



Seda TECHNOLOGY
PROGRAMME
ANNUAL REVIEW 2010/11





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MESSAGE FROM THE Seda CEO

The year under review marked the operation of the Seda Technology Programme (Stp) as a fully integrated Seda programme, which facilitated improved focus on service delivery. Indeed it is pleasing to note that Stp fully implemented its plan for the 2010/2011 financial year and achieved the majority of its targets.

Our incubation centres have continued to promote the establishment and development of sustainable innovative technology-based platforms that contribute to the country's economic growth. We are proud that clients supported by our Technology Business Centres (TBCs) or Incubators have continued to create much needed jobs in the economy.

Stp's Technology Transfer Fund (TTF) Unit disbursed nearly R14 million during the year under review to facilitate various technology upgrades and skills acquisitions for SMMEs which will enable them to function more efficiently.

We are also proud of the work undertaken by Stp's Quality & Standards Unit in the build up to the 2010 Fifa World Cup in getting SMMEs in the hospitality sector ready for Africa's first ever football World Cup. The Unit visited every province conducting standards workshops, quality healthy compliance audits and implementing quality management systems for SMMEs. We are confident that all these efforts are placing more and more SMMEs on par with global standards and will help them compete better in their various sectors.

We really believe that Stp's interventions help lower the barriers to entrepreneurship and are part of the solution to economic development and unemployment. The fact that eighty percent of small enterprises in Seda's incubation programme survive past the first two years of trading enhances their chances of sustainability and gives us confidence about the job creation capacity of the programme.

“We’re proud of the work undertaken by Stp’s Quality & Standards department in the build up to the 2010 Fifa World Cup in getting SMMEs in the hospitality sector ready for Africa’s first ever football World Cup.”

For this reason, Seda is looking to increase the number of TBCs and the business incubation footprint. This will increase the number of small enterprises supported in the incubation programme and in turn contribute to job creation in the years ahead.



*Ms. Hlonela Lupuwana
CEO: Seda*

Seda BOARD COMMITTEE MEMBERS



Mr Linda Mngomezulu (Chairperson)
Committees:
Chairperson – Executive Board
Member – Strategy and Organisational
Performance



Ms Tholakele Nkambule
Committees:
Chairperson – Remuneration and
Human Resources
Member – Executive Board



Adv Faith Mayimele-Hashatse
(Deputy Chairperson)
Committees:
Member – Executive Board
Member – Audit and Risk



Ms Fatima Habib
Committees:
Member – Strategy and Organisational
Performance
Member – Remuneration and Human
Resources



Dr Ivor Zwane
Committees:
Member – Strategy and Organisational
Performance
Member – Audit and Risk



Ms Nafeesa Dinie
Committees:
Member – Finance
Member – Audit and Risk



Mr Vusumuzi Skosana
Committees:
Member – Strategy and Organisational
Performance
Member – Audit and Risk



Mr Mojalefa Mohoto
Committees:
Member – Strategy and Organisational
Performance



Ms Precious Lugayeni
 Committees:
 Chairperson – Strategy and Organisational
 Performance
 Member – Finance



Dr Marius Venter
 Committees:
 Member – Strategy and Organisational
 Performance



Mr Dennis Thabaneng
 Committees:
 Member – Finance
 Member – Remuneration and Human
 Resources



Mr Siphon Mzolo
 Committees:
 Member – Remuneration and Human
 Resources



Ms Rene Kenosi
 Committees:
 Chairperson – Finance
 Member – Executive Board



Mr Johannes Lesejane
 Chairperson – Audit and Risk



Dr Teboho Mokgoro
 Committees:
 Member – Strategy and Organisational
 Performance
 Member – Remuneration and Human
 Resources

Seda TECHNOLOGY PROGRAMME

South Africa is the land of opportunity for an entrepreneur with the country's unemployment rate of 24,5% forcing individuals to tap into their entrepreneurial spirit

Small business owners in South Africa face rather strict governance and statutory circumstances, plus the challenges of expensive human, communication and other resources. To start and grow your own business in South Africa is challenging on all levels, and 80% of small businesses traditionally fail within the first year. Stp has ensured the opposite where 80% of Businesses supported via Incubation survive the first year of operation. With these statistics as reference, the Seda Technology Programme (Stp) was created through the merger of the GODISA Trust (created in 2002), the National Technology Transfer Centre (NTTC), and **the dti's** Technology Advisory Centre (TAC) on 1 April 2006.

During 2007/8 Stp also incorporated the SMME activities of Technology for Women in Businesses (TWIB). The 2008/09 financial year began with the Quality and Conformity activities of South African Quality Institute (SAQI) being incorporated into Stp.

The creation of Stp stems from a strategic decision of government to consolidate and rationalise small enterprise support interventions across different government departments and government agencies. Stp therefore supports all sectors from Science, Engineering, Agriculture, and Technology Business Centre's (TBC), and development & technology transfer projects focused on addressing the technology needs

of the participating enterprises. As part of this process, the Department of Trade and Industry (dti) has decided to incorporate the activities of GODISA, the three dti-supported Incubators, the National Technology Transfer Centre (NTTC), the Technology Advisory Centre (TAC), the technology transfer activities of the Technology for Women in Business (TWIB) Programme and the SMME support activities of the South African Quality Institute (SAQI) into a single Programme – Seda Technology Programme (Stp). The 'new' Programme, incorporating all the programmes/entities referred to earlier, commenced its first financial year as a single programme on 1 April 2008.

Stp built a solid body of knowledge in three areas:

1. Incubation Department
Setting up and ensuring productive incubators, establishing sustainable small businesses: Stp currently funds and directly integrates efforts with 31 incubators in South Africa. Stp is also a key role-player in the incubation space in Africa and globally, integrating best practices from all over the globe in their SA incubators.
2. Quality and Standards Department
Ensures that small businesses have access to quality control and assessment processes, and provides training and access to product & system accreditation and certifications.

3. Technology Transfer Department

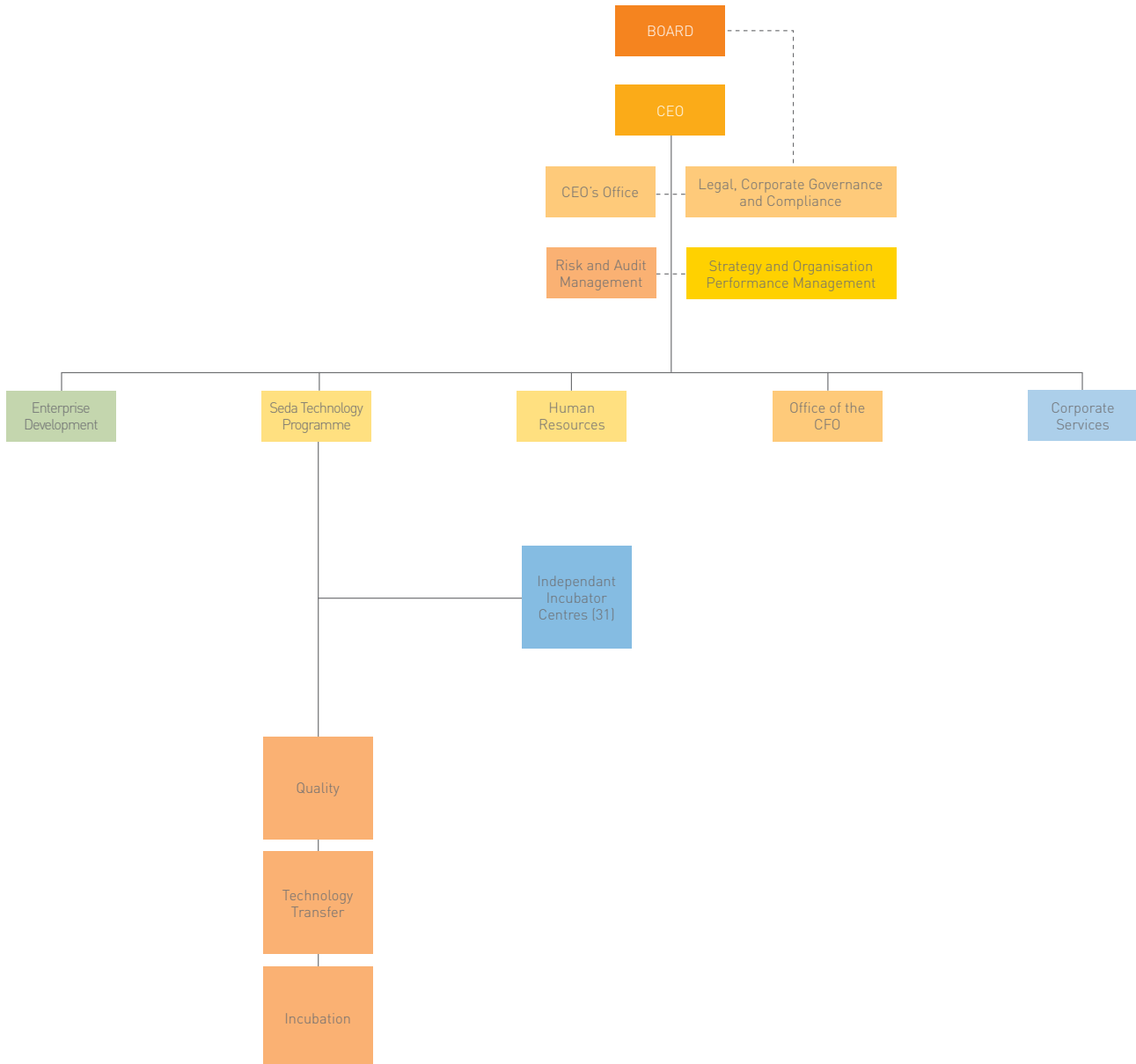
Ensures that appropriate technologies are made available to small enterprises in all corners of the country, and facilitate awareness creation with Small Medium and Micro Enterprises (SMMEs) about the use and integration of technology into their business.

Stp Strategic Focus:

The primary objectives of Stp are to:

- Promote the establishment and development of sustainable, innovative, technology-based platforms, which will contribute to the country's economic growth;
- Create and facilitate the implementation of improved and appropriate products, processes and services for the development of technology-based platforms, aimed at creating and supporting SMMEs;
- Create and support best practices in the development of technology-based platforms in creating and supporting SMMEs throughout Africa; and
- Promote, enhance and maintain quality standards, products and systems, aimed at developing the competitiveness of South African companies.

Seda ORGANOGRAM



Stp TEAM



Stp YEAR AT A GLANCE

The period under review, was one of the most rewarding in our history. We faced various challenges such as slow economic growth, the full integration of Stp into Seda and the filling of critical vacant positions. During the period Stp assisted in increasing our SMMEs turnover from R129 million last year to R169 million in this current financial year, mainly due to the Construction Incubator. This was the result of solid performance in all aspects of Stp business, aided by robust Incubator channels and an increased focus on integrated working relations between the three main departments of Stp i.e Incubation, Technology Transfer and Quality in assisting entrepreneurs.

“Stp will continue to provide support to people who want to be high-impact entrepreneurs”

Stp's 31 incubators supported a total of 1 479 clients during the and assisted with the establishment of 202 new SMMEs as a result of the virtual incubation model.

Despite economic sectors other than agriculture and construction not showing any increase in direct job creation, 893 jobs were created as well as 2 920 indirect jobs and 1 492 casual jobs through the various programme interventions. 92% of clients were black-owned businesses of which 35% were women owned.

Technology Transfer interventions were hampered by resource constraints during the first three quarters of the year. 26 SMMEs were supported with technology

funding. A further 56 small enterprises were referred to government and other programmes that provide financial support and other specialised services. Due to the mentioned constraints, the four planned partnerships with technology orientated institutions could not be realised and have been prioritised for the 2011/12 financial year. As part of the integration into Seda, the Technology Transfer Fund policies and funding procedures were reviewed and aligned to Seda's.

Resource constraints also had an impact on the focus of quality and standards support. Resultantly, 12 out of a scheduled 40 quality awareness workshops were held and 1 618 booklets were distributed to micro and start-up enterprises. 129 SMMEs were supported through conformity and product testing assessments. 350 participants were trained on ISO 9000, ISO 14000, OHSAS 18001, Food Safety, GMP and J2EX. Quality Management Systems were implemented in 26 small enterprises.

Stp recognises the importance of well managed incubators. To this end, the programme has assisted incubators to establish appropriate financial systems and policies. The Programme also provided much needed support to the incubators and committees it works with.

Prospects

Since no changes occurred in the structure of Stp and its Incubator Networks, Stp is still well positioned in the SMME environment to add significant value.

The integration of Stp into Seda will result in the following:

- Infrastructure sharing;
- Standardisation of systems and processes;
- Access to a wider network;
- Continued engagement with local stakeholders in the support of Incubators;
- Evaluating options to further improve value to the development sector.

On behalf of Stp management, I extend my sincere gratitude to the Seda Board for the guidance and inspiration its members provided. I must also thank all Stp employees and the Incubation staff for their dedication and commitment in our process of integration, transformation and sustained delivery. The support and guidance provided by the senior staff of **the dti** is noted with appreciation. They were instrumental in achieving the results for the year under review.

“Our approach in creating wealth in Rural and Agricultural development paid off”

During the period under review, additional resources were received to complement the Medium-Term Expenditure Framework (MTEF) budget allocation at R78 436 343. These range from provision of infrastructure to board level strategic support to various incubation boards. The continued support by these partners would further enable Stp to provide robust support to small entrepreneurs in coming years.

We have to keep moving with the times, explore new ways of creating value and develop innovative incubation, technology and quality solutions that will enable entrepreneurs in our Country to extract wealth from the unlimited possibilities in the Small Enterprise sector. We are committed to providing support to people who want to be high impact entrepreneurs, thereby creating wealth opportunities.



*Mr R Alummoottil
Executive Manager: Seda Technology Programme*



The Programme performed very well in achieving the set objectives for the 2010/2011 financial year and the status report of each department will highlight the achievements in detail.

Achievements

The Incubation Centres performed exceptionally well. Small, medium and micro enterprises (SMMEs) are reported to have generated a collective turnover in excess of R206 million for the year under review.

These were some of the performance highlights:

- 202 new SMMEs were established;
- 756 SMMEs were supported;
- 1 479 Clients were supported;
- 893 direct jobs were created (a total of 5 305 jobs were created including 4 412 casual and indirect jobs) by supported clients;
- 35% of supported businesses were women-owned; and
- 92% of businesses supported were black owned.

Some of the Incubators have managed to leverage other funding from various stakeholders to complement their current budget, and increasing their reach through this collaborative support. The City of Tshwane, the Nelson Mandela Bay Municipality, Umzinyathi District Municipality and the Eskom Foundation were significant financial contributors to some of the Incubators, thus also ensuring a complementary pipeline to support local economic development.

Highlights

The Annual Incubation Day is fast becoming a renowned event in the regions; especially to entrepreneurship enthusiasts. This year the Department once again hosted simultaneous events in three regions; i.e. Gauteng at the SMTDC, Mpumalanga at Timbali and in Kwazulu-Natal at the International Convention Centre. Over 400 people attended in the various regions with special guest speakers invited to speak on the impact that incubation and SMME development can have in local communities.

The dti Technology Awards

At the 2006 THRIP Awards, the Minister of Trade and Industry instructed all programmes supported through the Chief Directorate: Innovation and Technology, namely the Support Programme for Industrial Innovation (SPII); the Technology and Human Resources for Industry Programme (THRIP) and the Seda Technology Programme (Stp), should host a joint technology awards function from 2007 onwards.

The awards function focused on the following: supporting innovation and technology initiatives, encouraging new inventions in the technology and innovation sector; promoting the uptake of technology incentives, providing a platform for relationship building and networking between **the dti** and its major technology stakeholders, including beneficiaries.

The incubators and their clients also participated in the annual dti Technology Awards held on the 7th of October 2010. The ceremony aimed at acknowledging individuals and organisations that contribute towards the promotion

of technology and innovation in the country, provided an opportunity for the nominees to exhibit their products and showcase their businesses.



Above: The three key speakers for Incubation Day in the respective provinces were as follows: Durban: Mr R Alummoottil, Executive Seda Technology Programme, Gauteng: J Ravjee: Senior Manager: Incubation (Stp) and Mpumalanga: Mr K Motlhoioa, Seda Executive: Corporate Services.



Mr T Jaftha, Snr Manager of Quality and Standards, speaking at Incubation Day held at Timbali in Nelspruit



Dr Potgieter from **the dti**, Mr C Scheepers: CEO of SMTDC and Mr J Ravjee: Snr Manager of Incubation, attended the Incubation day hosted at by Stp at SMTDC, Soshanguve, Gauteng.

These awards are about the heart of business incubation, technology transfer and quality and standards technical support. Urban or rural, specialized or manufacturing focused, and wherever they're located, we're looking for the champions of business incubation, technology transfer and technically competent SMMEs.

The winners in each category were:

Best Performing Incubator of the year:

1. Furntech

Runners-up were:

1. Seda Construction Incubator
2. Timbali
3. Soshanguve Manufacturing Technology Demonstration Centre (SMTDC)

Most Successful Graduated Incubatee:

1. New Harvest Furniture

Runners-up were:

1. Clive Interior
2. Jewel Odyssey

Fastest Growing Incubatee:

1. African Geographic Information Systems

Runners-up were:

1. Fly Piggy Fly
2. Lakeshore Trading

Most Noticeable Impact on Local Economy:

1. Furntech



*Winner of the Best Performing TT intervention:
From left: Mr T Matona: Director General of **the dti**, Ms A Pitsi of Xchem and Ms BM Ntuli: former Deputy Minister of Trade and Industry.*



*Most Noticeable Impact of the Local Economy and Winner for Best Performing Quality Intervention:
From left: Mr T Matona: Director General of **the dti**, Mr G Lawrence of Liberators Engineering Works, and Ms BM Ntuli: former Deputy Minister of Trade and Industry.*

Runners-up were:

1. Seda Construction Incubator
2. Timbali
3. Soshanguve Manufacturing Technology Demonstration Centre (SMTDC)

Best performing IT intervention:

1. Xchem

Runners-up were:

1. Amelia Women Projects
2. Daveyton Wheels

Most Successful Quality Intervention:

1. Liberator Engineer Works

Runners-up were:

1. MEA Appliances
2. CosmeCeutical Products

Judges were:

Mr Jayesh Ravjee, Mr Patrick Mtsweni (dti), Mr John Francis, Ms Cebisa Nyandeni (dti), Mr Tervern Jaftha, Ms Nosipho Khonkwane.

“What is important is that” we are looking for the champions of business incubation, technology transfer and technically competent SMMEs”



*Winner of the Fastest Growing Incubatee:
From left: Mr T Matona: Director General of the dti, Mr G Mzikayise of African Geographic Information Systems and Ms BM Ntuli: former Deputy Minister of Trade and Industry.*



*Winner of the Best Performing Incubator of the year:
From left: Mr T Matona: Director General of the dti, Mr M Reddy of Furntech, Adv Sigodi: Director of the Fumtech Board and Ms BM Ntuli: former Deputy Minister of Trade and Industry.*

The centres which facilitated such included Timbali, MMI, Chemin, SCI, Furntech, Dact, SPI and others.

Official launch of the Soshanguve Manufacturing Technology Demonstration Centre

The 14th June 2010 hailed the official launch of the Soshanguve Manufacturing Technology Demonstration Centre (SMTDC). The Launch was attended by the Honourable Minister of the Department of Trade and Industry (**the dti**): Dr Rob Davies; and MMC of Economic Development of CoT: Mr Subesh Pillay.

MEC Mr Subesh Pillay stated that local government initiatives were being put in place to assist small businesses

in terms of boosting self-esteem and creating an entrepreneurial culture through setting aside a percentage of procurement exclusively for small business initiatives such as those that are produced from the SMTDC. The SMTDC's pilot programme is being expanded to other areas of need in terms of agro-processing, automotive and renewable (green) energy technologies. He further complimented SMTDC on the impact it has had in the sort period it has been in operation.

The Honourable Minister Dr. Rob Davies applauded SMTDC's impact in the area of Manufacturing which emains one of the country's major sectors in terms of unemployment relief.



Honourable Minister Dr Rob Davies, and CEO of Seda: Ms H Lupuwana turning the soil during the Launch.



Dr Rob Davies, Minister of Trade & Industry and Ms Hlonela Lupuwana unveiling the plaque during the Launch

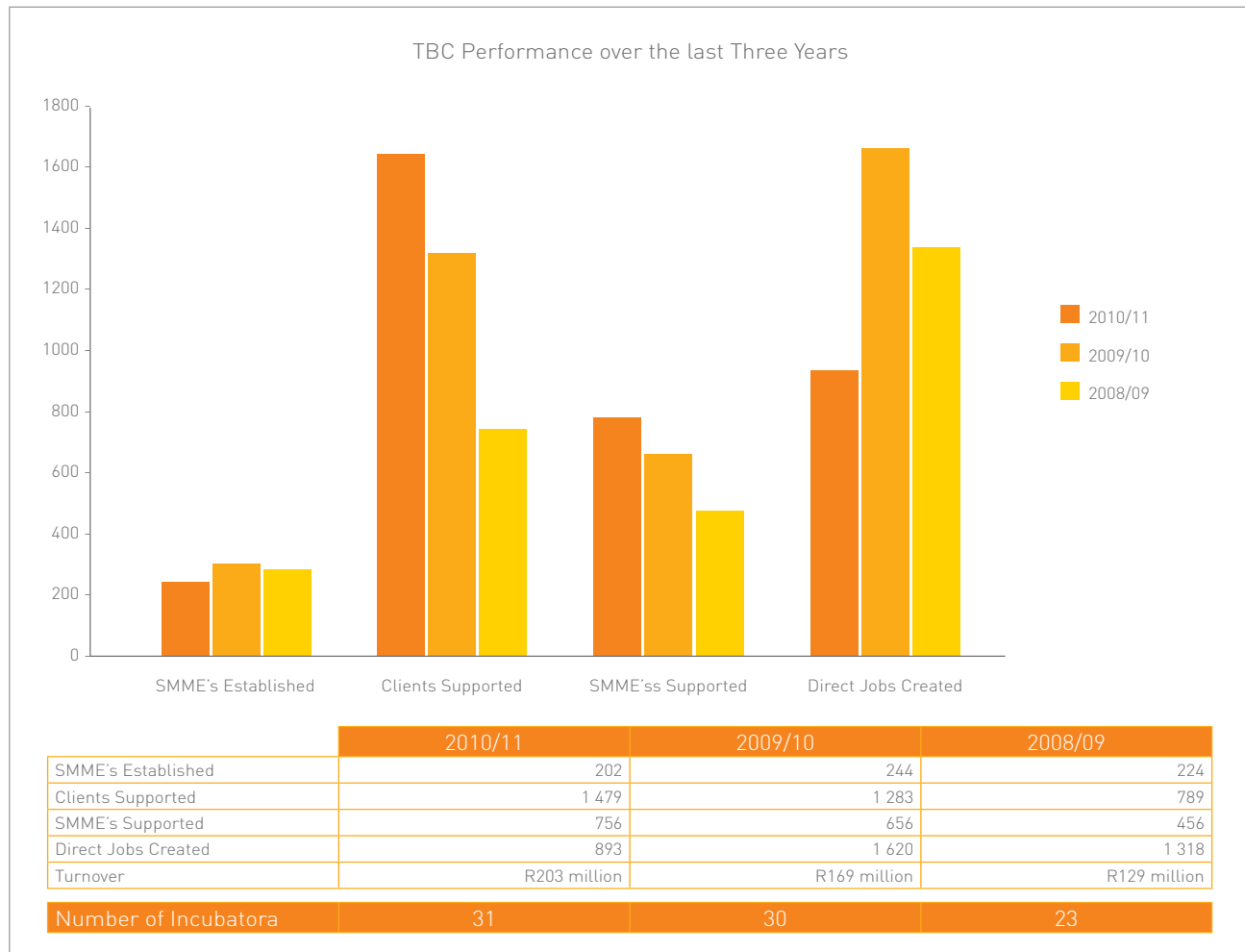
MMC Economic Development: Mr S Pillay speaking during the Launch



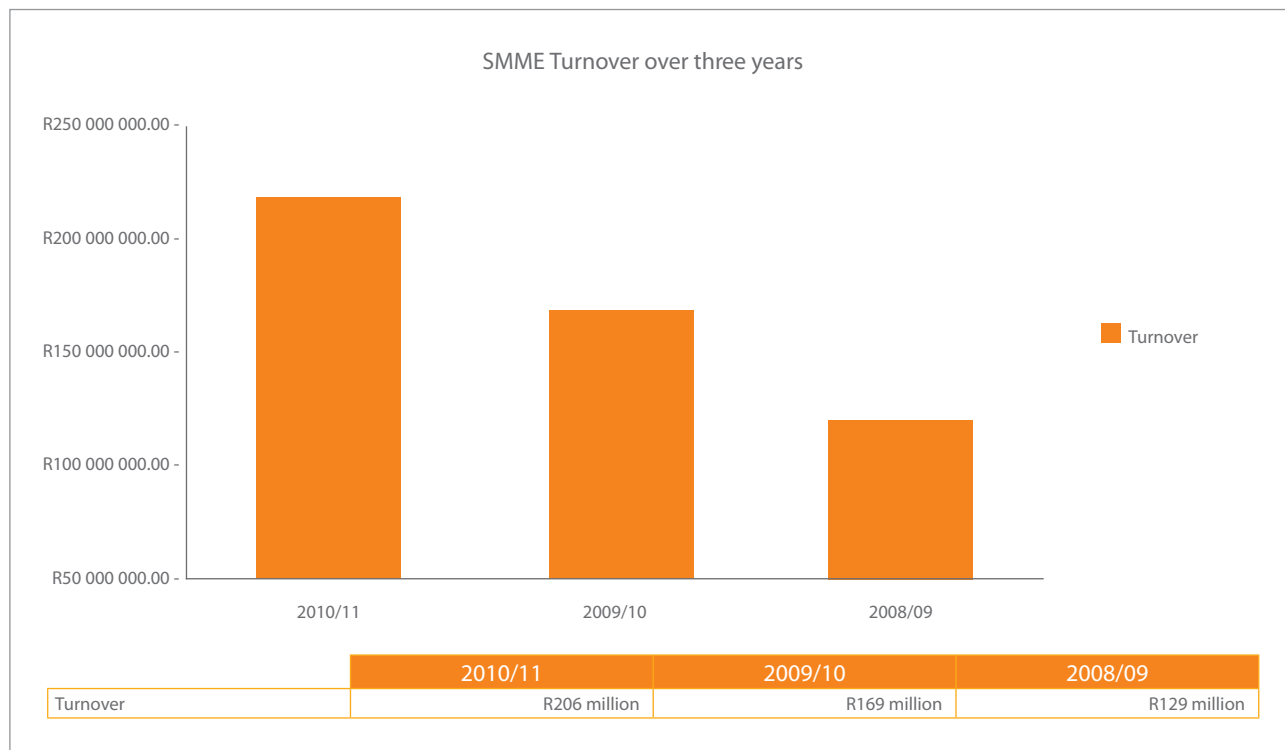
Key Outcomes / KPIs - Sector Graphs

TBC Performance: 5 Core Key Performance Indicators

Overall performance across all sectors of TBC's over three (3) years:

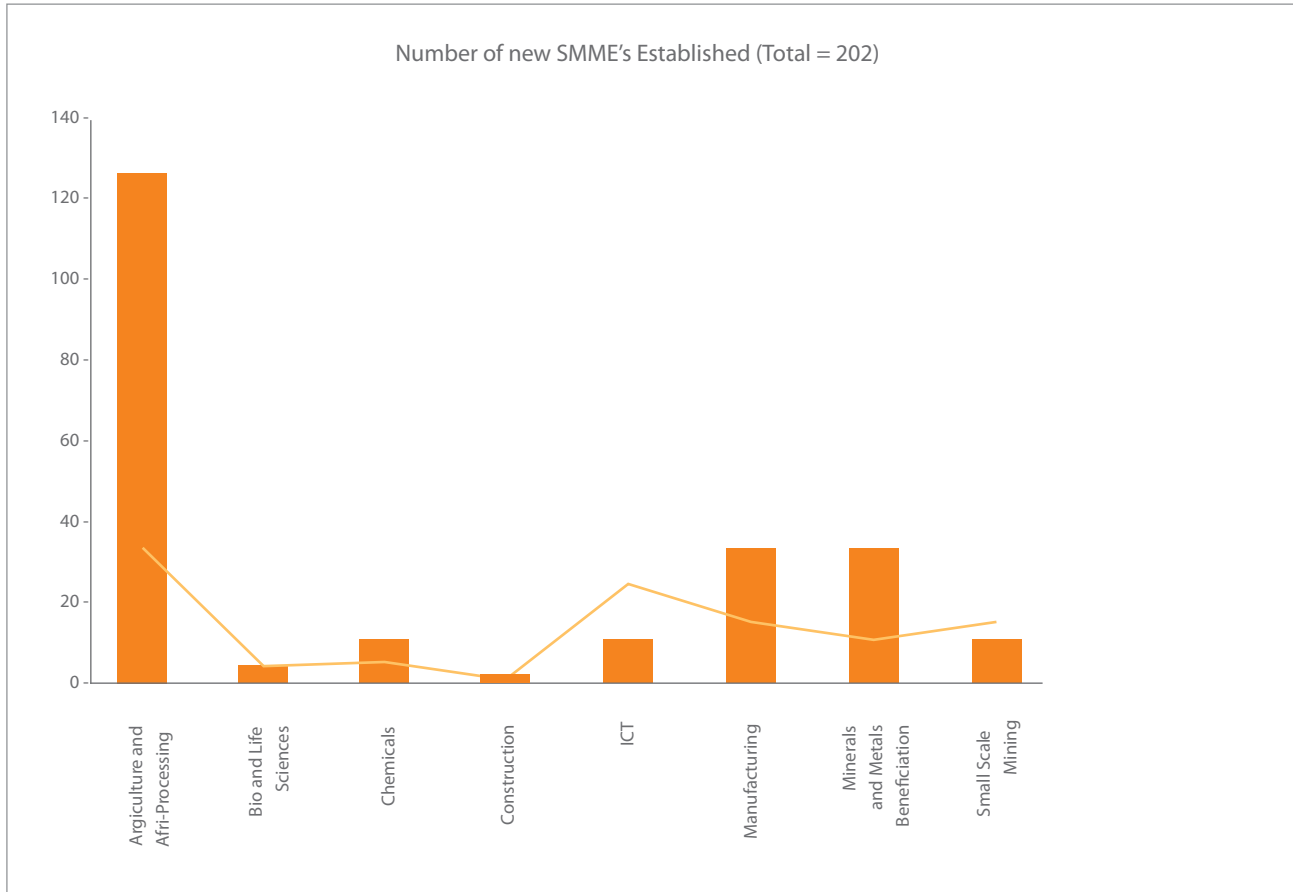


Performance against the key targets for each main KPI (per sector) is reflected in the figures below:



Agriculture continues to be the leading sector in the establishment of new SMMEs, having contributed 58.4% of all new SMMEs established for the year. This is a significant achievement by this sector, considering that the second highest contributing sector is Manufacturing sitting at 14,3%, closely followed by Minerals and Metals Beneficiation who contributed 4.8%. Each of

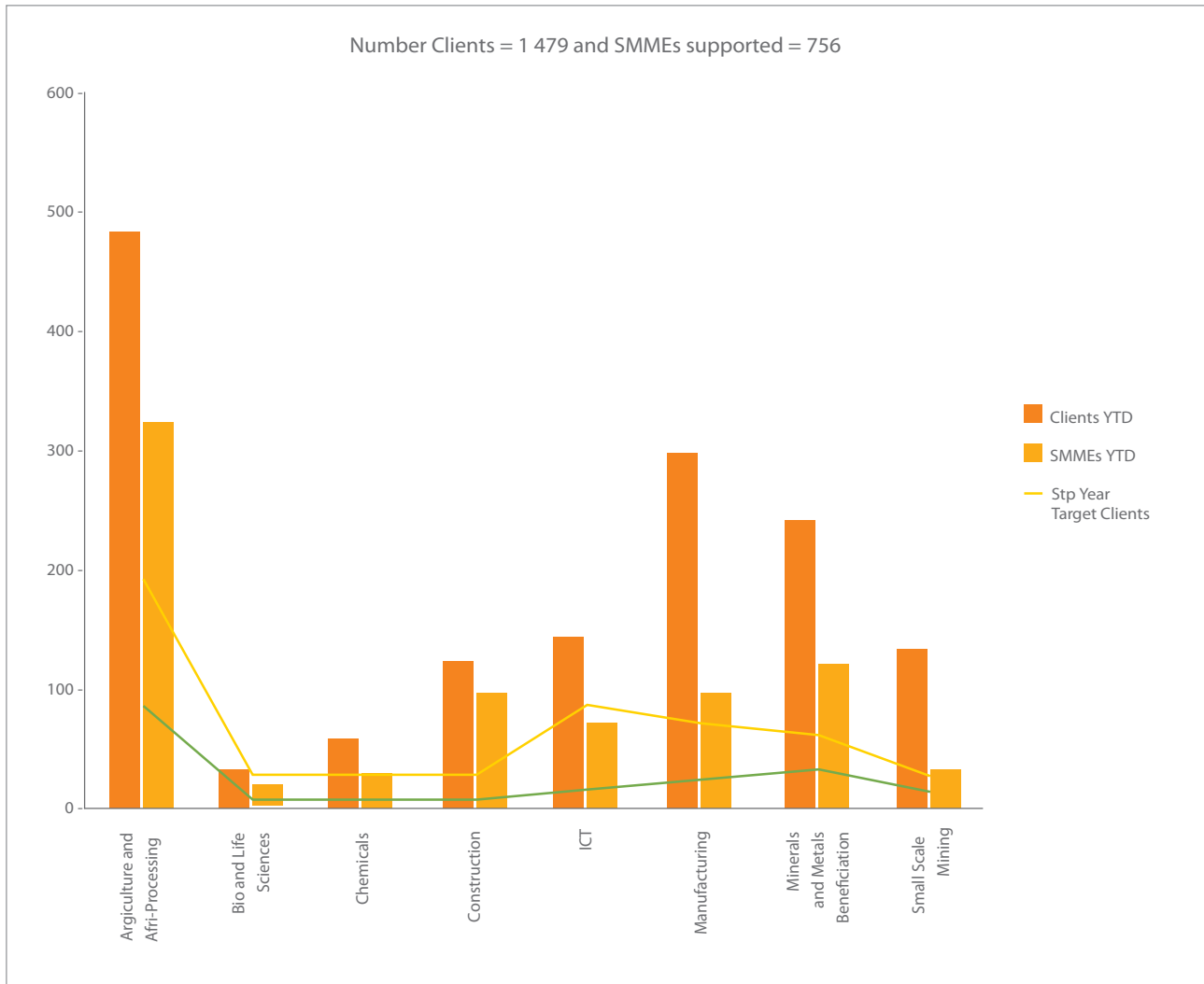
these three sectors has more than doubled their own annual targets for the year under review.



The targeted number of SMMEs supported and Clients supported were both exceeded.

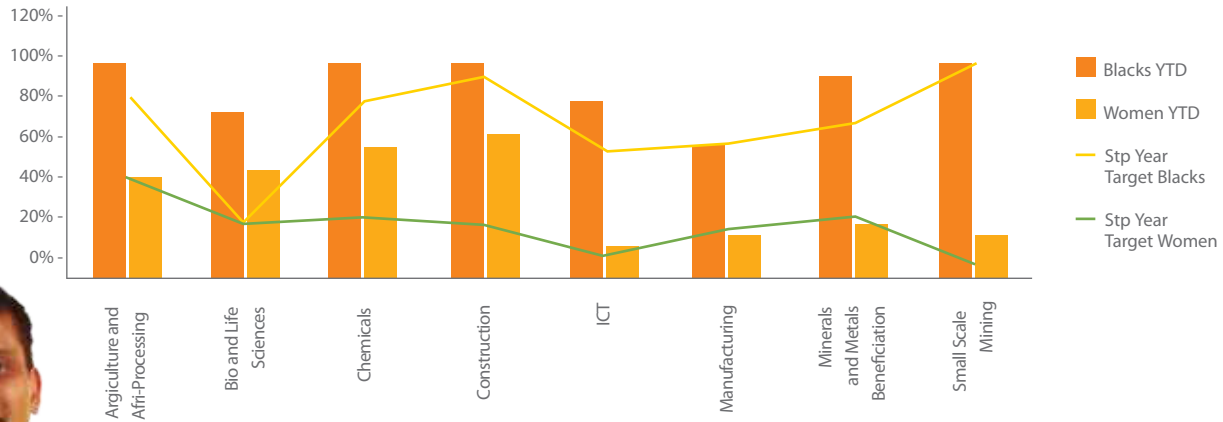
Agriculture is the highest performing sector, having contributed 45% of the total number of SMMEs supported

and 34% of the total portfolio of clients across all industries. This is a clear indication of the kind of impact that Agriculture can have and is having on the local economy. Construction is reflecting a contribution of 12% of the total number of SMMEs supported, and 8.5% of clients.



All incubators have contributed exceptionally well to the equity targets.

PDI Support: 92% Women 35% Companies in Centre Portfolio



The construction sector contributed the most to job creation due to the nature of the industry and the high contract values obtained by the contractors. The agriculture sector also contributed

significantly in correlation to the number of new SMMEs established and clients supported. Most of the jobs in the global economy were shed in the manufacturing and mining sectors, however as per certain economic data, these sectors are on the road to recovery.

Mr JJ Ravjee
Senior Manager: Incubation Department

SUCCESS STORIES



Background

Mr. Jabu Daniel Ntlou attended one of the SMTDC information sessions held in 2009. He resigned from his employment in the financial sector and established BLUNGA MANUFACTURING CC as part of DJ BLUNGA INVESTMENTS (Pty) Ltd so that he could pursue his dream of being self employed.

Challenges

Along with many other start-up small businesses, BLUNGA MANUFACTURING faced challenges such as access to capital, infrastructure and medium to long term contracts to infiltrate toilet roll manufacturing market.

“Creating an empire is every responsible person’s wish and to leave a legacy for my dependants is paramount. Through an initiative like this incubation programme one can realize this objective. In short SMTDC have been a teaching institution, a practice ground and a family zone where you are allowed to make mistakes and learn from them.”

Achievements

- REVENUE
 - 2010 – R108 000-00
 - 2011 – R449 177-80
- JOBS CREATED
 - 2010 – 1 employee
 - 2011 - 5 employees
- RECOGNITION
 - 2010 – Received his completion certificate at the SMTDC Launch
 - 2011 – Mr. Ntlou assists SMTDC to inspire and motivate potential SMMEs to achieve success

SMTDC Path to Success

SMTDC contracted Mr. Ntlou into the skills development and training programme on the 1st April 2009. He underwent intense training for a period of 4 months and exposed himself to business, technical and entrepreneurial skills. The pre-incubation phase of the SMTDC business model provided the stepping stone for the registration of BLUNGA MANUFACTURING CC on the 5th August 2009. The business then tapped into the additional services of the SMTDC in the form of mentoring and coaching as provided on site by the Business Development and Technical Training Officers.

In December 2009, BLUNGA MANUFACTURING CC became

the first client to access the Capital Savings programme of the Centre. This added benefit service bridged the gap between the Business's need to commence operations and the numerous banking and financial aid applications that had been declined as the company was a young start-up with a lifespan of 11 months.

The Technology Transfer Fund enabled BLUNGA MANUFACTURING CC to obtain capital assets. This opportunity allowed the business to flourish and within a period of 6 months saw an increase in its turnover.

BLUNGA MANUFACTURING CC survived its first year with promising results and its relationship with SMTDC is growing towards an optimistic future.



*Mr. Jabu Daniel Ntlou
Director: Blunga
Manufacturing cc
www.blunga.co.za*

SUCCESS STORIES

Max-Wezie Civils and Building

Background

Max-Wezie Civils is a joint effort by Weziwe Zondani and her husband Max Zondani. The company was formed in 2002 and has been mentored through the Seda Construction Incubator (SCI). Weziwe Zondani obtained a National Diploma in Building Science and Project Management before venturing into business with her husband. Max Zondani has a National Certificate in Electrical Engineering.

Area of Specification: Civil works and General Building
CIDB: 6 GB PE, 4 CE PE.

Challenges

When they joined SCI they struggled with Contracts Management and SCI has taken them to JBCC, GCC, H&S workshops organised by CIDB in the province. They are currently doing very well and can do H&S plans, files, etc. They realised that their business was growing and needed proper systems, processes and staffing allocation.

Achievements

Completed projects and SCI intervention and support:

1. Tsolo Exam and Assessment Centre:
R6 million SCI assisted with the contract design changes to ensure the integrity of roof and patio columns.
2. Ruze J S S School R9.8 million
Max- Wezie Civils and Buildings have completed a school in Libode in an outlying area called Mhlanganisweni.

Current projects

Construction of RDP Houses in Flagstaff for Department of Human Settlements. The project is worth R33 million and also some IDT schools worth R 14 mill. On completion of the above projects the company will upgrade to CIDB grade 7 or 8.





During the period under review, the Technology Transfer Department (TTD) was allocated funding from **the dti**.

Achievements

The Technology Transfer Fund (TTF) received an allocation during the third quarter of the 2010/11 financial year.

Two TTF Adjudication Panel meetings were held during the period under review, during which a total of 47 new applications were presented. Twenty six applications were approved, requiring a total budget of R13 926 9111.

The 26 approved interventions will facilitate various technology upgrades and concomitant skills acquisitions which will, in turn, enable SMMEs to function more efficiently. These SMMEs are distributed country wide and function in a number of different sectors, including manufacturing, printing, recycling, metals, ICT, Food, Clothing and the automotive industry.

A total of 37% of these enterprises are owned by women. An additional Small Enterprise was supported as the winner of the TWIB Awards.

A Technology Transfer Policy Review Workshop was held during the third quarter to revisit the processes and procedures involved. A Process Mapping exercise was also completed.

As part of the department's focus on encouraging women owned businesses to improve their competitiveness through new technology adoption and implementation, the department supported the 2010 TWIB Awards winner with an intervention that is looking at advancement of technology in their Coffin manufacturing business in order to improve product quality and productivity.

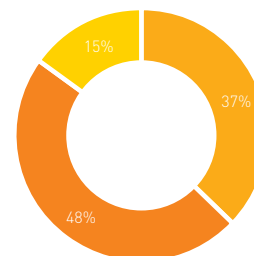
Ownership of SMME's supported by TTF

The figures below depict the Ownership of SMME's supported by TTF:

Project approvals by Gender Split

	2010/11
Males	48%
Females	37%
Male and Female	15%
Total	100%

■ Male: 48%
■ Female: 37%
■ Male and Female: 15%

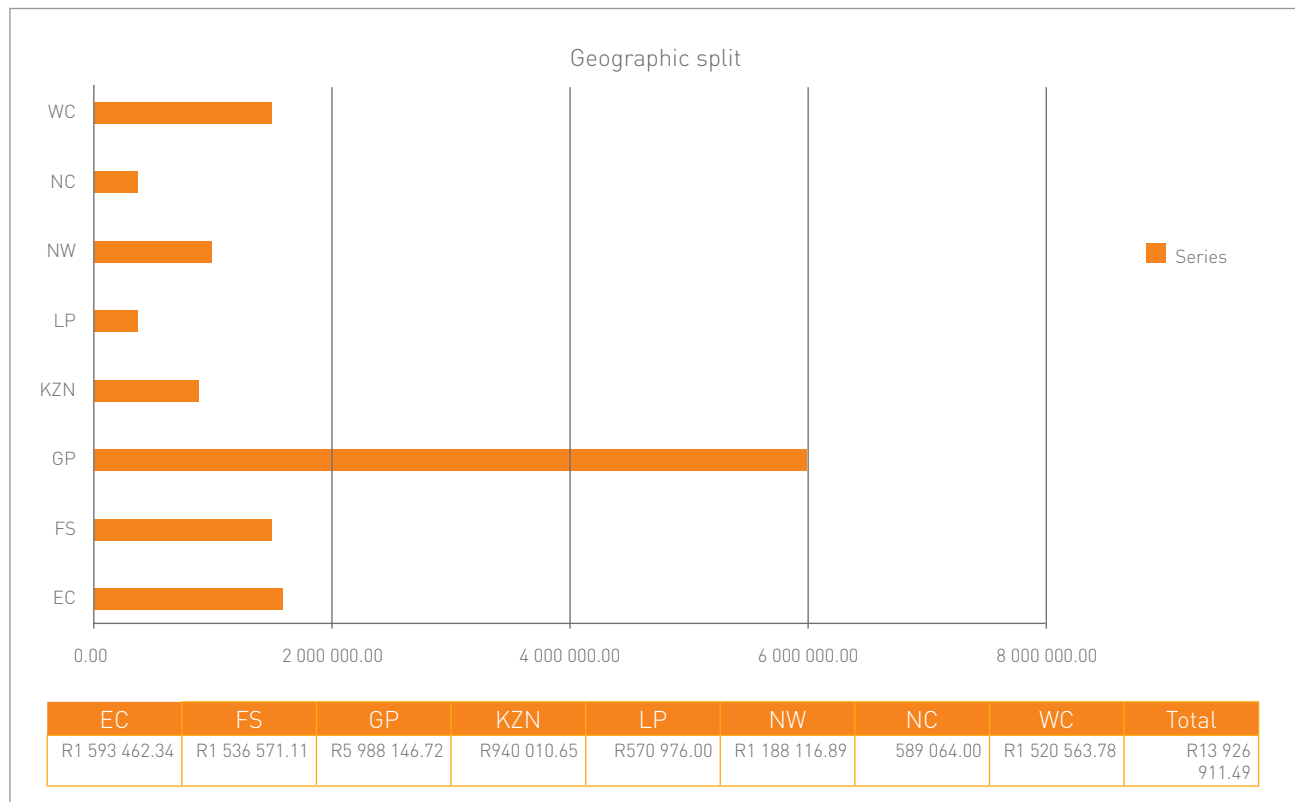


The aforementioned indicated that business owned by males have received more successes at 48% compared to female-owned businesses at 37% success rate. This is due to high

number of applications received from male-owned businesses. The businesses that are owned by both males and females are at 15% success rate.

Funding allocation per province

The figures and graph below indicates the funding allocation per province for the period under review:



The Gauteng Province continues to dominate, which could be attributed to a high level of programme awareness and entrepreneurship in the province.

Projects approved per sector

The figures and graph below indicates the projects approved per sector:



Ms N Khonkwane
Senior Manager: Technology Transfer Department

SUCCESS STORIES

Iluba
trading as African Floralush

Introduction

African Floralush Pty Ltd, previously known as Misty Sea Trading was established in 2008. This business saw an opportunity in the market and made use of a South African generated Intellectual Property (IP) to launch the business.

In their search for an appropriate technology, a solution was found through IP generated by the Nelson Mandela Metropolitan University (NMMU). The purpose of the technology is to extend the vase life of fresh cut roses and other flowers from about 7 days to a FEW YEARS - "LONG LIFE ROSE". Their core business is the preservation, marketing and export of long life roses.

Challenges

Even though African Floralush Pty Ltd had identified the appropriate technology, the technology needed to go through finalization stages and that required resources for the pilot testing plant and the transfer of know-how.

Solution

- Their Technology Transfer Fund application was approved for the purchase of the pilot plant equipment and the transfer of know-how from NMMU.
- The plant was commissioned in 2009,

- Manufacturing and preservation production processes were tested.

Results

- 50 new jobs have been created.
- Average monthly turnover of R450 000 was generated in the past 5 Months.
- Captured the export market with more than 50% of current Monthly turnover generated from export sales.
- Ability to secure loan funding from IDC for expansion.
- The company is now in the process of expanding its product range to include preservation of a wide range of foliage and other plants.



SUCCESS STORIES

L & W Precision Engineering

Introduction

L & W Precision and General Engineering CC was established in 2008 by Wendy and Shaun Manual. The business offers various engineering services, specializing in tool and die making. Their client base consists mainly of large industrial manufacturing companies that operate 24 hour shifts and require repairs on machinery, replacement or design and manufacture of components. Shaun is a qualified tool maker who has worked for a number of major industrial engineering companies. Wendy on the other hand worked for a higher education institution as an administrator.

Challenges

The business was started in 2008 and is still operated from their home in Belhar, Cape Town. One of the biggest

challenges in the beginning was building a sustainable client base in a highly competitive industry. While Shaun was well known in the engineering industry, the business was not and Wendy who manages both the administration and marketing, had very little sales experience.

Solutions

With Seda's assistance they were matched up with a service provider who assisted them in developing a suitable Marketing Strategy. A few months later and as part of a growth plan that was developed between the client and Seda, another service provider was assigned to develop and print suitable signage, providing the business with much needed visibility.

Results

A combination of hard work and resilience from the owners, the implementation of the marketing strategy and good use of the signage provided, together with the grant provided by the Technology Transfer Fund has had an immensely positive effect on the business in the past year. The list of major industrial clients has grown from 1 to 15; turnover has grown by 60% and the staff compliment has grown from 3 to 14, with one being an Engineering Intern from a local Technikon.





The following highlights the performance of the department at a glance:

Indicator	Annual Target	Annual Performance	Variance
Number of SMMEs and SME staff trained	350	629	279
Number of SMMEs supported	120	129	9
Number Women-owned businesses supported	200	378	178
Number of youth-owned businesses supported	100	133	33

Achievements

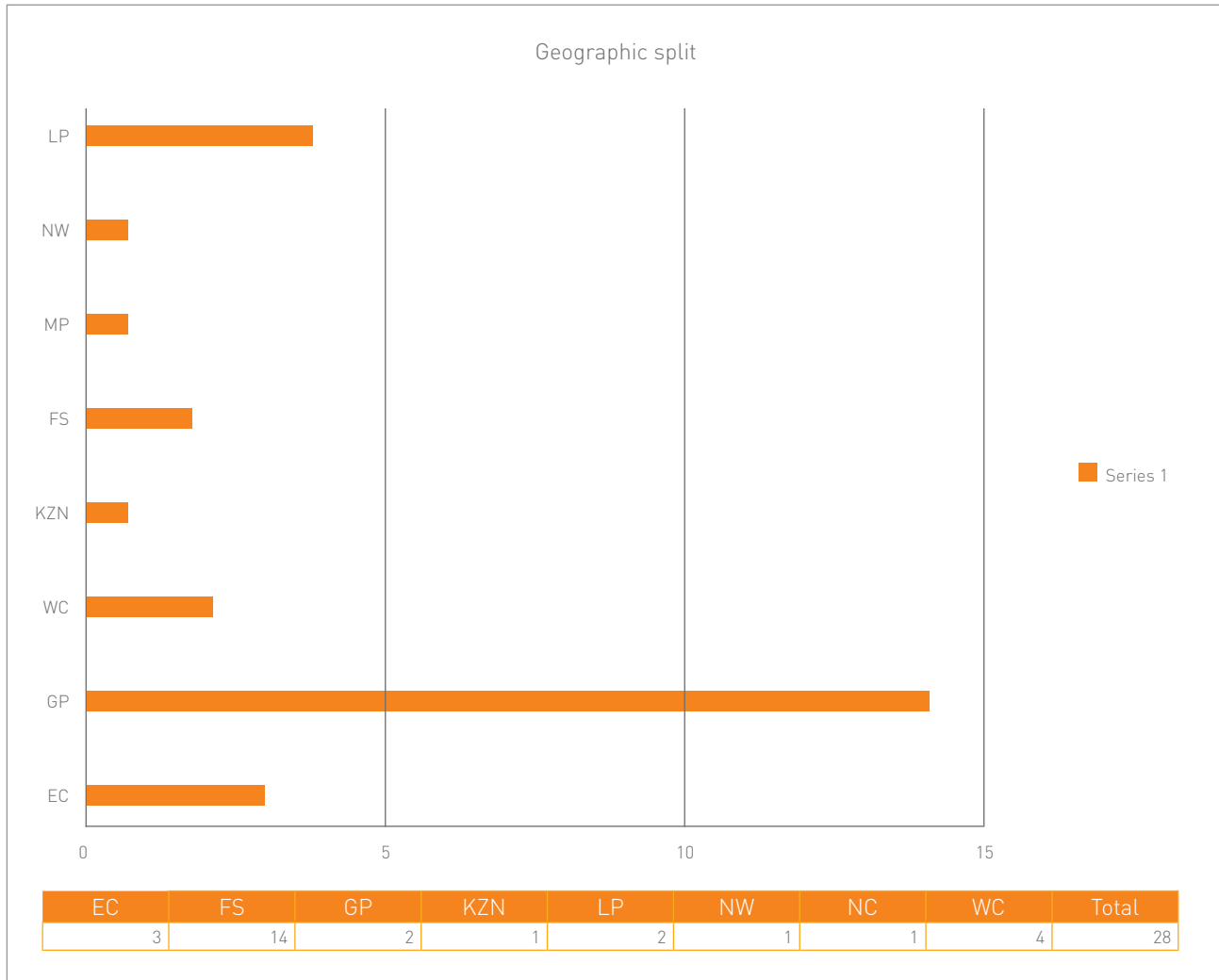
All targets were achieved for the year under review, with a small percentage over-achievement in the technology support area of the department's work, that being conformity assessments (product and system certification), and training of SMMEs on ISO 9001:2008 Food and Safety standards (HACCP).

During the year under review the department managed to run 12 sector standards workshops in 9 provinces, distribute 1 618 ISO awareness booklets, conducted 75 SME Quality Healthy Check / Compliance Audits for clients at the lower end of their support pipeline.

The department managed to train 350 SMMEs on the lower end of the development pipeline and an additional 279 SME staff on the medium to higher end as part of the management system implementation process. On the medium to higher end the department approved 28 applications for product testing and certification, 202 different products were tested, which were manufactured by local SMMEs, using the SABS testing labs.

The department also approved an additional 26 Quality Management System applications (ISO 9001, HACCP, and Integrated Systems). The Seda production specification database was updated during the latter part of the 4th quarter with new sector SANS, ISO standards and new building codes for small construction companies and compulsory specifications for manufactured goods.

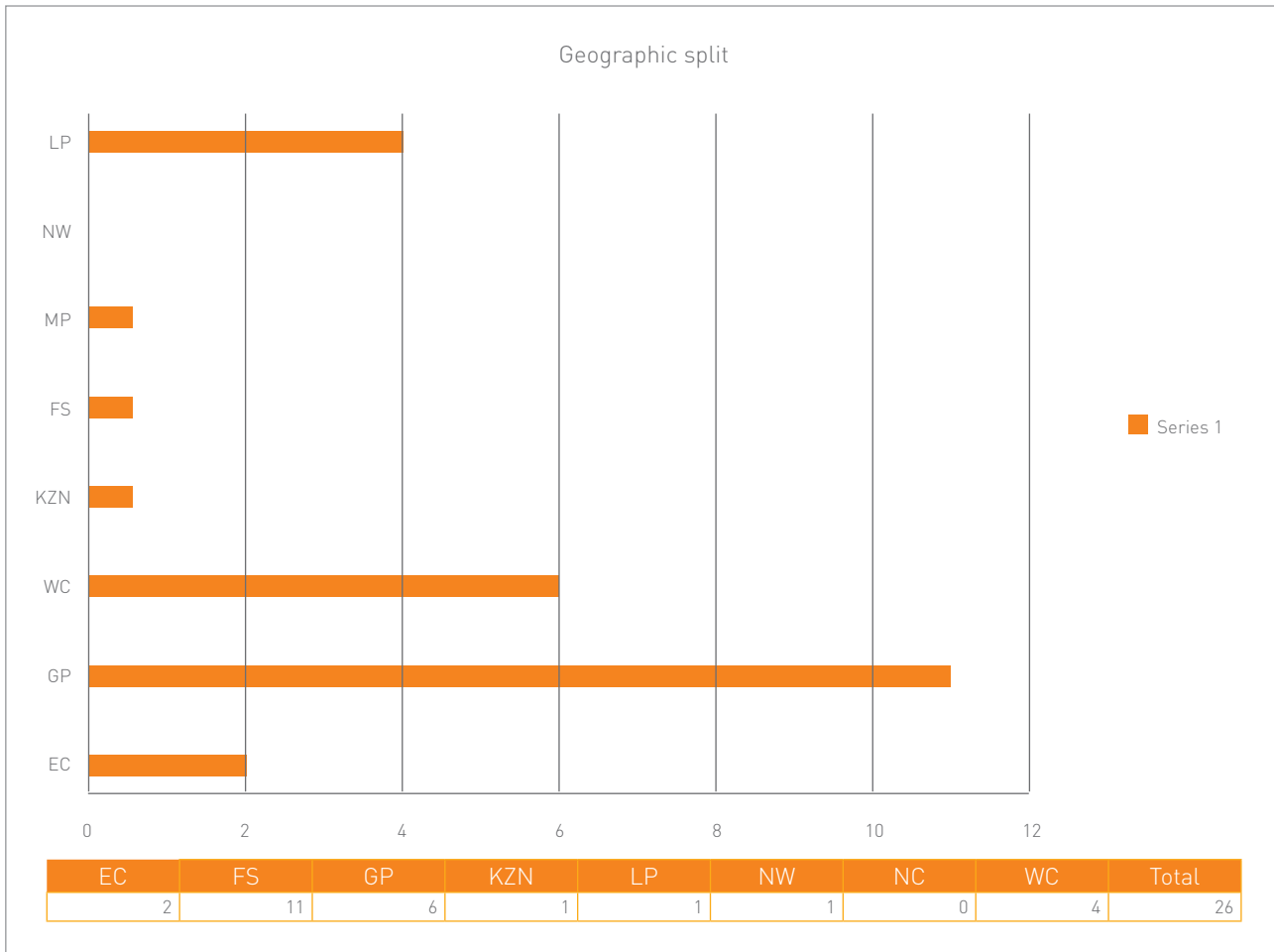
The following table and graph indicates the number of product testing per province:



As part of the technical development of the SME's that was approved for System Certification an additional 279 people were trained (included in training figures).

Management Systems:

The following table and graph indicates the number of companies assisted per province:



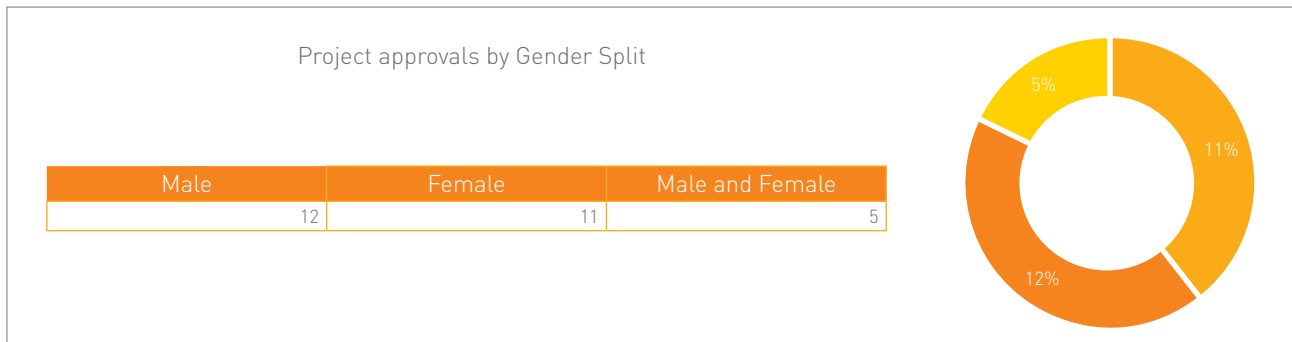
The collection of SABS (SANS) and ISO standards is available on “Phalafala”. These standards are updated quarterly and accessible to all Seda staff but specifically for Seda Business Advisors.

Demographics 2010/2011

Product Testing

Company Ownership

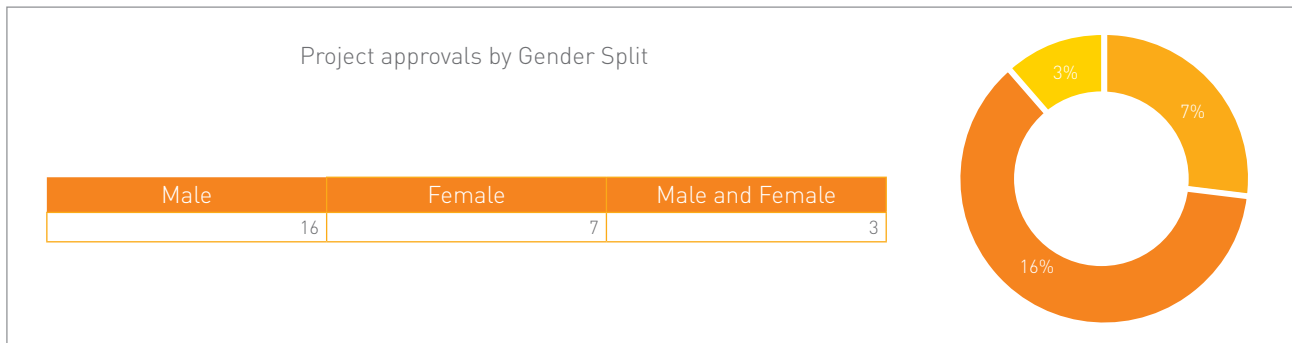
The following table and graph indicates the companies assisted with product testing:



Management Systems

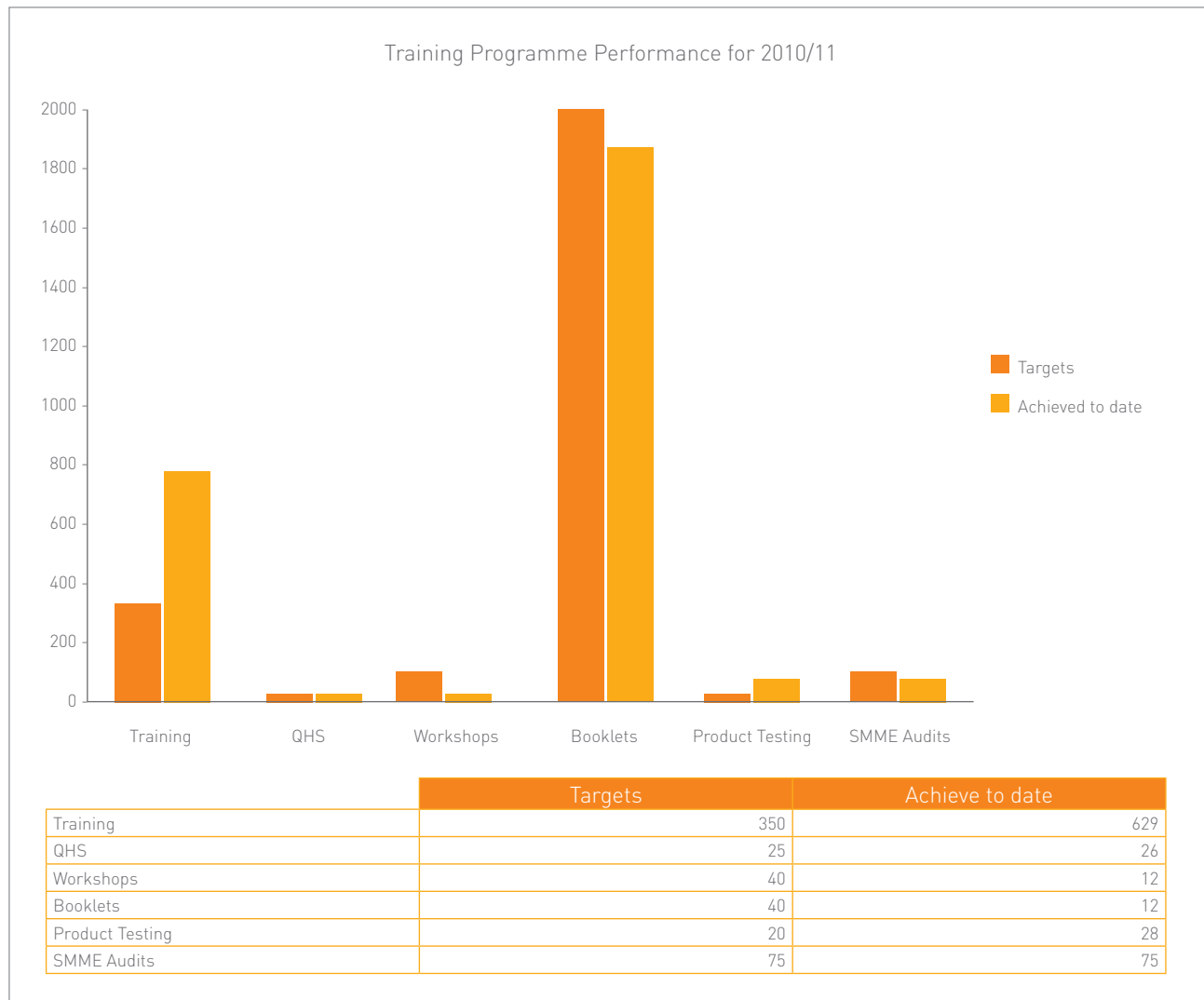
Company Ownership

The following table and Graph indicates the companies assisted with management systems.



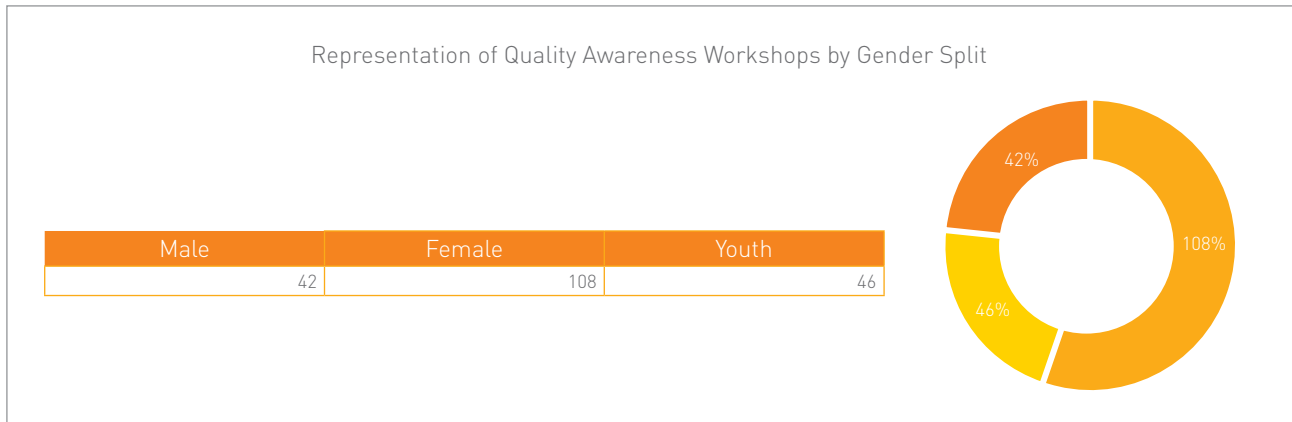
Training Programme Performance

The following table and graph indicates the training programme performance:



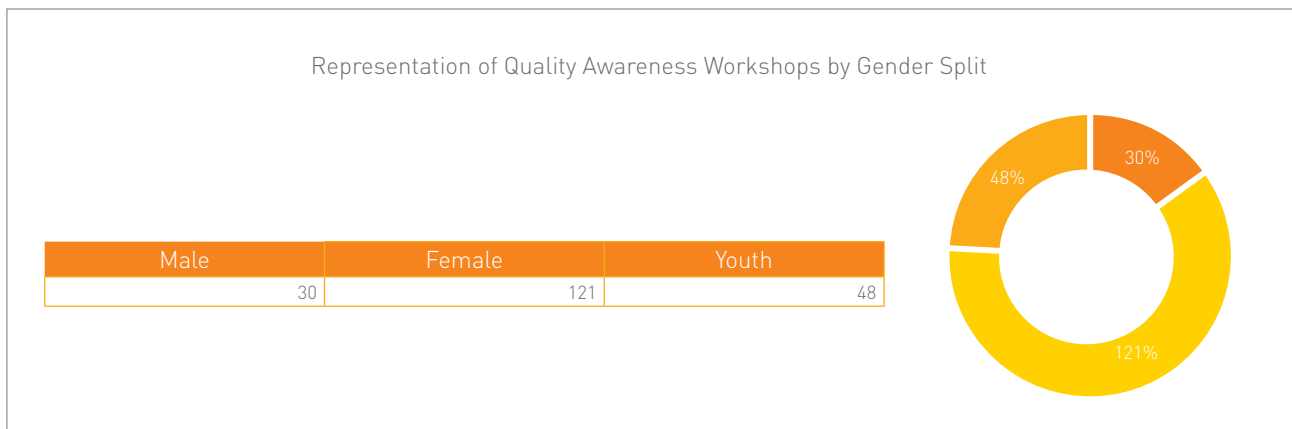
Quality Awareness Workshops:

The following table and graph indicates the representation on quality awareness workshops:



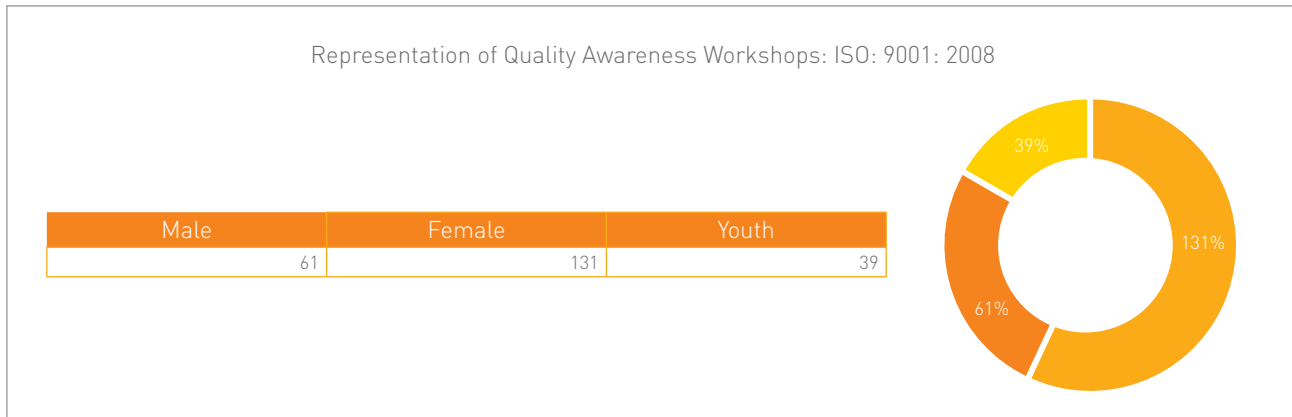
HACCP:

The following table and graph indicates the demographic representation on quality awareness workshops: HACCP:



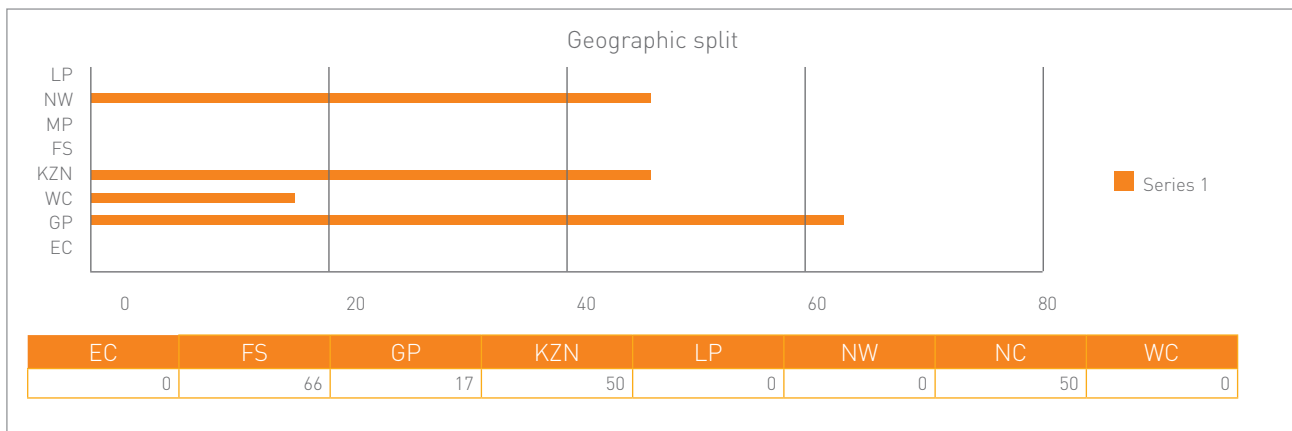
ISO: 9001: 2008:

The following table indicates the demographic representation on quality awareness workshops: ISO: 9001: 2008:



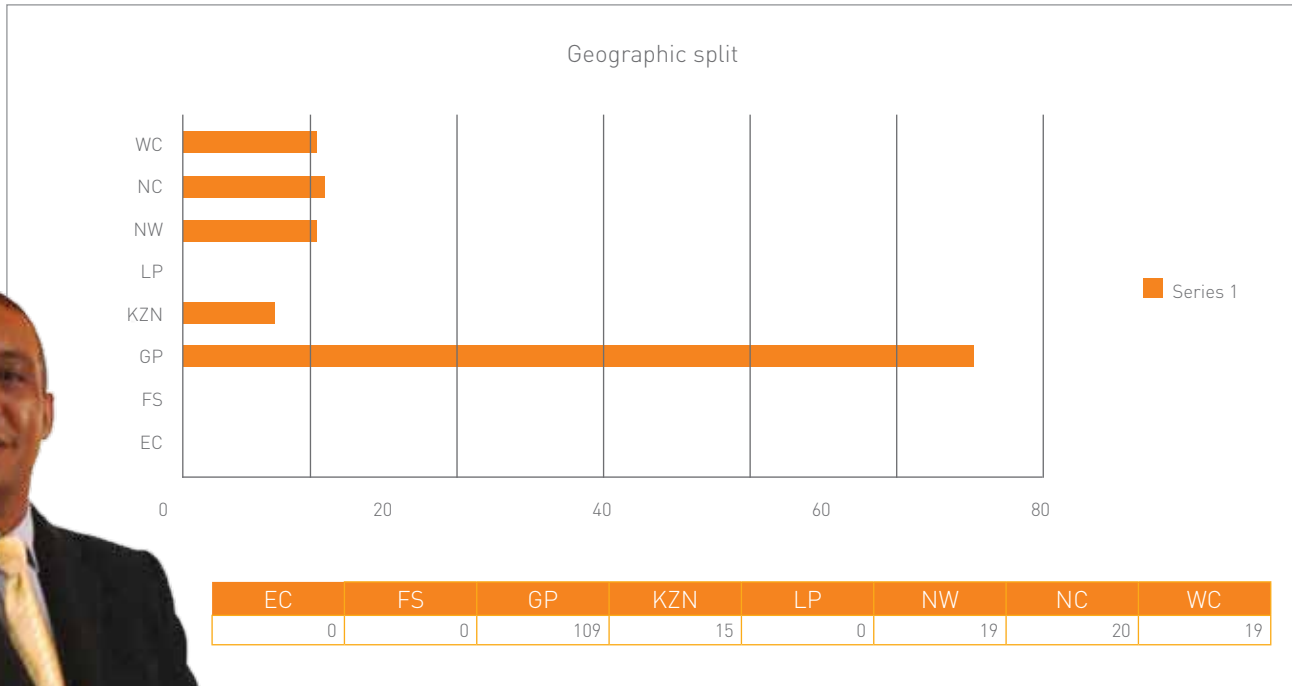
HACCP:

The following table indicates the percentage of geographic spread of the department's training (HACCP) support program:



ISO: 9001: 2008

The following table and graph indicates the percentage of geographic spread of the department's training (ISO: 9001: 2008) support programs:



Mr. Tervern Jaftha
Senior Manager: Quality and Standards Department

SUCCESS STORIES

Sinjana Engineering

Introduction

Sinjana Engineering cc has been manufacturing since 2000. The company is ideally located with easy access to major roads and airports and can work to short lead times as required.

Management understands that this is inevitable not only because of quality but also because of economical and social reasons. We achieve our goals and objectives through team work, competence, motivation, empowerment and involvement of all employees. Management provides for an atmosphere which stimulates improvement and communicates the importance of meeting customer as well as statutory and regulatory requirements.

The framework of our Management System is defined by Executive Management in our Business Manual. This mandatory Management System guideline is informed by ISO 9001:2000 and consideration is given to requirements of ISO/TS 16949:2002, ISO 14001:2004, Q1/2002, OHSAS 18001:1999 Standards and any other customer specific requirements. Each employee is compelled to comply with the relevant procedures of the Manual.

QMS Background

Sinjana adopted a quality management system (QMS) in 2009 as per Seda recommendations.. We took the opportunity and got engaged with the consultant in the development of the QMS Manual. The process only got to its advanced level in 2010 where we had our first SABS Audit assessment. The second SABS Audit assessment was conducted in 2011 and we are now at a certification level.



RESOURCING

Stp

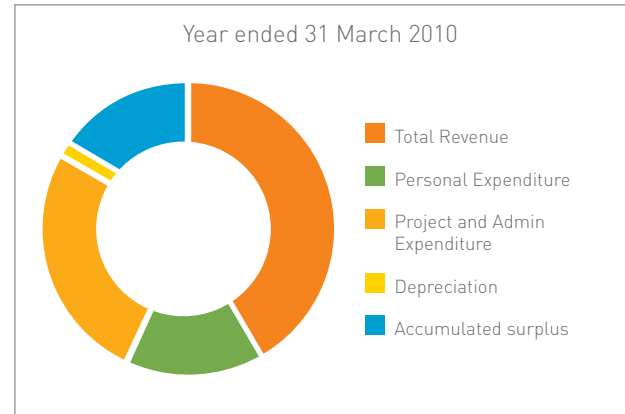
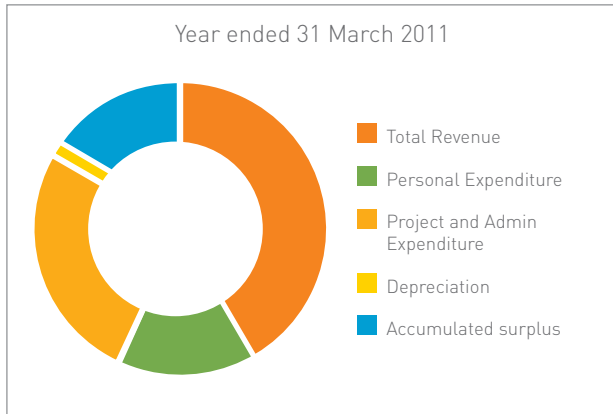
The year ended 31 March 2011

For Seda to comply with its audit requirements for the Auditor-General, the Seda Technology Programme's finances have been audited as part of Seda for 2010/2011 financial year. Therefore no separate audited

financial statement for Stp exists and the audit opinion of Stp is covered by the Seda audit opinion which is unqualified.

Total Revenue
 Personnel expenditure
 Project and Admin expenditure
 Depreciation
 Accumulated surplus

	31 March 2011	31 March 2010
Total Revenue	R78 436 343	R96 875 320
Personnel expenditure	R10 631 110	R9 852 645
Project and Admin expenditure	R67 404 919	R89 347 199
Depreciation	R211 115	R432 235
Accumulated surplus	R12 009 637	R11 820 440



Stp has conscientiously applied the allocated funds in an efficient and transparent manner, enabling the organisation

to effectively support various projects and interventions mandated to it.

LIST OF ACRONYMS

DST	The Department of Science and Technology (National)
the dti	The Department of Trade and Industry (National)
GEP	Gauteng Enterprise Propeller
HACCP	Hazard Analysis and Critical Control Points
ICT	Information and Communication Technology
InfoDev	Information Development by the World Bank using ICT as a base
KPI	Key Performance Indicator
LIBSA	Limpopo Business Support Agency
MOA	Memorandum of Agreement
SABS	South African Bureau of Standards
SABTIA	South African Business Technology Incubator Association
SAQI	South African Quality Institute
Seda	Small Enterprise Development Agency
SPII	Support Programme for Industrial Innovation
SS GATE	South South Global Assets and Technology Exchange
Stp	Seda Technology Programme
SWEEEP	Sector Wide Enterprise Employment and Equity Programme
TCC	Tax Clearance Certificate
TEI's	Tertiary Education Institution(s)
TESIP	Tertiary Education Satellite Incubation Programme
THRIP	Technology and Human Resources Industry Programme
TDC	Technology Demonstration Centre
TTU	Technology Transfer Unit
TUT	Tshwane University of Technology
TWIB	Technology for Women in Business
TBC's	Technology Business Centre(s). An inclusive term used by Stp to define the different types of "technology-support" centres. These centres include; Incubators, Technology Demonstration Centres and Hybrid Centres.

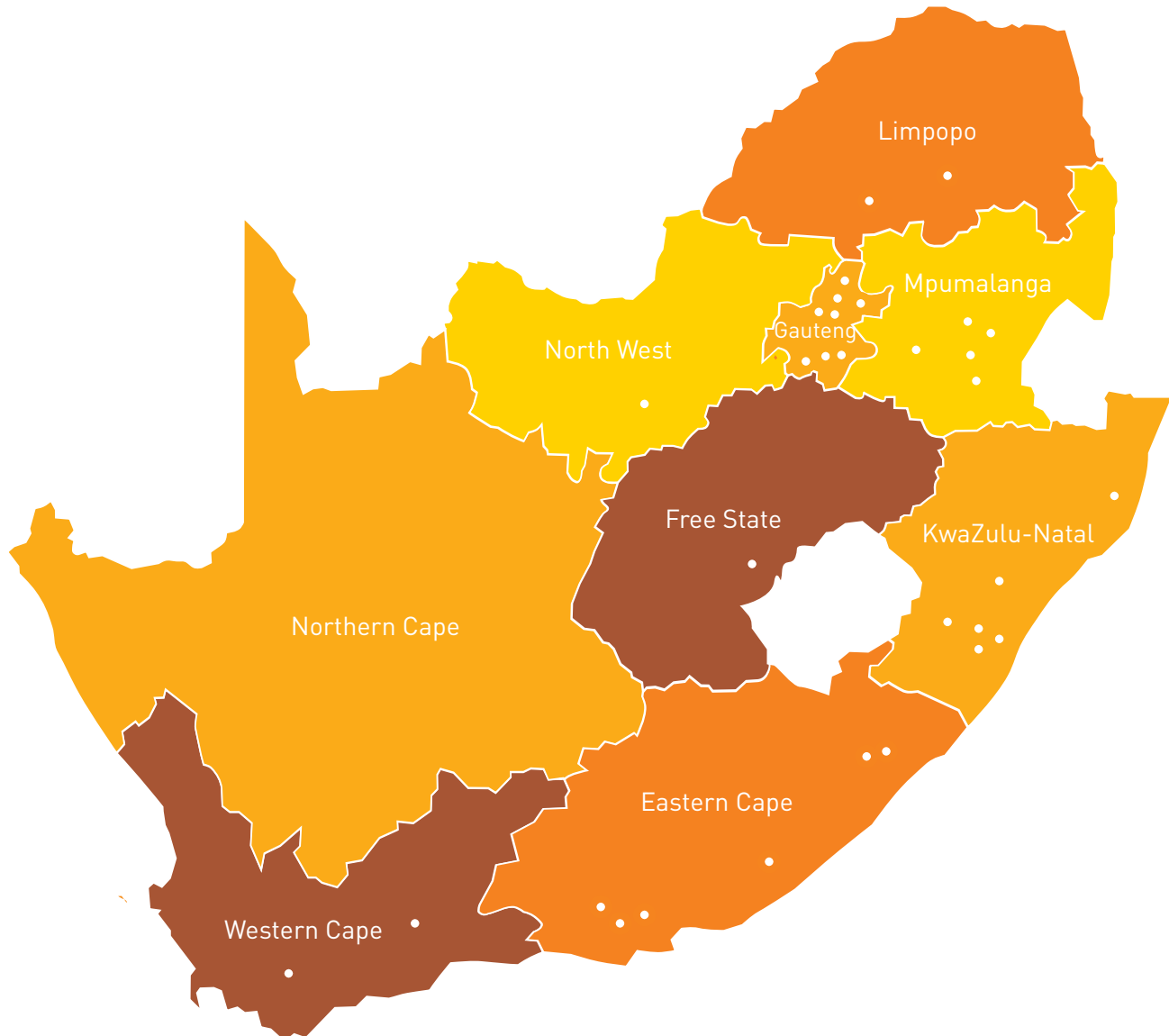
TBC ACRONYMS

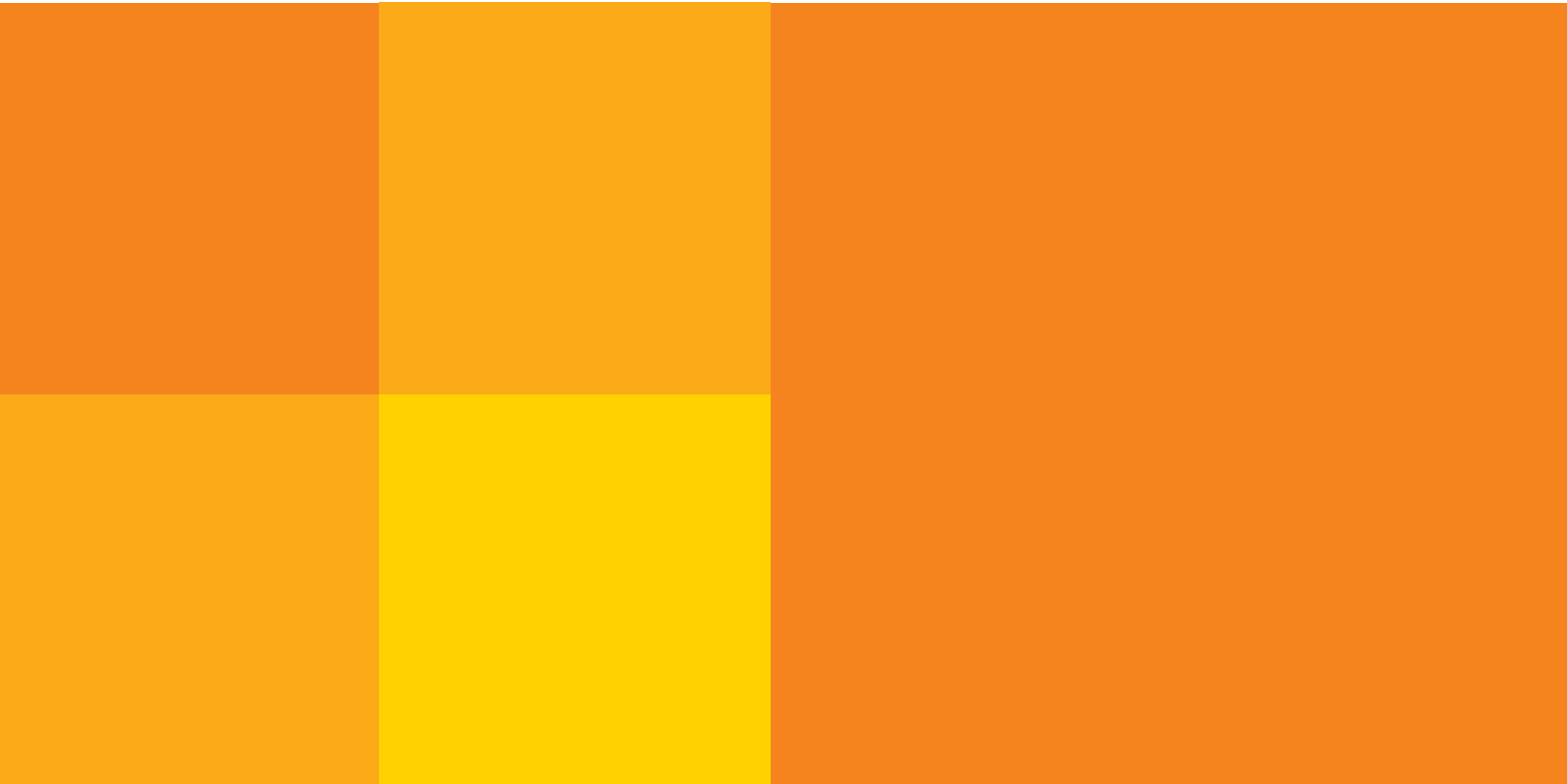
CHEMIN	South African Chemical Technology Incubator
CUTTI	Central University of Technology Tooling Incubator
DACT	Downstream Aluminium Centre of Technology
DUT	Durban University of Technology
EGOLIBIO	EGoli Biotechnology Incubator
FURNTECH	Furntech Technology Incubator
Lepharo	Seda Ekurhuleni Base Metals Incubator T/A Lepharo
MASD&T	Mpumalanga Agri-skills Development and Training
MMI	Makhura Maphura Incubator
MSI	Mpumalanga Stainless Initiative
SAMTI	Seda Agricultural and Mining Tooling Incubator
SATeC	Seda Automotive Technology Centre
SBTI	Softstart Business Technology Incubator
SCI	Seda Contractors Incubator
SEOBI	Seda Essential Oils Business Incubator
SeSuCI	Seda Sugar Cane Incubator
SLJI	Seda Limpopo Jewellery Incubator
SMTDC	Soshanguve Manufacturing Technology Demonstration Centre
SPI	Seda Platinum Incubator
Timbali	Timbali Incubator
Zenzele	Zenzele Technology Demonstration Centre

LIST OF INCUBATORS

	NAME OF INCUBATOR	SECTOR	LOCATION
1	Chemin Port Elizabeth	Chemicals Industry	Port Elizabeth, Eastern Cape
2	Chemin East London	Chemicals Industry	East London, Eastern Cape
3	Downstream Aluminium Centre for Technology (DACT)	Aluminium fabrication & casting	Richard's Bay, KwaZulu Natal
4	EgoliBio	Bio & Life Sciences	Pretoria, Gauteng
5	Furntech Durban	Furniture manufacturing	Durban, KwaZulu-Natal
6	Furntech George	Furniture manufacturing	George, Western Cape
7	Furntech Cape Town	Furniture manufacturing	Cape Town, Western Cape
8	Furntech Johannesburg	Furniture manufacturing	Johannesburg, Gauteng
9	Furntech Mthatha	Furniture manufacturing	Mthatha, Eastern Cape
10	Furntech Umzimkhulu	Furniture manufacturing	Umzimkhulu, KwaZulu-Natal
11	Furntech White River	Furniture manufacturing	White River, Mpumalanga
12	Lepharo	Copper, Zinc and Base Metals	Springs, Gauteng
13	Makfura Makhura Incubator (MMI)	Bio-fuels plant production & processing	Marble Hall, Limpopo
14	Mpumalanga Agri-skills Development & Training (MASDT), Nelspruit	Agricultural Capacity Building	Nelspruit, Mpumalanga
15	Mpumalanga Stainless Steel Initiative (MSI)	Stainless Steel Processing	Middelburg, Mpumalanga
16	Seda Agricultural & Mining Tooling Incubator (SAMTI)	Mining & Agricultural tooling	Bloemfontein, Free State
17	Seda Automotive Technology Centre (SATEC)	Automotive Industry	Roslyn, Gauteng
18	Seda Construction Incubator (SCI), Dundee	Construction	Dundee, KwaZulu-Natal
19	Seda Construction Incubator (SCI), Durban	Construction Building & Civil	Durban, KwaZulu-Natal
20	Seda Construction Incubator (SCI), Mmthatha	Construction	Mthatha, Eastern Cape
21	Seda Construction Incubator (SCI), Port Elizabeth	Construction	Port Elizabeth, Eastern Cape
22	Technology Incubator (Innovtec)	Mixed use High-Tech	Durban, Kwazulu-Natal
23	Seda Essential Oils Business Incubator (SEOBI)	Essential Oils-plant cultivation & oil distillation	Pretoria, Gauteng
24	Seda Limpopo Jewellery Incubator (SLJI)	Jewellery manufacturing	Polokwane, Limpopo
25	Seda Nelson Mandela Bay ICT Incubator (SNMBICTI)	ICT	Port Elizabeth, Eastern Cape
26	Seda Platinum Incubator (SPI)	Platinum Jewellery	Rustenburg, North West
27	Seda Sugar Cane Incubator (SESUCI)	Sugar cane -plant cultivation & sales	Nelspruit, Mpumalanga
28	Soshanguve Manufacturing Technology Demonstration Centre (SMTDC)	Low-cost small scale manufacturing	Soshanguve, Gauteng
29	SoftstartBTI	ICT	Midrand, Gauteng
30	Timbali	Floriculture	Nelspruit, Mpumalanga
31	Zenzele Technology Demonstration Centre	Small scale Mining	Randburg, Gauteng

MAP OF INCUBATORS





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