



FASA'S 2010 AWARDS FOR EXCELLENCE IN FRANCHISING

The Franchising Association of South Africa's Awards for Excellence in Franchising, held annually, celebrate not only the top achievers in the industry, but have become the industry's highest accolade and the vehicle through which the FASA shows the world how successful franchising is.

The Awards for Excellence in Franchising were the highlight of Franchise Week which included a Franchise Convention and incorporated the International Franchise Expo which saw an increase in visitor, all keen to explore franchise and business opportunities.

FASA's Chairman Thulani Cele believes that franchising, which has weathered the economic storm far better than independent businesses, has turned the corner and is set for renewed growth. "Despite the economic downturn franchising continues to be a dominant business format as far as SME development is concerned. Across the globe small business is recognized as the safety net of any economy and franchising is proving to be quite resilient even in this economic climate."

The results of the FASA Awards reflects franchising's resilience and innovation with new concepts continually being launched and well-known franchises actively growing their brands and consumer footprint. The Franchise sector contributes 12.57% to GDP contributing R256 billion to the economy through its 28 620 outlets which employs an estimated 460 000 people – the largest contributor to job creation. (*Stats courtesy of The Standard Bank Franchise Factor 2008*)

FRANCHISOR: LEADING DEVELOPER OF EMERGING ENTREPRENEURS

FINALISTS: DOREGO'S

With a target market in the LSM 4 - 6 and most of their stores in commuter areas and taxi ranks, DoRego's is ideally suited to local entrepreneurs who are well known and respected in their communities. Because the black community associates strongly with the DoRego's brand, more black entrepreneurs are attracted as franchisees. With 30% of their franchisees black and 10% women, DoRego's is committed to the creation and development of an enabling environment for effective black economic empowerment within the franchise. Their plans include helping develop and nurture rural communities by improving the communities and funding black franchisees in these areas. New franchisees are trained in store with an appointed mentor, are helped in finding a site, given financial guidance, mentoring and provide ongoing training.

THE COURIER GUY

As one of the growing business-to-business franchises and with the aim to assist previously disadvantaged individuals, The Courier Guy has participated in the Youth in Courier Service Enterprise Development Program in partnership with the NYDA, Daimler Fleet Management SA and Kagiso Business Consulting to help set affordable franchises.

THE WINNER: HOT DOG CAFÉ

Hot Dog Cafe, which operates and franchises various forms of outlets ranging from vending carts, wors kiosks, E-diners and fixed diners at a range of sites including Builders Warehouse outlets, BP Express Stores, Wild Bean Cafes, Game, Makro and Ster Kinekor, is a pioneer in broad based black economic empowerment within the franchising sector. Since 2004, the company has been successfully introducing various black empowerment schemes that have helped countless previously disadvantaged individuals through cadet schemes that have trained mostly unemployed youth, providing jobs and facilitating ownership of their own franchises.

Says Derek Smith, MD of Hot Dog Cafe, 'When government first introduced their funding initiatives to assist previously disadvantaged individuals get into business, we immediately believed our concept was ideal for that purpose. In 2004 and 2005, supported by funding from the Industrial Development Corporation (IDC) and endorsed by NAMAC, we successfully introduced a black empowerment scheme which trained unemployed black graduates to management level, helped them gain work experience and facilitating some of them to own their own businesses.'

In 2006 Hot Dog Cafe entered into an agreement with the Massmart Umsobomvu Youth Development Fund to enable unemployed black South Africans to operate entry level businesses within the Hot Dog Cafe franchise through the Builders Warehouse outlets who assisted with sites as part of their enterprise development initiatives. The small enterprise development agency (seda) came on board with funding for the training of the Cadets and

Hot Dog Cafe provided recruitment, training, finance administration, ongoing mentorship and franchise support to ensure the success of the businesses.

BRAND BUILDER OF THE YEAR

FINALISTS:

MAXI'S RESTAURANT

The repositioning of the Maxi's brand to its current trendy new look has made a lasting impression on the consumer and is the largest contributing factor to the brands phenomenal growth. Maxi's also tackled the economic recession head-on and with innovative advertising and value-for-money promotions was able to show year-on-year increased sales.

NWJ JEWELLERY

Re-branding an already successful brand is how NWJ Jewellery beat the recession blues and ensured dominance in the jewellery market. Through aggressive marketing and advertising NWJ is now the 3rd largest jeweller and 2nd in terms of ad spend.

THE WINNER:

OLA MILKY LANE

As one of franchising's longest standing brands, Ola Milky Lane decided to have a make-over in 2009. With a re-engineered look and feel, new menus and products and innovative store design, Milky Lane was able to increase their customer base and turnover. Not content to rest on their heritage, Ola Milky Lane remains the ice-cream, treat and indulgence destination for South Africans of all walks of life. The brand's marketing campaign focused strongly on innovations that included quarterly promotions backed by radio and print campaigns and intensive local marketing and promotions – from competitions, vouchers and giveaways of strawberry flavored lip balm to tie in with their Spring Strawberry promotion to sponsorship of the Ola Milky Lane Kids Academy, Mountain Bike Racing and Children's Charity events.

NEWCOMER FRANCHISOR OF THE YEAR

THE FINALISTS:

OLD FASHIONED FISH AND CHIPS

The nature of this new franchise is that of the traditional 'Old Fashioned corner Fish and Chips' take-away outlet but updated to bring it in line with world standards whilst affording all South Africans the chance to enjoy good old fish and chips and other popular lines.

THE COFFEE STOP

This franchise brand was initially developed as an enterprise development initiative with Massmart and various funding organizations to give unemployed people the opportunity to be trained, work and even own their own franchise. Currently there are seven Coffee Stops in Builders Warehouse stores.

THE WINNER:

DR TV ADS

This new franchise focuses on electronically advertising, promoting and branding its customers' businesses, products and services through the medium of large format, LCD TV screens installed at the premises of medical practitioners. Ideal as a home-based franchise, Dr TV Ads is a low overhead, innovative concept where franchisees sell advertising slots which then appear simultaneously in all the contracted medical practices during office hours for 20 seconds, at intervals of 20 minutes with more than 4 000 displays per month. With pharmaceutical companies vying to reach patients who sometimes spend a lot of time in doctor's waiting rooms and are therefore a captive audience, the concept has been enthusiastically embraced by the advertisers who find it a very targeted way to promote a health issue or product. Most franchisees recoup their investment in the first year and many go on to become multiple area owners.

FRANCHISEE OF THE YEAR

THE FINALISTS:

HASSEN CASSIM OF MOCHACHOS, ORMONDE

As a Halaal franchise, Mochachos services a wide community in Ormonde that also includes the Apartheid Museum and Gold Reef City. Hassen is a model franchisee who has doubled the turnover of his outlet in 5 years through dedication and hard work.

ANTONIO BARRA OF DOREGO'S, KIMBERLEY

Dorego's four stores in Kimberley keep going from strength to strength under the capable management of Antonio Barra. Despite the economic downturn, these stores have maintained their turnovers, increased foot count and grown the brand.

CLARA MAKARA & PULE MAKGOE OF WOOLWORTHS, LADYBRAND & PHUTHADITJHABA

With a string of awards to their names, Clara & Pule have consistently delivered on the Woolworths brand value of quality, value, service innovation, integrity and sustainability. Their two stores consistently show annual growths of between 30 and 50% - a testament to the hard work of these two franchisees.

NEVILLE GOLDSTONE OF NWJ JEWELLERY, KOLONNADE

As NWJ Jewellery's most consistently high performing franchisee, Neville Goldstone has taken his Kolonnade store from a turnover of R2 million per year to an impressive R10 million per year in just seven years. Being 'hands on' and going the 'extra mile' are the cornerstones to his success.

THE WINNER:

STEVEN DALLY OF DOREGO'S, JOHANNESBURG

The owner of 8 Dorego's, mostly in the CBD area, Steven is testament to the hard work and personal sacrifices that franchisees make to succeed. He believes that having a strong management and staff team and adapting his operating system to his business needs and market environment has been the secret to his success. His innovation in the development

of systems and operations have been adopted by the franchisor and rolled out to the other DoRego's around the country.

While other franchise groups have steered clear of the CBD area of Johannesburg, Steven Dally has embraced the potential that exists in those areas. "The key is to develop your staff and this is borne out by the dedicated and loyal team that work with me. I also make time to assist in community projects that help uplift the area and contribute to fighting the poverty that is all around us."

His started his career with DoRego's 14 years ago in Kimberley and was promoted up the ranks in the then fledgling franchise company. Eight years ago he bought his first franchise and went on to purchase another seven. He believes that we are over the worst of the recession and looks forward to an exciting year for South Africa and is preparing for the good times with three store revamps and the opening of new stores.

FRANCHISOR OF THE YEAR

FINALISTS:

JETLINE-E.COM

Jetline e-com, one of South Africa's oldest brands started way back in 1979, has become the leading print and visual communications franchise whose communication, procurement, workflow and management information is unparalleled in the industry. Their financial growth in the last nine years and their franchise retention record testifies to a sound and ethical business model that works.

OASIS WATER

Since discovering a way or purifying water through a non-chemical natural process using reverse osmosis and ozone to filter and oxygenate local water five years ago, Oasis Water has established over 100 outlets around the country offering a viable and proven business concept.

VODACARE

As the leading cellular repair service centre in the country, Vodacare offers its franchisees the benefit of the Vodacom Group's continuous research and development to maximize the full potential of the business through a fine-tuned formula.

WINNER:

MAXI'S RESTAURANT

Since taking over the brand in April 2005, Maxi's Restaurant, under the stewardship of Taste Holdings, has gone from strength to strength, having undergone a radical re-positioning and increasing its footprint through new growth and increased brand visibility to now boast close to 80 stores nationally.

Maxi's successfully re-branded and repositioned a 13-year old brand which included store design, logo, menus, uniforms, marketing material, TV and radio commercials and in-store

promotions. Says Christo Calitz, CEO of Maxi's "While we have weathered some of the toughest trading conditions in 2009 and have had closures, we have always strived to assist franchisees with whatever means at our disposal. We believe that we have lived up to the often quoted franchisee saying of 'in business for yourself but not by yourself.'"

Maxi's has seen turnover growth of 19% in 2009 versus 2008 which has in turn increased franchisee profitability which makes Maxi's a sound investment opportunity. It opened 37 stores in 24 months and converted 70% of the existing system to the new store image in just 30 months. With new site opportunities in the pipeline that will increase the brand footprint, Maxi's is set to be a big player in the food franchise sector.

MOST PROMISING FEMALE FRANCHISEE OF THE YEAR

FINALISTS:

JEANETTE MALAN OF DOREGO'S, KOKSTAD

An enthusiastic go-getter, Jeanette Malan enthusiastically embraced the re-branding of her take-away, keen on rejuvenating the area and uplifting the community. A hands-on operator who manages the store on all levels, Jeanette strongly believes in empowering her staff to manage the business on their own – a recent surprise inspection to her store in her absence got good scores – testament to her leadership style. Subsequently her DoRego's store in Kokstad has been asked to become a regional training centre.

LEONA KRISHNA OF OLA MILKY LANE IN ALBERTON

Leona Krishna took an ailing existing store and turned it around to become a profitable and well-run franchise. Her strengths lie in her determination, honesty, hard work, calmness, and her way with customers and her attention to detail. As a former teacher Leona was a natural choice to become a training store for new Ola Milky Lane franchisees. She credits the increase of 24% in turnover in 2009 despite one of the worst recessions to perseverance, dedication and diligent attention to detail.

JOINT WINNERS:

CLARA MAKARA of WOOLWORTHS LADYBRAND & PHUTHADITJHABA

As a former employee of Woolworths, Clara already had a strong affinity with the brand but since acquiring the two Woolworths stores she has gone on to become one of Woolworths' top performers increasing the turnover of her Ladybrand store by 50% and the Phuthaditjhaba store by 30%. Clara plays an integral role in the day-to-day operations of the stores and tackles challenges with great enthusiasm.

ANNE MATLALA OF WOOLWORTHS, SUNSET BEACH, MILNERTON, CAPE TOWN

Anne is a great believer in 'walking the talk' and believes that customer service is a given. Her motto of 'The Customer is my Life' can be seen in the many letters she receives from satisfied customers and charity organizations that have benefited from her generosity. For Anne customer service is not about getting the customers to shop at her store but about her

relationship with them, getting feedback from them, both good and bad and being able to continually improve on service levels and always asking 'what more can we do for you?'

MOST PROMISING BLACK FRANCHISEE OF THE YEAR

FINALISTS:

SIFISO BOPHELA OF THE COFFEE, BUILDERS WAREHOUSE, GLENEAGLES

A recipient of a youth empowerment franchise opportunity, Sifiso proved that he has all the qualities required to run a successful business and be a true business owner. As the group's top performer he has maintained a 25% year-on-year turnover since taking over the store in 2008. Sifiso combines his strong financial management with excellent staff and customer relations and always manages to maintain exceptional brand standards at all times.

GREGORY NAIDOO OF BP, CHATSWORTH, DURBAN

Gregory Naidoo's long-term association with BP and his background in IT has given him the edge in his franchise business. During this recessionary period, Gregory managed, through extensive marketing, promotions and good relationships with his customers, to keep the business profitable and increase volumes in his site by 4%. Passionate about franchising, Gregory is a hands-on operator who places great emphasis on the welfare of his customers and supports charitable projects in his area.

PETRUS RAMATLA OF DOREGO'S, KIMBERLEY

From humble beginnings as a 'chipper' in one of the first DoRego stores, Petrus showed phenomenal ambition and drive and set his mind to owning his own franchise. Today, Petrus is a partner in four DoRego stores in Kimberley. As a young black entrepreneur from a previously disadvantaged community, Petrus believes that people are the engineers of their own future and that perseverance works. He proudly says that with determination, hard work, commitment and the will to succeed, nothing is impossible.

WINNER:

NKOSI NYANINGWE OF WOOLWORTHS, ATTERIDGEVILLE

As a former Woolworth's employee, Nkosi professes an undying love and passion for retailing and the Woolworths brand. As one of the first franchisees to open in a black township, Nkosi says piloting a new market for Woolworths in Atteridgeville has never been so wonderful and exciting! His store has shown great results – managing to keep operational expenses and shrinkage on an even keel whilst increasing turnover growth by 43.6%. Nkosi is without doubt a role model for all franchisees and a true Woolworths Ambassador.

FASA ENTREPRENEUR FOR 2010

ANTIONETTE SLABBERT OF ACTIVE ENGLISH

A true entrepreneur Antionette is a dedicated self-starter who is determined to succeed at everything she does. Her entrepreneurial spirit and mindset has seen her grow her franchise

continually adding value to the brand by introducing new ideas and projects and ultimately making a difference in the lives of children of all races and ages. A great motivator, Antionette is not afraid of hard work saying that it is 'not work that kills, but worry' and is a strong proponent of 'if you first don't succeed, try, try and try again.'" She is honest, resilient and adaptable and often relies on her 'gut feeling', confident in the knowledge that if there's a will there's a way. And finally, Antionette approaches her life and her work with a good sense of humour!

CLAUS KUHL OF JAVA BRANDS

Our Personality of the Year for 2010 is a man who has contagious energy and enthusiasm and a wonderful positive approach to both life and work. He is exceptionally hard working and sacrifices a great deal to provide the service that he believes his franchisees deserve. One of the pillars of franchising in this country and a valuable member of the FASA Executive for many years, Claus is always forward thinking and positive with a great belief that nothing is impossible.

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