please contact Aurelia Govender on 031 765 3870 or aurelia@bmanalysts.com.

Confirmed and Unconfirmed activities for September

HIV and AIDS

Firms are advised that the next Champion's Forum will take place on the 5th November 2009. It will involve an educational visit to an AIDS orphanage, or similar type of institution. Details will be confirmed and the relevant firms informed as soon as the necessary arrangements are finalised.

Graduate Development Programme

The development of the elective modules for this programme will commence in September 2009. Some of the graduates employed by Behr that are participating in the programme are nearing completion of the core modules and will soon start with the second year of this developmental opportunity. Toni Acton from Behr will also be visiting the DEG in Germany in September 2009, a funder of the programme, to discuss several issues including suggested changes to the programme and also to finalise and discuss the extension of the Programme to July 2012.

Joint Supplier Auditing and Development Programme

The following three sessions have been confirmed for each of the three groups:

- **Group 1:** The next session for Group 1 will be on quality related aspects. It will take place at the end of September and be hosted by Smiths Manufacturing. Details will be confirmed once the details for the session have been finalised.
- **Group 2:** Hesto Harnesses will be hosting a workshop for its group on Continuous Improvement. This will be held at the beginning of September 2009. John Chandler and Jessica Pillay of Hesto Harnesses will facilitate the session and it will also involve a factory tour so that the attendees can observe first hand how continuous improvement is managed and operates at the firm.
- **Group 3:** PFK Electronics will be hosting a 5S training session for this group's suppliers in mid-September. Kylie Griffin of PFK will be presenting on 5S at this session. It will also involve a tour of PFK's facilities.

Energy Stakeholder Workshop

The next workshop will be held in September 2009. DAC members are encouraged to attend this information sharing session which will involve key representatives from Eskom and the various municipalities. The details will be confirmed and sent to members shortly.



Artisan Skills Development Programme

The DAC is currently preparing to host a workshop for member firms to share their knowledge and experiences regarding apprentice training in the automotive industry. The outcomes of the workshop will inform a skills development programme to address the dire need that exists for artisans in the regional automotive industry.

Maximising Growth Opportunities within Africa

The Growth Focus of the DAC is arranging for a workshop to be held in mid-October that will focus on Africa as a growth region and consider how the DAC can assist in facilitating additional opportunities for member firms. Those key member firms that are currently operating in Africa will be invited to present and thus share their experiences and knowledge with those firms in attendance. TIKZN will also be participating in and assisting with the session. All DAC member firms will be invited to attend as soon as the necessary arrangements have been made.

News updates from Africa, Europe, North America and Australia on the automotive sector are available at www.bmanalysts.com

If there are queries pertaining to any of the items noted in this newsletter, contact the relevant person or one of the DAC Project Administrators on 031 765 3870 or dac@bmanalysts.com