

July 2009 Newsletter

Feedback on Recent Activities

Procurement Forum Meeting

- At the Procurement Forum Meeting held on 28 July 2009 at B&M Analysts DAC members shared experiences in the field of cost reduction.
- Key focus areas included stationery, consumables, telephone and cell phone usage, labour costs and productivity. The savings from initiatives in these areas ranged from R60,000 to R3,000,000 per annum.
- For further information on this session and future sessions please contact Thabani Shale (thabani@bmanalysts.com).

Bridging Finance and Loans Workshop

- A workshop on Bridging Finance and Loans from IDC has held on 30 July 2009 at the Kloof Country Club.
- The guest speaker was Moroasereme Ntsoane (IDC) and the presentation focused on the recently launched scheme to provide cash flow support for distressed automotive manufactures.
- For further information on this session please email Thabani Shale (thabani@bmanalysts.com).

Photos: Bridging Finance and Loans workshop attendees



HIV and AIDS Programme

- A second round of Voluntary Counselling and Testing (VCT) been successfully completed at IJ Component Manufacturing, Preformed Line Products, Kaymac Structural Foam, Navago Machine Components, Ramsay Engineering, and BEHR SA (all participants in Group 1).

Energy Efficiency Stakeholder Forum Meeting

- A session focusing on industry concerns regarding the increase in electricity tariffs was held on 28 July 2009 at B&M Analysts.
- Prashunt Lutchman (Distribution Key Customer Executive, Eskom) was the main guest speaker and shared valuable insight on Eskom's current energy profile as well as the new tariff structures. Representatives from both the eThekweni Electricity Department and the Msunduzi Municipality were present to address any pressing concerns voiced by industry.
- The attendees were also briefed on the UNIDO Climate Change Programme by Derek Morgan. This initiative could potentially supplement or prolong the DAC's existing Energy Efficiency Network.



Photo 1: Energy Efficiency Stakeholder Forum attendees.

Photo 2: Derek Morgan (UNIDO)

Engineering Skills Development - Graduate Development Programme

- DAC facilitators had a successful meeting with the DEG to discuss programme and funding related issues.
- Ramsay Engineering has placed three graduates on the programme, while a further DAC member is in the process of placing one graduate on the programme.
- Recruitment of additional DAC member firms to join this skills development programme is continuing. For more information please contact Jan Smuts (jan@bmanalysts.com)

Joint Supplier Auditing and Development – Localisation and Competitiveness Support

- The DAC has been engaging with JETRO to establish if it is feasible to establish a cooperative initiative aimed at bolstering local content and improving the cost competitiveness of suppliers.
- Ramsay Engineering participated in a site audit/review during July 2009 and plastic injection moulding specific training for both Ramsay Engineering and Cooke and Son Manufacturing will be undertaken in the near future.
- Initial feedback from this trial/pilot has been fairly positive. Should the trial/pilot prove successful opportunities for rolling this out as a support mechanism for Tier 2 suppliers will be explored.

Confirmed & Unconfirmed Activities for August

B-BBEE Best practice Training

- Training for B-BBEE champions will be run on 20 August 2009. The purpose of the workshop will be to capacitate B-BBEE champions to prepare their firms for verification/certification.
- Dr Robin Woolley (Transcend Corporate Advisors) will be the guest speaker. To find out more about this initiative, please email Thabani Shale (thabani@bmanalysts.com)

HIV/AIDS Programme – Group 1 and Prospective Group 2 Participants

- The eThekweni Municipality HIV and AIDS Unit will be presenting a short training session on TB on 13 August 2009. All DAC members are welcome to attend.
- The next Champions Forum for Group 1 firms will take place on 6 August 2009.
- Firms interested in participating in the HIV and AIDS programme should contact Jan Smuts (jan@bmanalysts.com) to enquire about joining the soon to be formalised Group 2.

Joint Supplier Auditing and Development Programme – Group 1

- Group 1 (comprising Smiths Manufacturing, Ramsay Engineering, Federal-Mogul Friction Products and Feltex) will be hosting a session for 20 Tier 2 suppliers on the financial support that various institutions and organisations can provide to them. Speakers from the IDC and SEDA have been confirmed.
- This session will take place in August and invitations will be sent out shortly.

Remuneration and Retention Practises Survey

- This survey explores the remuneration scales and retention strategies applied by DAC members to retain scarce skills.
- The output report for this survey is currently being finalised and will be distributed to the DAC members firms that participated in the survey.

Retrenchment Skills Pool Database

- During May 2009 the DAC initiated the creation of a database for the skilled individuals that have been retrenched from DAC member firms. Primary skill categories focused on will include artisans, engineers and managers.
- While this initiative is not intended to be a replacement for the normal methods utilised by DAC member firms to recruit the skills that they require, it should serve to assist retrenched employees in securing future employment and assist DAC members to secure scarce skills.
- At a broader level this initiative is also consistent with the DAC's objective of supporting skills attraction, development and retention in the KwaZulu-Natal automotive industry.
- DAC member firms are encouraged to (1) share information when undergoing a retrenchment process and (2) remember that this database exists when seeking to recruit. For more information please contact Jan Smuts (jan@bmanalysts.com).

DAC Resource Centre & News updates

For a full list of all the items currently in the Resource Centre please email dac@bmanalysts.com. News updates from Africa, Europe, North America and Australia on the automotive sector are available at www.bmanalysts.com