

## The dti empowers local entrepreneurs

By Eugene Yiga

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The Department of Trade & Industry (dti) is on a mission to make sure South Africa's economy grows in a way that benefits all citizens.



Source: pixabay.com

A lot of people have heard of the Department of Trade & Industry (dti), but many don't know its mandate, how it operates, and its role in economic development. Put simply, the dti was created to help transform the South African economy so that the country can compete on a global scale.

"The dti supports a myriad of businesses ranging in size," says deputy director, Paulina Mamogobo. "These are mainly manufacturing, in line with the Industrial Policy Action Plan (IPAP), and services, which include business process services/offshoring activities and filmmaking."

Subject to the availability of funds, the dti offers financial support. It also offers non-financial incentives and guidance, all of which are available on its website and can be accessed through the InvestSA 'one-stop-shop'.

"The dti has supported projects by linking them to various domestic sources of funding: some for establishment, and others for expansion," Mamogobo says. "We have also worked with our foreign economic representatives to facilitate international trade (export) opportunities. With a focus on growing the economy, we expose them through various channels – media is one of them – as this will increase their uptake and encourage expansion and thus more employment."

## Phone sweet phone

For Daryl Peel, help from the dti has been invaluable. Given how he had to move all over Johannesburg, struggling to fit into the corporate world, becoming an entrepreneur was his only way out.

"Inspiration is a funny thing," he says. "It comes at the strangest times. After finding my way into a publishing job, I realised a need in the market that would suit both readers and advertisers. So I opened a niche publishing company that would cater to those needs in the motoring segment."

Starting out as a glossy magazine, the idea evolved into a tabloid covering news and events in the motor industry. For advertisers, it was a cheap way to reach thousands of potential clients at a lower rate than what was already on the market. But publishing was hit hard with the recession.

"At that point I looked at other ways of reaching the same reader," Peel says. "But rather than looking at the reader to come to us, I wanted to deliver the content directly to the reader's hand: to their mobile phone."

This led to him importing a specific make of device to load the content and later to building his own mobile phones. In 2014, he established Making Mobile (Pty) Ltd for this purpose and has since secured several contracts for the assembly of phones for local consumption and export.

"Our most unique client in this regard is Sekoko," he explains. "It was a mining resources company that diversified into other business ventures and approached Making Mobile to build custom devices to meet their clientele's needs."

For Sekoko, Making Mobile produces a 3.5-inch 3G mobile phone, a 5-inch 3G mobile phone, a 5-inch LTE phone, and a 5.5-inch LTE phone that competes with the best in the world. Although operations only kicked off in late 2015, the company has already moved into bigger premises in the south of Johannesburg and will likely move again with the growth they have planned.

## **Moving forward**

"We engaged with Kaliese Spencer, the 400m hurdler," Peel says. "As the fastest performer coming out of 2014, Spencer was looking to take a gold medal at last year's Olympics. Her company approached us to develop a one-of-a-kind mobile phone that would be marketed in Jamaica and America initially, and later to the rest of the world. Given Spencer's credentials, we were tasked with building a device that is not only fast but sleek and elegant too."

Despite the prospects, a big challenge is getting access to capital that will enable growth. Because funding doesn't come cheap, Peel believes that entrepreneurs need to balance organic and aspirational growth.

"I get frustrated by entrepreneurs that always look to others for funding their 'ideas' without having put any time, effort, or money of their own," he says. "It's essential that entrepreneurs are invested into their own ideas and take risks on the belief that their ideas work. If, as an entrepreneur, you have identified the market and have developed your idea to the point of going to market, you'll have an easier time getting funding to trade."

The short-term goal for the company is to build on its reputation as a serious player in the market. Once it's established from that perspective, through consistently delivering high end products, Peel is confident it will be able to use that track record to develop into a global supplier and ensure growth prospects going forward.

"The dti has assisted us by opening doors to platforms that can assist us to grow our business organically," he says. "By

offering sound advice, and introducing us to key players in the market, we've been able to ensure sustainability of our business."

## ABOUT EUGENE YIGA

Eugene graduated from the University of Cape Town with distinctions in financial accounting and classical piano. He then spent over two-and-half years working in branding and communications at two of South Africa's top market research companies. Eugene also spent over three-and-a-half years at an elearning start-up, all while building his business as an award-winning writer. Visit www.eugeneyiga.com, follow @eugeneyiga on Twitter, or email hello@eugeneyiga.com to say, um, hello.

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