

Stutterheim manufacturer signs deal with retail giant

Economic Development, Environmental Affairs and Tourism MEC Mcebisi Jonas officially opened the Ikusasa Green manufacturing plant in Stutterheim today, an initiative that will bring significant benefits to the regional economy.

The total investment of R4 million in the project has been funded through Economic Development, Environmental Affairs and Tourism's Local and Regional Economic Development (LRED) Fund with additional assistance through the Massmart supplier development fund.

The project dovetails with the broad goals of the LRED Fund as it involves both the development of new sources of economic activity in small towns and the development of new technologies that include energy efficiency.

The plant will initially create 20 new, sustainable jobs in the Stutterheim area, and an additional 10 –15 permanent jobs will be created within the first two months of operation.

Speaking at the launch, Jonas said it was “exciting for the provincial government” as it addresses the challenge that is faced in trying to grow SMMEs through forging linkages with big business.

“In normal circumstances you will find out there is disconnection which leads to a shortage in supply chain management and skills deficit at large. Linked to this is the SMME sector not being able to properly understand the lines of supply and distribution and access to capital.”

Jonas said the launch indicated the support that the provincial department has given to the SMME sector in finding linkages with big business to address challenges associated with growing the SMME sector to enable job creation.

“The manufacturing landscape has had challenges across the country with a lot of jobs lost in the province even before the recession. This factory signals the stride to turn this tide through building an indigenous manufacturing sector. It is seeks to reignite the manufacturing sector as industrialisation works perfectly if it is locally entrenched.

“The Ikusasa project is a combination of innovation, commitment and sufficient motivation from the concerned entrepreneurs who have gone to uncharted waters especially for black business. This is a demonstration of people who have not waited for government but took the initiative to unleash the potential of business through using the available mechanisms for business support”

Ikusasa Green will focus on the roto-moulded manufacturing process of cooler boxes ensuring a stronger, more durable, hygienic and ‘green’ product.

This morning, the company handed over the first two exclusively manufactured Campmaster cooler box units off the newly installed production line to its biggest customer, Massmart. The initial order worth R610 000 will see Ikusasa providing Massmart with 700 units.

The plant is managed by a team of innovators drawn from the local community of Stutterheim who pride themselves on being amongst the few manufacturing concerns that produce roto-moulded products consciously using green energy.

Ikusasa Green is committed towards reinvesting a percentage of its profits into community empowerment and development initiatives thereby uplifting the local community as much as they can.

Mkululi Pakade, Director of Ikusasa Green said the deal “marks a significant economic landmark for the Amahlati Municipal and surrounding areas.

“Firstly, it enhances the brand profile of Amahlati as Ikusasa will be

trading with a company that has a national and international footprint, Massmart and Walmart. Through this network our product will be available for sale throughout the world.

“Secondly, new jobs created in the Amahlati local economy and thirdly, is the ripple effect of bringing Massmart into the area – this will make it ‘real’ for other companies to trade with an international retailer such as Massmart.”

Moshisi Lehlongwane, Supplier Development Manager of Massmart said the partnership was a reaffirmation of the company’s commitment to buy from small and medium suppliers from anywhere in the country.

“They had the right product with innovation and not only will we list their roto-moulded cooler boxes in our stores, but we are putting them under one of our trusted brands, Camp Master.

“Through our Supplier Development Fund we have committed to work with Ikusasa Green to remove challenges such as securing the right moulds, ensuring that their factory complies with national standards and that they have the right machinery to keep up with orders from Massmart.”

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