COMMERCE GENERAL

4-1-80 — 30-3-80

WOOLWORTHS (30) FM 11/1/80

Well-dressed

Half way into its current year, Woolworths has again produced the consistent form which backs up its continually high rating on the JSE. In line with a compound turnover growth of 14% over the past decade, sales were 13,3% ahead of the first 26-week trading period last year, at R83,7m (R73,9m). Pre-tax earnings, which have grown at a compound rate of 18,5% since 1970, have not fared as well over the past couple of years as a result of substantial stock write-downs. Nevertheless, margins now appear to be improving, and pre-tax earnings were 13,4% (7,2%) ahead at R11,3m (R10,0m).

Because of last year's 53-week trading period, a true comparison at the end of the half year, including the extra week's trading in 1978, showed turnover 7,4% ahead at R83,6m (R77,9m) and pre-tax income 7,6% up at R11,3m (R10,5m).

During the half year, an additional 1 300 m² of trading area was opened, as outlets in Paarl and PE were extended. Woolworths' preferred policy of extending existing operations rather than opening new outlets appears to have been a winning formula in the past, and it seems as if this policy will be followed at least in the early part of the coming decade. Nevertheless, some new stores will be opened. Outlets in Rosebank and Nelspruit, where a site has been recently acquired, will be the forerunners. Both will come on stream at the end of 1980, and the initial expenditure is not expected to affect this year's earnings adversely.

According to financial director Fred Kossuth, there are no plans to enter the credit market, as this would necessitate higher mark-ups than the current 50%-odd applied by the group. So plans are to continue selling quality merchandise for cash, but at a higher stock turn than the current 6,5 times.

Woolworths remains extremely liquid, and the outstanding R3,6m capital commitments will hardly tax the group's resources. Efforts are well under way to reduce stock holdings by more than R1,5m, from last year's R27,3m which included substantial amounts of raw materials held for outside manufacturers. Now that roughly 80% of the group's cloth requirements are locally sourced, the availability and holding of imported stocks is no longer that critical.

In order to reduce the disparity between interim and final dividends, a 10c (8c) interim has been declared. Earnings of 60c should be reached this year, so shareholders can expect a 15c final, putting the share, at 500c, on a prospective 5,0%. Although there are better yielders, Woolworths still offers a relatively risk-free investment.

Jonathan Bader

FESTIVE TRADE

(30) FM 4/1/80

Happy Christmas for all

Shopkeepers are still counting the Christmas takings but, if first impressions are anything to go by, the season's trading should easily reach the predicted 17% (gross) improvement over last year (*FM* Dec 7).

The figures, when they finally emerge, should also answer another vital question — who, between the CBDs and the suburbs, is winning the battle for the customer's cash?

The outcome will be specially interesting on the Reef. The Eloff Street mall-cum-busway and Eastgate, one of the world's biggest suburban shopping centres, have had their first Christmas season.

Both report a bumper take, but whether the CBD performance was given a leg-up by the new-look Eloff Street is still open to debate. Sterns' Syd Barnett is among the many who believes it was. Turnover, he says, was well up in October, November and December and much of the credit, in his view, is due to the mall.

OK's Ken Cootte says Eloff Street traded exceptionally well over Christmas. But how much can be attributed to the mall rather than the runaway gold price, acceptance of gst and the upturn in the economy is difficult to estimate he says.

John Orr's

Beleaguered John Orr's also reports a successful Christmas. Leonard Orr says there have been a lot more people around Eloff Street since the bus stops came into operation. But Raymond Cohen of A&D Spitz says the mall hasn't yet lived up to all the claims and expectations.

Building of the mall put traders into "disadvantageous positions" during the first half of the year, he claims, and Spitz's Eloff Street flagship is not outperforming other branches in good positions.

But, overall, Christmas 1979 has certainly proved the best festive trading period for several years, asserts Cohen. Whereas 1977 and 1978 were down about 10% on previous years, 1979 was up 20%.

The suburbs report similar successes. Eastgate's GM, Brian Hanks, tells the *FM* that trading was "phenomenal," with most merchants reporting record figures. November, he says, was a good month, but December trade for most tenants was substantially better — 300% to 500% for most stores.

Eastgate statistics aren't yet available. But, judging from merchant reaction and the heavy increase in customer traffic, he believes final figures will bear him out.

Back in town, Carlton Centre reports similar successes. Centre manager Sam Leon says the final count could well show that Carlton has entrenched its position still further as the country's leading in-town shopping centre.

Nobody, it seems, had a bad Christmas. But who did best of all? Time alone will tell.

NM 8/1/80 (30)

Supplying the chain-stores

IN VOL 1, Nos 59 and 60 of Finding Out, we explained how the buyers of the chain-store company work out exactly what merchandise they must buy and put into the many branches, to satisfy their customers.

We also told you about the quality assurance specifications, which they laid down for their factories to make the correct quality, according to the price of the product.

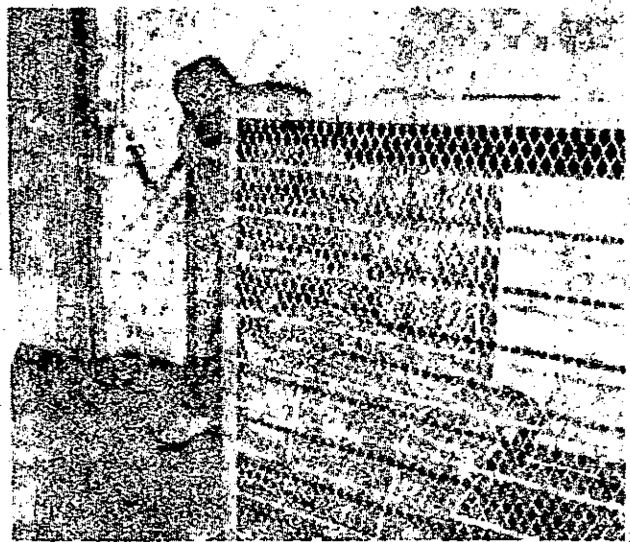
In this article we are going to look at DISTRIBUTION . . . that is, the methods which are used by the merchandise department of the chain-store retailer to ensure that the correct sizes, colours and quantities of merchandise are sent from the warehouse to all the branches throughout South Africa.

Obviously, this is also most important — because preferences do vary in different parts of our country and the buyers must make sure that each branch receives the right colours and sizes for the customer preferences in their region.

Distribution centre:

The Sales House Distribution Centre in Johannesburg is a massive building . . . it is nearly as big as four soccer fields!

All the clothing, footwear and home textiles that are ordered by the buyers are sent by factories throughout the country to this distribution centre. The staff are then instructed how to sort out the various colours and sizes according to what is needed in every branch throughout the country.



Trucks from the factories deliver their goods at one end of the distribution centre and after careful quality checks, tickets are fixed on to every item, showing the size and selling price.

The staff then pick out the correct colours and sizes required by each branch, following a list prepared by the Merchandise Department.

Invoices giving the details of the merchandise are packed with the items inside cartons which are then properly sealed. These cartons of merchandise are delivered from the distribution centre either by the company's trucks or by the railways to the chain-store branches throughout the country.

When the cartons reach the stores, the staff use the invoices to check that they have received the correct merchandise.

Hundreds of staff are employed in a large distribution centre like this to ensure that all the merchandise is correctly sorted and packed and sent off to the branches as quickly as possible.

Direct deliveries:

Sometimes, when stores urgently need supplies of merchandise, the buyer might tell the factory to deliver the goods directly to the store.

This method is known as "direct delivery" and is also used when very bulky items are involved . . . for instance: cartons of blankets in winter or deliveries of suitcases.

Usually, though, large chain-store companies like to have their merchandise delivered through their distribution centre so that they can check the quality and put the correct tickets on to each item for the convenience of their customers.

patients with the same blood pressure.   Yet age bore no relationship to 'decisions to treat' at MOPD, pointing to the randomness of such decisions.

3. 70% of patients who were started on antih had ceased to return for what should be] months.   Moreover, the attendance behav: attend at one year had been quite errati

Little impact was thus being made on the prc the community but as it presented to the out hospital.   Considerably less than 30% of ne be gaining any real benefit from therapy and first instance to poor outpatient compliance ance for) ongoing therapy.

Although numerous suggestions have been made and pill-taking compliance, few of these have Such studies as have been done have occasional results.   Teaching programmes among hypertens significantly improved patients' knowledge of their pill-taking compliance or drop-out rates.[8]   Dropouts from inner city hypertensive clinics in America cited waiting time and poor doctor-patient relationships as the major reasons for their non-compliance.   In contrast to the average of 7½ minutes they spent with the doctor, they waited an average of 2½ hours prior to examination and almost 2 hours at the pharmacy, an experience probably akin to that of patients in this study.[9]

What emerges clearly from the literature is that the quality of practitioner-patient interaction (most often nurse-patient and pharmacist-patient interaction) is the most important determinant of subsequent compliance.[10] It is precisely this sort of interaction that the overworked clinical doctor is most ill-equipped and unable to provide.   Several North American chronic disease programmes are consequently using nurses in the routine management of hypertension - with considerable success.

Two clear conclusions emerge from our study and from the literature cited above.

1. Chronic disease is numerically the most important category of sickness among black outpatients in Johannesburg.   Hypertension ... for much of this ...

4 66%

ilure
eir poc
re recc
The
amental
ally be
ially

eftel fc
to Mr H.
nom the

GENERAL NEWS

African chamber has its own plan

By CAMUEL DIKOTLA

THE National African Federated Chamber of Commerce maintained that a political union among the states would be an unattainable ideal, the president of the organisation, Mr Sam Motsuenyane, said this week.

Addressing about 100 executive members of Nafcoc from different regions in the country at a Kempton Park hotel on Wednesday, Mr Motsuenyane said there were differences between South Africa and the neighbouring states of Southern Africa.

"Perhaps at best, only the homelands could at first agree or join the proposed constellation. Nafcoc has decided to hold in abeyance our plans for the development of the proposed Council for Economic Co-operation and Development.

"The constellation of states is basically a political as well as economic concept that the Prime Minister tried to define at the meeting of business leaders in Johannesburg last November.

"Nafcoc initiated dialogue with various chamber organisations in the Southern African countries such as Lesotho, Swaziland, Malawi, Rhodesia, Botswana, Zambia and almost all the homelands."

Mr Motsuenyane said Nafcoc's ideal was to foster the establishment of a Southern African organisation of chambers of commerce and industry that was to be called the Southern African Council for Economic Cooperation and Development.

He reiterated that the objectives of a proposed council would primarily be economic and not political, adding that the Prime Minister's proposed constellation of states differed from Nafcoc's concept in that it was political and economic.

Speaking about membership of coloureds and Indians, Mr Motsuenyane said although Nafcoc had for some time accepted white companies as associate members, coloureds and Indians had not yet been granted membership.

RDM
1.6.80
30

REFERENCES

1. Seftel, H.C.; Johnson, S. and Muller, E. (1978): In preparation.
2. Seedat, Y.K.; Seedat, M.A. and Nkomo, M.: S.A.M.J.: No.53, 923 (1978)
3. Isaacson, C. S.A.M.J.: No. 52, 793 (1977).
4. Seftel, H.C., S.A.M.J.: No. 54, 99 (1978).
5. Scotch, N.; Gampel, B. et al: Amer. H.J. No. 61, 173 (1964).
6. Veterans Administration Co-operative Group: J.A.M.A. No. 202, 116 (1967)
7. Kitai, I.C. and Irwig, L.M. : Accepted for publication S.A.M.J. 1978
8. Sachet, D; Haynes, R.; Gibson, E.; Hackett, B. et al: Lancet, I, 1205 (1975).
9. Finnerty, F.A.; Mattie, E. and Finnerty, F.A.: Circulation, No. 47, 73 (1973).
10. Sachet, D. and Haynes, R.B. : 'Compliance with Therapeutic Regimens'. John Hopkins University Press, 1976.

NM 12/1/80 30

MISS I. GRAHAM and Mr. H. J. Eaton, two of John Orr's oldest staff members, pack up rails and sale signs on the store's last day yesterday.

John Orr's bows out of city

Mercury Reporter

IT WAS a nostalgic day for staff and customers of John Orr's when the store closed for the last time yesterday

There will be few Durban shoppers who can remember a time when John Orr's did not exist, and it will be difficult for all to imagine West Street without it.

Some staff members have worked in John Orr's all their lives.

Mr. H. J. Eaton, the retired manager, started work at the store as a display apprentice in 1936 and gradually worked himself up to manager and a director.

Mr. Eaton retired in 1976 but found it difficult to stay away and resumed work on a temporary basis.

Miss I. Graham started at John Orr's in 1945 and has been a saleswoman in the sportswear ever since.

She will be moving to the suburban branch in Musgrave.

The manager of John Orr's, Mr. O. Dawson, said that the company had found alternate employment for about 90 percent of the White staff.

Employment had not been found for 15 of the 40 African staff members.

...of ...ose of transfer of listed shares or interests.—For the purposes ...3 and 140, unless the context otherwise indicates—

...fer form" means the form prescribed and any substantially ...hich is recognized by the law of the country in which the ...r is registered;

...cludes any issuer of a security;

...ans any listed security as defined in section 1 of the Stock ...ntrol Act, 1947 (Act No. 7 of 1947);

...c) substituted by s. 6 (*a*) of Act No. 76 of 1974.]

...insfer form" means the form prescribed and any substantially ...which is recognized by the law of the country in which the ...er is registered;

...(*e*) deleted by s. 6 (*b*) of Act No. 76 of 1974.]

...securities may be transferred.—(1) Notwithstanding the pro...ntrary or of the memorandum or articles of any company or ...the transfer of any security—

... be transferred by means of a securities transfer form; or

... be transferred by means of a securities transfer form and a broker's transfer form: Provided that—

(i) such broker's transfer form shall be prepared by a stockbroker as defined in section 1 of the Stock Exchanges Control Act, 1947 (Act No. 7 of 1947), and shall bear his signature or an authorized facsimile thereof;

(ii) such securities transfer form need not be completed with reference to the particulars relating to the transferee and the consideration passing;

(iii) a separate broker's transfer form may be used in respect of each person to whom transfer is passed.

[Para. (*b*) substituted by s. 7 of Act No. 76 of 1974.]

(2) The execution of a securities transfer form or a broker's transfer form need not be attested.

(3) Nothing in this section contained shall be construed as—

(*a*) preventing the transfer of a security by means of any form in use immediately prior to the commencement of this section or any form prescribed at any time under this Act;

(*b*) entitling the issuer of any security to refuse the registration of any person as the holder of that security on the ground that the transfer purports to be effected by means of a securities transfer form or a broker's transfer form;

(*c*) affecting the provisions of any law or of any memorandum or articles of any company or other body corporate or of any contract which deals with the manner in which any document shall be signed or sealed by or on behalf of any company or other body corporate; or

(*d*) affecting the liability for the payment of any duty payable in respect of the registration of the transfer of any security.

Undertaker flays Leratong hospital

20.5/1/80
15/1/80
30

By LEN KALANE

A KAGISO funeral undertaker has accused Leratong Hospital mortuary officials near Krugersdorp, of giving business to his white counterparts.

Mr Luki Thloloe, manager of the Thloloe Funeral Parlour in Kagiso township, Krugersdorp, said officials at the Leratong Hospital mortuary were handing out business cards and addresses of the dead to his white counterparts to compete against him.

But the superintendent of Leratong Hospital, Dr D E Wulff, said yesterday: "It's for the first time I hear such accusations. I will investigate and find out if there is any truth in the story. This is all I can say at the moment."

Mr Thloloe cited three examples where a group of white funeral undertakers in Roodepoort tried to "steal" his clients through links with Leratong.

Mr Thloloe said at one stage they had to "chase after a body when the white undertakers removed it from the Government mortuary without going through proper channels."

He said his clients, the Qhinisa family in Brandvlei, near Krugersdorp, were approached by the white undertakers who offered to bury their son, Charles, two weeks ago. The family then cancelled arrangements with the white undertakers in favour of him.

Mr Tholoe said when he arrived at the mortuary to claim the body he found that it was removed by the white undertakers. He went to their head office in Roodepoort and they hastily rushed the body back to the mortuary. He finally buried Mr Charles Qhinisa.

A spokesman for the group of white undertakers said he was too busy to speak to newspapers.

He said: "I don't think we are interested in your business. It's a big story that one, and we have nothing to say."

Mr Thloloe told **POST**: "I can give you facts. This kind of practice has been going on since 1978. Leratong Hospital is helping them to discredit us."

TABLE I

MORTALITY RATES FOR THE 17 MAJOR DIVISIONS OF THE ICD (8th REVISION)

(Note: There are no tables for divisions V, XI, XII, XIII because of the small numbers in each of these categories).

I INFECTIVE AND PARASITIC DISEASES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	1,99	2,2	9,81	6,60	55,55	51,04	29,36	27,05
1-4	0,16	0,13	0,76	0,79	8,27	7,48	[illegible]	[illegible]

21/1/80 Argus 30

Grocers apply for wine licences

THE Liquor Board today heard applications for grocers' wine licences from several supermarkets in Parow, Bellville and Durbanville.

The supermarkets were branches of Checkers, Grand Bazaars and Shoprite.

Mr P Avenant, appearing for Checkers, Sanlam Centre, Parow in their application for a licence to sell natural wines said that the aim was not to compete with nearby liquor outlets, but to assist in providing adequate service.

It would be convenient for the public to be able to buy both food and wine at one shop.

Mr Avenant said the wine industry would welcome an additional outlet of this nature, and a measure of competition would be 'healthy.'

OBJECTORS

Mr A Geffen, appearing for a number of objectors, said there were already sufficient liquor outlets in the area and they neither 'want nor need this type of assistance.'

He said Checkers was 'only in it for the money' because the Cape was known as a good wine market. 'It is just another good line to put on the shelf,' he said.

Another application came from Mr D G Schoeman, a Bellville bottlestore owner, who applied for a wine licence to open a wine department in the Grand Bazaars supermarket, Parow.

HIGH CLASS

Mr C van R Smit, appearing for Mr Schoeman, said Grand Bazaars was a high-class retail outlet and 10 000 customers a day visited the Parow branch. The branch was conveniently situated and it would be in the public interest if wine could be sold as well as food.

Mr Geffen, for the objectors, said that although Mr Schoeman would be renting the wine department in the supermarket, it was plain from the terms of the lease that Grand Bazaars would control the operation.

CONGESTED

Mr M Smith, appearing for an objector, Mr Jacobus Lotz of the Parow Valley Botlestore, said Grand Bazaars was situated in Station Road, which was always a congested area. Police were opposed to any liquor outlet operating there because it would worsen the situation.

Other applications for grocers' wine licences were made today by Checkers branches at Durbanville Bellville, Grand Bazaars' branch at Bellville, and Shoprite, Bellville.

II NEOPLASMS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,17	0,13	0,00	0,21	0,06	0,16	0,04	0,06
1-4	0,03	0,07	0,07	0,00	0,07	0,05	0,03	0,04
5-24	0,09	0,05	0,07	0,05	0,06	0,04	0,05	0,04
25-44	0,26	0,33	0,21	0,26	0,54	0,56	0,34	0,36
45-64	3,01	2,58	1,47	2,19	5,10	2,68	2,32	1,91
65+	12,24	7,26	4,70	5,18	12,59	7,51	6,16	4,10
ALL	1,41	1,21	0,36	0,43	1,03	0,69	0,58	0,45
NO.	2920	2522	126	152	1170	809	3472	715

III ENDOCRINE, NUTRITIONAL AND METABOLIC DISEASES

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,09	0,05	0,06	0,21	2,27	1,68	[illegible]	[illegible]
1-4	[illegible]							

the South African population from all causes of death. The proportional contribution of the seventeen major disease categories of the International Classification of Disease (8th revision) to the overall mortality of the various communities is summarised in Fig. 5. The whites show a typical 'developed' country spectrum of mortality with Infectious and Parasitic Diseases being of minor importance (2,0%) and Neoplasms (15,6%) and Diseases of the Circulatory system (50,5%) being of major importance. For urban Africans and 'coloureds', Infectious and Parasitic Diseases make an important contribution to the overall mortality (19,5% and 23,5% respectively), with diseases of the respiratory system and certain causes of perinatal mortality also being of importance. Within the category of Infectious and Parasitic Diseases, diarrhoeal diseases and tuberculosis are the most important causes of mortality. The 'coloureds' experience an interesting combination of 'developed' and 'underdeveloped' mortality with a high death rate from enteritis and diarrhoeal diseases in the young and circulatory diseases in later life. What is also of interest is the relatively large number of symptoms and ill-defined conditions, particularly in the African community (22,5%). This provides some indication of the provision and utilisation of medical services to Africans in the urban areas. In general, the Asians have a spectrum of mortality intermediate between the whites on the one hand and the 'coloureds' and Africans, on the other.

Clearly, the presentation of the cause specific mortality data as proportional mortalities conceals a certain amount of information. Table I provides a more detailed analysis of these data in the form of cause specific mortality rates for defined age groups by sex, in the white, Asian and 'coloured' communities.

If the mor' ility rates (Table I) are compared with the ...

Chain stores seek wine licences

30 24/1/80 Argus

MORE than 100 000 shoppers pass through the Claremont trading complex every day, yet there are only five liquor outlets serving them, Mr Charles Smit, presenting an application for a grocer's wine licence on behalf of Grand Bazaars, Claremont, told the Liquor Licensing Board today.

Grand Bazaars is also applying for a wine licence for its Wynberg store, and the board will also hear applications by Pick 'n Pay Retreat, Plumstead and Kenilworth, and by Checkers in Retreat and in Claremont.

Mr Smit told the Board that Grand Bazaars served an estimated 6 000 customers each day, about 80 percent of whom were white. Of the store's R300 000 monthly turnover, 62 percent came from the sale of food, and it was to supplement this service and to increase convenience to the food-buying customs that Grand Bazaars was applying for a wine licence.

Similar arguments were presented by Mr Paul Avenant on behalf of Checkers in Retreat.

OBJECTIONS

Mr M Geffin, presenting objections to the granting of a licence, told the board there were more than enough licensed liquor outlets in the area, cancelling the need for additional selling points.

Objections were also presented by Mrs M Venter, representing the Clean World Association, which is associated with the Church of England. She said the high incidence of alcoholism in South Africa made another outlet unnecessary.

She also said that supermarket cashiers could not adequately check on the age of liquor buyers.

exaggerated.

Mortality rates greater than 5/1 000 appear in italics in Table I. For all of these major causes of mortality, the Asian and 'coloured' mortality rates exceed those of the whites.

However, in this context, what requires emphasis is that by using the major disease classification a certain amount of detail is lost. For example, despite the fact that the overall rates for diseases of the circulatory system are comparable for whites, Asians and 'coloureds', within this broad category the mortality rates for specific diseases vary markedly. Table II provides the proportional contribution of the major circulatory diseases for the whites, Asians, 'coloureds' and Africans. Whilst Ischaemic Heart Disease is the major Circulatory Disease in the white and Asian communities, Cerebrovascular Diseases are the major cause of Circulatory Diseases in the 'coloured' and African communities.

Similarly, if the Accidents, Poisoning and Violence category is examined in greater detail, motor vehicle accidents are the major cause of mortality in whites, 'coloureds' and Asians, the second most important cause in the white community is suicide, whilst that for the 'coloureds' is homicide. For Africans, the latter is the main cause in this category.

The expectation for life at birth and at age 45 for whites, Asians and 'coloureds' is summarised in Fig. 6. It is not meaningful to calculate an expectation of life for urban Africans as this group is subject to a large measure of migration. The characteristically better expectation of life for women in comparison to men, is apparent for all three communities. However, what is of interest is the ratios of the expectations of life for the three communities. At birth, the white:Asian:'coloured' ratios are 1:0,91:0,76 for males and 1:0,88:0,77 for females; at the age

for females.

red to e_o for both

butable to the high

noteworthy that

e 45 of the three

males and females

e group, Asian

, circulatory,

ath (Table I) may

Fig. 7 summarises the percentage improvement in the expectation of life at birth subsequent to the total elimination of the mortality associated

Argus

30

23/1/80

Objection to hyper wine sale counter

THERE are 107 off-consumption liquor outlets in the area from which the Pick 'n Pay Hypermarket in Brackenfell draws its customers, Mr A Geffin, representing objectors, told the Liquor Licensing Board today.

Mr Geffin was presenting an objection, on behalf of the Aroma Inn Off-Sales store, to an application by the hypermarket for a grocer's wine licence, and he claimed that the number of bottle stores and other liquor selling points in the area made a further licence unnecessary.

The off sales store is immediately adjacent to the proposed wine counter site inside the hypermarket, with the entrances 'only three paces apart', he said, and pointed out that the hypermarket was not a bona fide food store since it sold everything from clothing to motor car tyres.

"The hypermarket intends installing only 18-metres of counter to cater for the wine requirements of its customers. Our store is 400 square metres in area of which 300 square metres is devoted exclusively to wine, and only a wall separates our store from the proposed selling area in the hypermarket. Does it really constitute an inconvenience to the consumer to have to walk three paces out of the hypermarket to buy his wine?" Mr Geffin asked.

'ONE-STOP SHOPPING'

Mr D M Nurek, presenting the application on behalf of the hypermarket, told the board that the hypermarket served between 9000 and 10000 customers each day, customers who came to the store for 'one stop shopping' with the intention of completing all their purchases in one store.

One of the few consumable items not available in the hypermarket was

For over a century the management of the a... was carried out under different leaders. The Empire ... r dynasty was founded about A.D. 900. The rulers o... known as Ogiso before the arrival of Odudua and his ...aland, about the twelfth century of the Christian ...

Ultimately, one of the prominent leaders, ... or king. Igodo, the first Ogiso, wielded much influ... rity as a good ruler. He died after a long reign a... e, his eldest son.

Note. Extracts 1 - 3 on Benin are take... of Benin by J.V. Egharevba, first published in 1934 ... tion of oral traditions.

2. Brass-casting.

Oba Oguola wished to introduce brass-casti... produce works of art similar to those sent him from Ife. ... o the Oni of Ife for a brass-smith and Iguegha was sent ... s very clever and left many designs to his successors, a... deified, and is worshipped to this day by brass-smiths. ... ing brass-castings for the preservation of the recor... nated during the reign of Oguola. He lived to ...

Note. Basil Davidson, who quotes this extr... st, comments: "The bronzes of Benin are more properly cal... Oba Oguola's traditional date is about A.D. 1280 (for th... ign), there is some reason to believe that the introdu... to Benin came from Ife at a later date than Egharev... and perhaps not before about 1400".

3. A Great Ruler.

"After the murder of Uwaifiokun, Ogun was c... n with the title Ewuare (Oworuare) meaning 'It is coo... ceased'. [His reign traditionally began in about A.... s accession he caused a great conflagration in the cit... s and nights as a revenge for his banishment.

Ewuare was a great magician, physician, tra... He was also powerful, courageous and sagacious. He f... ured 201 towns and villages in Ekiti, Ikare, Kukuruku, Ek... on this side of the river Niger. He took their petty ... sed the people to pay tribute to him.

He made good roads in Benin City and espec... and Utantan. In fact the town rose to im... during his reign...

Ewuare was the first Oba of Benin to come ... Ruy de Sigueira visited the Benin area in ...

4. Relations with Ife.

"Among the many things which the King Don J... the King of Beny, and also from João Affor... been told by the inhabitants of these regi... at twenty moons' journey - which according... journeys they made, would be about two hun... there lived the most powerful monarch of t... the pagan chiefs of the territories of Ben... tion as is the Supreme Pontiff with us. custom, the King of Beny, on ascending the... with rich gifts to announce that by the de... succeeded to the Kingdom of Beny, and to r...

23/1/80

Boycott looms for District 6 Plaza

THE Western Cape Traders Association (WCTA) is to boycott and ostracise any businessman who hires a shop in the newly built Oriental Plaza in District Six.

Mr Cassiem Allie, secretary of the association, said the main reason for the boycott was the 'inhuman demolition' of District Six by the authorities.

SOLIDARITY

'Many Indians have been bulldozed in the past — they should now show solidarity,' he said. The mass movements in terms of the Group Areas Act had ruined many businessmen, he claimed.

Few people now lived in District Six, and 'the ghost town would not be conducive to profitable business activity,' he said.

HAD SHOPS

Mr Allie claimed, in addition, that the crime-rate was high in District Six. 'Unemployment and hungry stomachs cause people to steal, rob and murder,' he said.

He said a business boycott and social ostracism of all shopowners who had

(Continued on Page 3, col 2)

23/1/80

Bazaar

(Continued from Page 1)

shops in the Oriental Plaza would be instituted immediately.

'We shall not buy from them, attend their funerals or go to their weddings,' he said.

He added that the association, which had 2 000 members, would use all its buying power to prevent the Oriental Plaza from succeeding as an 'Indian market'.

An Argus investigation yesterday disclosed that tight security prevailed at the nearly completed Plaza. No one except tenants of shops, was allowed in and all queries were referred to the Department of Community Development.

Mr Dawood Bawa Khalfey, who was evicted yesterday from the Newlands shop which has been his livelihood for 27 years, has refused the offer of premises in the Oriental Plaza. He said the rent was too high and the business prospects were poor.

7. The Trade in Firearms.

"The chief of [the coastal African's military arms] are Musquets or Carabins, in the management of which they are wonderful dextrous. 'Tis not unpleasant to see them exercise their Army; they handle their Arms so cleverly, discharging them several ways, one sitting, the second creeping, or lying & etc., that 'tis really to be admired they never hurt one another. Perhaps you wonder how the Negroes come to be furnished with Fire-Arms, but you will have no Reason when you know we sell them incredible quantities thereby obliging them with a Knife to cut our own Throats. But we are forced to it; for if we would not, they might be sufficiently stored with that Commodity by the English, Danes, and Brandenburghers; and could we all agree together not to sell them any, the English and Zeeland Interlopers [i.e. private traders] would abundantly furnish them: And since that and Gun-powder for some time hath been the chief vendible Merchandise here [i.e. on the Gold Coast], we should have found but an indifferent Trade without our share in it...

Davidson, The African Past, pp.221-2.

ARCHITECTURE

(Continued)

PEP STORES, SAFMARINE BACK SBDC

Argus 24/1/80 (30)

ze

rize
made
is

SUBSCRIPTIONS to the Small Business Development Corporation are rolling in. Pep Stores today became the first retailer to back the corporation set up to support entrepreneurs.

Formed jointly by the State and private enterprise, the organisation had previously received the support of mining houses, industrialists, bankers and publishers.

Pep's chairman, Mr Renien van Rooyen, said: 'Our R150 000 subscription is in line with our long-established philosophy of encouraging private enterprise among all sectors of our population.

'Our contribution may be more modest than some of those announced earlier, but we feel it is vital for all sectors of commerce and industry to participate.

15 YEARS

'Having developed over the past 15 years from one small store in the platteland to a chain set for a turnover of R200-million this year, and offering employment to 10 000 people, we feel an affinity with the aims of the SBDC.

'We hope that other retailers will follow our lead.'

Safmarine has announced a subscription of R1-million to the corporation.

The group says it strongly supports the call for assistance to small business to overcome initial funding need and to acquire the necessary expertise.

The group will make its experience in international trade available, based on its network of offices locally and abroad.

The effort will be conducted by executives of its Cape Town head office.

BUILDING

nd
ry

each
gree

de Jong

ourth Year

W Kohne

George Strachan Prize

For the best final year student of the degree course.

R W Kohne

LTA Prize

For the best student obtaining a first class pass for a dissertation in Building Management.

S F Richardson

TRACTOR INDUSTRY (30)

Back door entry

FM 25/1/80

SA's tractor industry is agitated by the entry of a powerful rival to the local market. The Austrian firm of Steyer-Puch has sold over 200 tractors to the Transkei government. It is also busy setting up servicing facilities and training Transkeians in service procedures, which suggests it intends establishing a permanent marketing presence.

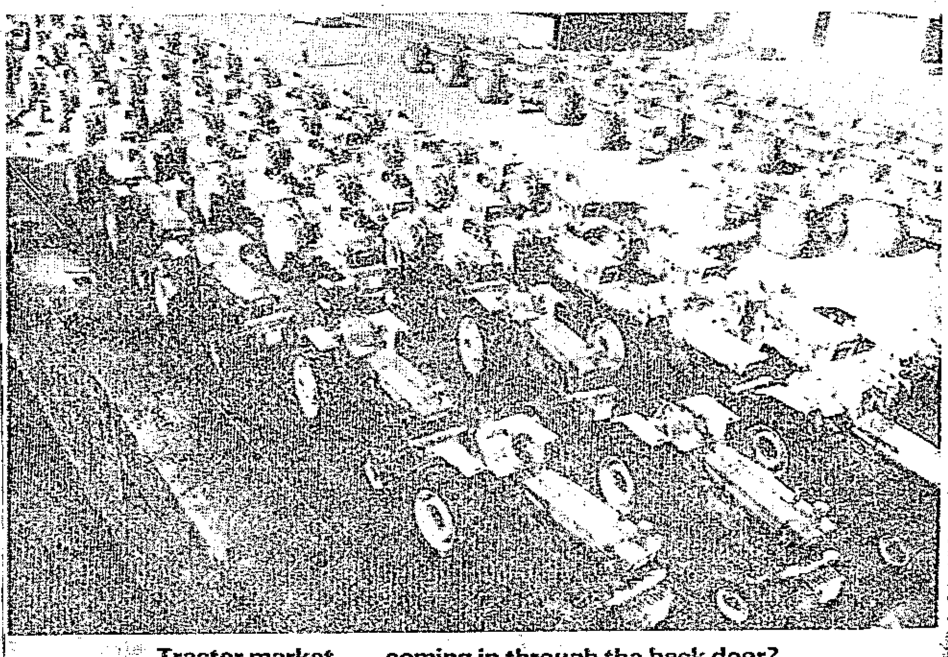
Some complicated and sensitive issues are raised by the Austrian "invasion." At least one SA tractor firm feels badly threatened by imports into the customs union at a time when SA-based tractor distributors are deeply committed to the Atlantis project. It is acknowledged that there could be significant attrition of the potential market for tractor engines initially envisaged for Atlantis — the IDC-backed Atlantis Diesel Engine Project — if all black governments in the customs agreement followed the Transkeian example. As much as 20% of the market (3 000 tractors) could be at risk in such an eventuality.

Offical sources are sure, however, that imports into a sovereign, independent signatory to the customs agreement cannot be prevented, provided there is no question of re-export.

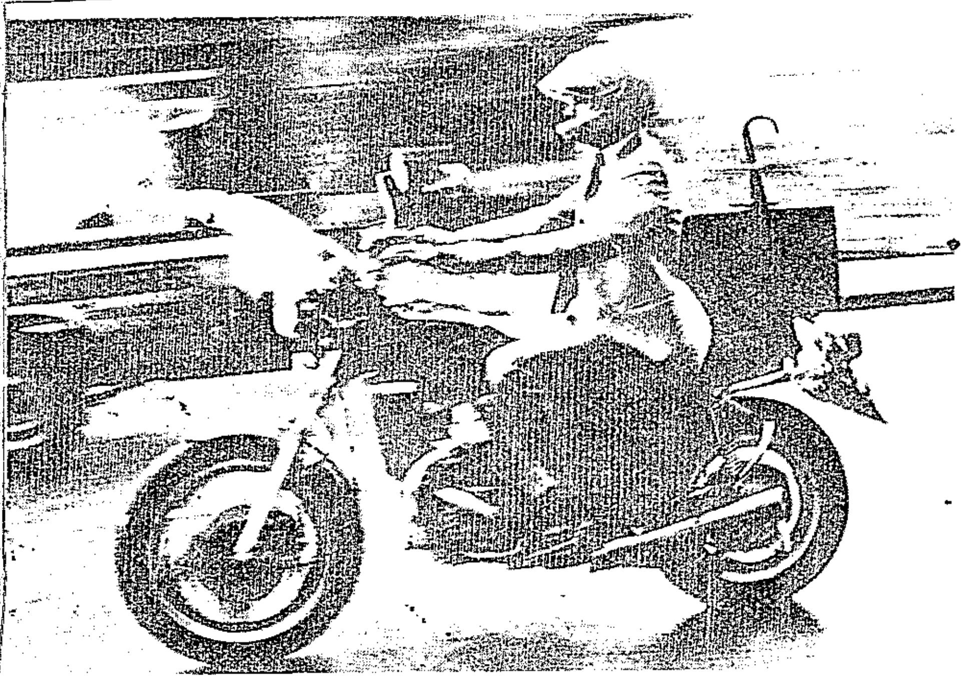
At the same time, government is firm in its backing for the SA tractor industry, and this support includes a determination to do whatever may be necessary to make the Atlantis plant viable. Obviously, the question of the necessary tariff protection will be carefully considered. Industry sources make it plain that heavy tariff protection will most certainly be needed — the price for a locally manufactured diesel engine.

But the SA authorities are reluctant to take possibly premature action to deal with, as yet, hypothetical contingencies which worry the SA tractor industry (such as the possible re-export to SA from the Transkei of used, SA-produced tractors rendered redundant by the Austrian imports). Only when such a threat to local markets actually emerges can the industry ask for protection.

The official view is that unilateral action of this sort by black governments could well be commercially unwise because they may be cutting themselves off from strong dealing and servicing networks for tractors based in SA. Consequently, they prefer a consultative approach to changes.



Tractor market . . . coming in through the back door?



Executive bike nut . . . coming back for something bigger

MOTORCYCLES

Opening up

FM 25/1/80

It's been a great year for SA's motorcycle industry with sales for 1979 worth more than R80m. At 40 772 units, new bike sales for 1979 are 150% up on 1978 figures of 16 288, and the feeling is that if dealers had enough stocks (current order backlog: 3-6 months), performances would have been even better.

The spurt in sales (after a slide of 16% in 1978) is attributable entirely to the fuel price hikes in the past year, with growth occurring in all classes of bikes, but mainly in the commuter class of 125cc to 400cc.

Bruce Johnstone, chairman of the Motorcycle Association of Importers and Distributors (Maid), doesn't believe that sales will hold at this level for 1980. "The market should slip to 30 000 units. We'd like to see a stable market with uniform and natural growth -- these sudden peaks and desperate valleys play hell with planning."

Estimates put Honda at the top with 34% of the market, followed by Suzuki (31%), Yamaha (23%) and Kawasaki (12%). Suzuki Distributors marketing manager Brian Coull says the increase has been due to "the number of new bikers turning to two wheels."

He has detected a definite trend where commuters have opted for motorcycles and "hesitantly bought a smaller 125cc model, but within six months have been back for something bigger."

Farmers, too, have suddenly started buying bikes, while surprisingly, there hasn't been a marked increase in the sales of commercial bikes."Businesses generally have been oriented towards delivery bikes and scooters anyway, so any swing there happened ages ago,"explains Coull.

Vespa agent Harry Ditchfield of Honda Centre reports that scooter sales have soared from 250 units in 1978 to 1 200 last year. Sales of pedal-assisted mopeds haven't been anywhere near predicted levels. "It's still early for this completely new market," he says. Main drawback has been licensing — "Housewives are put off by the hassle of getting a small bike licence. Sales therefore have been to youngsters like nurses and students."

With the market in a strong position, and bearing in mind that motorcycles are subject to import and exise duties totalling 35%, it's only natural that consideration should be given to partial local manufacture and assembly. Although the industry remains tight-lipped about moves in this direction, it's understood that the matter has been given serious thought.

Market leaders Suzuki and Honda would be the only makes moving sufficient units to be viable in such an exercise, and then only if the market settled sufficiently to allow long-term planning. Indications are that it would need sales of around 5 000 units a year in a single category — probably the 175cc to 200cc range — to allow economic production runs, but then only 50% local content could be achieved.

Engines and transmissions for motorcycles are highly sophisticated, and would still have to be imported. The feeling is that frames suitable for both commercial and commuter bikes, with the capacity for customisation, could be built, but this would require capital outlay of about R10m.

Petition to extend Tvl shop hours

Own Correspondent

Transvaal shops could soon stay open all day on Saturdays as well as late on Wednesday and Friday evenings.

A petition calling for changes in the Shop Hours Ordinance has been sent to the provincial council.

The petition is supported by almost every major shopping centre in the Pretoria - Witwatersrand - Vereeniging area, as well as those in Evander, Witbank and Middelburg.

At a meeting yesterday the National Consumer Union decided to support the introduction of more flexible shopping hours in the province.

But a major stumbling-block could be the attitudes of the three trade unions which represent shop assistants.

In terms of the petition the provincial council will be asked during May to amend the hours so that shops can stay open until 9 pm on Wednesday and Friday evenings, and until 5 pm on Saturdays.

A further amendment called for is extended shopping hours until 10 pm on Christmas Eve and New Year's Eve, providing this is not a Sunday.

But the senior vice-president of the National Union of Distributive Workers, Mr Morris Kagen, told the Consumer Union meeting his union was not in favour of the proposed changes in their present form.

Mr Kagen, who is a member of the white Shop Assistants' Trade Union, had a mandate to speak on behalf of the black, coloured and Indian unions.

He suggested that two optional schemes should be considered.

REMAIN

These were that if Saturday-afternoon trading was to remain as at present, with late shopping allowed on Wednesday and Friday evenings, no general dealer would be allowed to trade before 1 pm on Mondays.

The other scheme, Saturday-afternoon shopping and the present hours on other days, must be linked to a ban on general dealers opening at all on Mondays.

	W		A		C		B	
	M	F	M	F	M	F	M	F
0–1	0,17	0,08	0,10	0,21	0,78	0,29	0,49	0,48
1–4	0,01	0,01	0,00	0,00	0,07	0,10	0,05	0,05
5–24	0,02	0,01	0,03	0,01	0,04	0,03	0,05	0,05
25–44	0,11	0,09	0,39	0,10	0,41	0,19	0,23	0,22
45–64	0,92	0,42	1,60	0,72	1,31	0,67	0,80	0,68
65+	1,80	1,16	1,61	2,44	1,91	0,75	1,44	0,91
ALL	0,31	0,21	0,33	0,16	0,33	0,17	0,25	0,20
NO.	653	430	116	56	370	201	533	329

	W		A		C		B	
	M	F	M	F	M	F	M	F
0–1	1,57	0,76	0,60	1,03	1,24	0,79	0,89	0,74
1–4	0,05	0,04	0,05	0,05	0,05	0,02	0,04	0,05
5–24	0,01	0,00	0,01	0,01	0,01	0,02	0,00	0,00
25–44	0,00	0,00	0,00	0,00	0,00	0,01	0,00	0,00
45–64	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00
65+	0,02	0,01	0,00	0,00	0,00	0,03	0,00	0,00
ALL	0,04	0,02	0,03	0,04	0,04	0,03	0,03	0,00
NO.	87	43	9	14	50	33	54	47

	A	C		B	
	F	M	F	M	F
	,55	29,22	24,78	23,16	22,23
	,02	0,02	0,04	0,04	0,00
	0,32	0,83	0,67	0,55	0,67
NO.	113	942	785	1143	1075

Vots 1 30 (30) ~~634~~

'Black traders are not free'

By IKE MOTSAPI

BLACK businessmen have no freedom of choice of the type of businesses they want to run in black townships, Mr M M Maubane, an executive director of the National African Federated Chamber of Commerce (Nafcoc), said yesterday at a Press conference.

The Press conference was held at the Landdrost Hotel.

Mr Maubane said the South African Government laws made it impossible for blacks to run businesses of their choice. He added that the Government was instead dictating to black businessmen "on the type of businesses they should run".

He said: "Black businessmen are not even allowed to trade in other buinesses such as bottle stores and retailing. However, whites now want to form partnerships with blacks."

"Nafcoc is not against partnership but it is however against partnership that is one-sided," he added.

Mr Maubane said if laws affecting black businessmen could be changed so that they are licenced to trade in any business of their choice, South Africa "could herald a new era".

He pointed out that this could mean that even the backyard businessmen would be granted licences allowing them to trade in their business. "This could ease the unemployment situation in the country," said Mr Maubane.

n Bellville Sout have
's were dismissed. The
s of a trade union.
f work - R40 a week
ese demands are "out
ption" in his firm.

kers Union) say the
to negotiate for better
ion. It says the men
k of staff.

men on strike are
dorsed back to the
oloured' brothers and
ent of Labour tried to
de the factory. The
e for the same purpose."

. At a solidarity
meeting last week more than 500 univ... ...nts from U.W.C., Hewat, Peninsula Training College and Bellville Technical College called for workers to be reinstated and for a boycott of Fattis & Monis products.

The Western Province Traders Association says it will instruct its members not to sell the factory's products unless there is negotiatiom.

The South African Council of Sport (SACOS) has called on all sports bodies and schools affiliated to SACOS to support the call for re-employment of the workers and a boycott of the factory's products.

At a meeting at U.C.T. over 500 students supported a call for a boycott of all Fattis & Monis products.

Fattis & Monis insist that there is no 'dispute'. However a director of the firm says he is worried about the calls for a boycott of the factory's products by blacks as much of the factory's trade is with blacks. The management have kept production going by employing scab workers in the place of the stiking workers. However production has been slowed down.

Who are Fattis & Monis? Fattis and Monis is the factory which produces the following products: All Record flour products including self-raising flour, Cake flour, Bread flour, Sifted flour, Unsifted flour, Wjeatie Treat flour; All products with the Fattis & Monnis brand name including icecream cones, wafers, cake cups, macaroni, spagetti, large & small shells, ribbon noodles - broard, narrow, plain and green, rings and dilatines; All the above noodles and spagettis under the following brand names: Pick 'n Pay, Pot o' Gold, Princess, Checkers and Roma; Philadelphia flour and Koeberg Mille pack mealie meal.Fattis and Monis also control a number of Bakeries including Wrench Town Bakery in Observatory, Good Hpe Bakery in Elsie River and Eltra Bakery in Somerset West.

Published by Comm Comm.
Printed by S.R.C. press, U.C.T.

NM 30

Chain stores and the 'market'

THE MARKETING DEPARTMENT

IN THE previous articles in this series on chain-store retailing, we described how the many branches are helped and controlled by their managers and how the buyers select, buy and arrange for the products to be distributed throughout Southern Africa to satisfy the needs of their millions of customers.

We call all of these customers the "market" for the company.

This is because, even though they are not all together in one place, they are sure to be shopping around and comparing prices in various stores in their town, just as if they were at a market, comparing prices of fruit or vegetables to find the best "value for money".

A window-dresser creates an exciting display of fashion merchandise.

What is the job of the marketing department?

The job of the Marketing Department is to find out what the customers prefer to buy, where they prefer to go to do their shopping, what sort of prices they would like to pay for their products and then to tell the customers all about the merchandise by advertising and displaying the goods.

The first stage of marketing is market research. Research teams are constantly talking to customers in most cities and towns throughout the country to find out what their preferences are and whether they are happy with the service, quality and positioning of the company's branches.

Store design is another important aspect of marketing because the chain-store company must make sure they rent premises for their branches near railway stations or bus stops or places of work.

The staff in the store design department do all the planning for new branches when they are going to be opened to ensure that the inside "decor" of the store is tasteful and attractive and the outside impression of the store is prominent and eye-catching.

Advertising and display

Because chain-store retailers usually sell similar products at the same price throughout the country, they generally use "mass media" such as national newspapers and radio stations to advertise their merchandise.

Retailers' shop windows are another important way of telling the public about their merchandise and we all enjoy "window shopping" ... that is, examining the new items that are displayed in shop windows and comparing prices.

The Marketing Department is responsible for all of these various methods of telling the public about their latest merchandise.

Promotions.

Another way of attracting thousands of customers into the many branches of a chain-store retailer is by having special competitions and shows which are usually called "promotions".

The purpose of these competitions and shows is to promote business — that is to attract extra people into the stores and encourage them to buy that company's merchandise.

If you are entering for a competition always remember that you must read the rules very carefully and fill in the competition form accurately or else you will not have a good chance of winning the prize.

"Pick-a-box" shows are often held in stores or in community halls to attract customers and one of the more famous promotions is the "Miss Sales House" competition every year ... the first prize for this competition is an overseas holiday for the lucky lady who wins!

... then they ... found it
... place. They ... to their
; drinks.

re ruins at Kumbi-Saleh in south-
of the Muslim town at the capital
re revealed the remains of a mosque

one dinar of gold on each donkey-
and two dinars on each load of salt
les a duty of five mitqals and a load
gold in the country comes from
journey from the capital in a
egroes and covered with villages. All
es of the empire belong to the
have the gold dust that everybody
gold would become so abundant as

~~ld weighing between 4.25 and 4.~~725 grams.
to one mitqal. Ghiaru possibly lay
between the rivers Senegal and Faleme.

... instead of God. They imagine
... meet the ... which carry
... instantly kill ... religion
... believe that they bring life and
-Muhallabi, 985 A.D.

very large p~~opulation among whom~~ Islam
er the countries of the desert as far as
the Hafsid dynasty, they have enjoyed
year 655 A.H. (A.D.1257) the Sultan
from one of the kings of the negroes,
gifts which this negro delegation
animal whose external characteristics
of Tunis ran in a crowd to see it.

from ibn Khaldun (1332-1406)
History of the Berbers

there between Tripoli and Lake Chad.
Tunis in the thirteenth century.

Europe fears car onslaught

RICHARD GAUL: Bonn

American and Japanese car manufacturers are preparing for a sales onslaught in Europe during the 1980s.

Ford and General Motors intend to produce "world automobiles" that could be built by subsidiaries anywhere in the world.

And Japan is basing its offensive on the fact that it has the most advanced car electronics — a big advantage in producing more economic cars, and therefore an important sales point.

The European industry is not well placed to meet this threat, according to the Banque Bruxelles-Lambert in Brussels.

It is too fragmented and will, in many cases, be able to offer only obsolete models in competition.

In Europe, 12 independent automobile makers plus the subsidiaries of General Motors and Ford share in the production of about 12 million automobiles.

In the United States, however, a mere four American companies and Volkswagen produce close to nine million a year.

More than two-thirds of Japanese-made cars are Toyota and Nissan/Datsun.

On the other hand, there are four European firms among the world's ten largest car producers (Peugeot/Citroen/Talbot, VW, Fiat and Renault) and only three American companies (General Motors, Ford, Chrysler) and two Japanese (Toyota and Nissan/Datsun).

Still, size alone does not guarantee success: Chrysler, with its annual output of more than one million cars, is fighting for survival, while Daimler-Benz, producing only 400 000 and thus not even half as large, is generally considered crisis-proof.

But all this is a thing of the past. Joachim Zahn, the recently retired chief executive of Daimler-Benz, has always warned against considering the positions now achieved as unassailable.

He holds that the American giants are preparing for an export offensive of such magnitude that the oil shortage is a harmless blow by comparison.

At first glance, the Americans would seem to be teetering on the verge of disaster.

The three giants have stuck to their old fuel-guzzling models too long. This has caused problems not only for Chrysler but also for Ford, which is likely to have closed the business year 1979 with the greatest loss in its history.

And even General Motors will only escape a negative balance sheet by cosmetic tricks.

But the present spell of weakness in no way detracts from the still unbroken financial capacity of General Motors and Ford.

The huge investments of the two mammoths serve primarily to modernise their range of models.

Their aim of a "world automobile" is to enable them to capture more of Europe's market. In fact, General Motors is building new plants in Spain and Austria.

The bastions needed to ward off such an onslaught in the next few years must be buttressed. As a result, Japanese automobile makers have started an offensive on the German Market (considered particularly tricky).

Last year's figures show that they have captured 5,6 per cent of the market.

Their cars are still cheaper than those of their European competitors offering more extras for the same money.

The Banque Bruxelles-Lambert forecasters say the Japanese companies are also well in a position to leave their competitors behind technologically since they have progressed farthest in the use of electronics.

And this will be the most important element in making automobiles thriftier — a major selling point in times of rising fuel prices.

European makers take the threat of a Japanese offensive seriously, and many see the answer in co-operation.

The latest co-operation contract was signed just before year's end between the state-owned French concern Renault and the Swedish Volvo Group.

Only last August the Swedish Industrial Authority accused the Volvo Group of having obsolete models.

The Authority advised both Volvo and its domestic competitor, Saab-Scania, to seek a partner for modernisation. Under the new contract with Renault, the partners will develop new engines and gears.

But Volvo is by no means Renault's first partner. The French company already has co-operation agreements with American Motors, the smallest United States automobile manufacturer, and with the American truck manufacturer Mack.

Moreover, Renault has for a number of years made its motors in conjunction with the privately-owned Peugeot Group and Volvo.

State-owned British Leyland (BL) is also seeking co-operation. Honda, Japan's third largest automobile maker, wants to use the British company to gain a foothold in the EEC, as has been widely reported.

Alfa Romeo's desperate search for a partner has remained unsuccessful. But there, too, talks are said to be in progress with the Japanese.

Rumour has it that Alfa Romeo would welcome not only a partner but a buyer. The management, however, stoutly deny this.

In any event, neither Alfa Romeo nor BL will be able to weather the crisis by co-operation alone. So far, both have survived only because of massive state support.

But not only Europe assists its motor industry with state subsidies. The ailing Chrysler concern can only hope to survive through a guarantee recently passed by Congress.

Chrysler's European subsidiaries have meanwhile been sold to the Peugeot Group, which has thus been able to increase its annual output to about 2,5 m cars.

There is every likelihood that Peugeot will thus outstrip VW and become the world's third largest producer after General Motors and Ford.

Only Germany's car industry appears unaffected by the merger trends.

The mergers predicted two years ago that would have reduced Germany's automobile industry to two major groups now seem further away than ever.

The London-based Economic Models Group of Companies forecasts diminishing sales not only for Germany but for Europe as a whole.

Even before the latest oil price increase, economists predicted that the demand for automobiles would fall in 1980.

By 1981, the number of newly licensed cars is likely to drop by 5 per cent against 1971 to 8,5 m.

Forecasts of chief executives are marked by scepticism for the business as a whole and optimism for their own companies.

Worldwide, the automobile industry is prepared for a slight decline. And even if weakened companies like BL, Alfa Romeo and Chrysler might thus have to face additional problems, most are already preparing for the upswing after 1980.

Automobile executives keep stressing that there can be no comparison with the crisis year 1974. At that time, global production dropped by more than 14 per cent to 26 m units. The drop in Germany reached 25 per cent (to three million units).

Says VW's Toni Schmücker: "At that time we had a crisis that cannot be compared with today's situation. Even in 1973 business already dropped and was then further aggravated by a political crisis which culminated in the oil shock in the autumn of 1973."

But what if the December 1979 oil shock precipitates a similar situation?

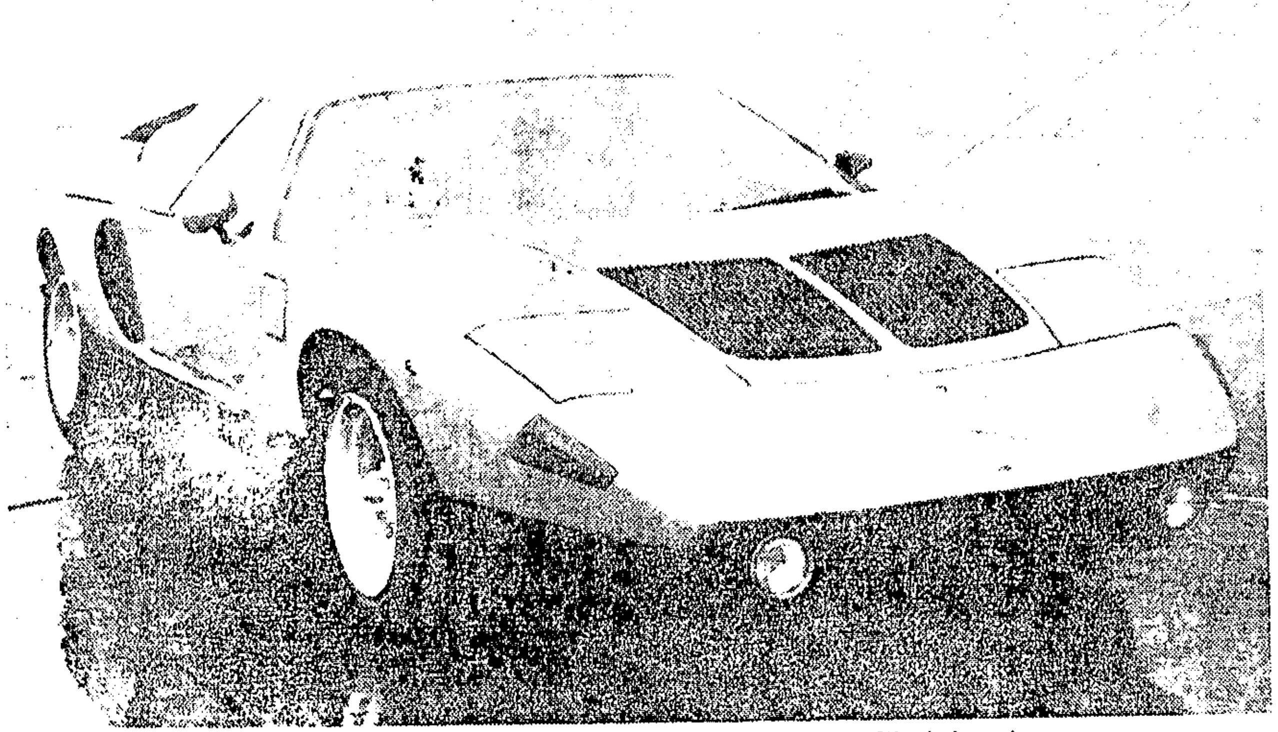
The optimistic forecasts of the industry become even less tenable when their long-term premises are subjected to close scrutiny.

Schmücker is convinced that the entire transport setup in the year 2000 will essentially be the same as today. And BMW's Von Kuenheim holds that the car of the future will not differ greatly from that of today, that it will be driven by an internal combustion engine and that the only difference will be its greater economy.

The American "world automobile" will also run on petrol and diesel and the Japanese won't manage without fuel either.

But what if the customers are no longer prepared to pay the price to fuel the 30 to 40 m cars the industry wants to sell every year?

— DIE ZEIT



future — experimental Mercedes with 4 rotor Wankel engine.

MOTOR INDUSTRY

(30). FM 1/2/80

Fireworks at Naamsa

The resignation of the country's biggest motormaker, Sigma Motor Corporation, from the National Association of Automobile Manufacturers of SA is a blow to that body, but not a mortal one. Naamsa will survive — as long as no other manufacturer follows Sigma out.

Though five other manufacturers supported Sigma in its proposal on Naamsa funding (with 15 against), there are no indications yet that any of them will resign too.

But as long as Naamsa is regarded by the government as the voice of the industry, Sigma's role as an outsider is likely to become increasingly untenable.

Sigma is at odds with Naamsa on two issues. One is the refusal by members to support its application for a cycling period for meeting the 66% local content requirement on ultralight vehicles (up to 725 kg mass and 700 cc engine capacity).

Sigma wanted to introduce the fuel-cheap Citroen Diane immediately on a fully assembled basis, with a two-year period of grace before it geared up to

Naamsa president Pitt . . . we hope they will return to the fold

66%. Meanwhile, it asked for excise duties to be waived.

Sigma claimed it made the application on behalf of the industry, and any manufacturer would be able to take advantage of it if it succeeded. It says the application would be in the interests of the country, and that other members appeared to be thinking only of their own interests.

But the others, none of whom has immediate access to an ultralight model, saw no advantage for themselves and declined to support a concession which they said would benefit only Sigma.

The second issue, on which Sigma resigned, is "the inequitable way in which membership is conducted." Subscriptions to Naamsa are geared to the size of the manufacturer. Members all pay a nominal basic subscription (R1 800 last year) plus a levy based on sales of vehicles in the previous year.

Naamsa's annual budget is in excess of R200 000 a year, and Sigma, with 18% of the market in 1978, paid a total of around R40 000 last year.

But, as in the United Nations, each member gets only one vote. A manufacturer selling 100 vehicles in a year (and this has happened in the past) has the same voice as one selling 35 000.

Sigma proposed that each member should pay an equal subscription — which would work out at some R10 000 each for the 21 members. The motion was defeated, primarily by small manufacturers who would end up paying more than at present. It was, say insiders, a "very ugly meeting."

Sigma's argument is a reasonable one, though the case would have seemed stronger had it not been accompanied by apparent petulance because Naamsa members declined to support the ultralight application, which now seems likely to be rejected.

But was resigning the best response? Will Sigma be any better off outside Naamsa? If all such applications are going to be deferred to the recognised spokesmen for the industry (and it is a known fact that government prefers to deal with a single unified body), Sigma may have even less say than it does now.

Naamsa sources make the point, too, that Sigma does benefit in proportion to

Sigma chairman Chris Griffith . . . membership inequities

its sales from the concessions that Naamsa wins in its negotiations with government. For example, Naamsa was instrumental in 1977 in persuading government to reduce by 5% the level of excise duty it planned under Phase V of the local content programme.

This, sources say, was worth R45m a

NEW PROGRAMME

There will be no immediate replacement for Andre Botha, who has resigned as MD of the country's biggest indigenous computer company, Computer Sciences. Executive chairman Morris Cowley will handle the day-to-day control of this Anglo American Corporation subsidiary.

Botha, who moved to CS 18 months ago from IBM, is to be chairman of Persetel, the mainframe and plug compatible subsidiary of Perseus, the next biggest locally owned computer company. (Perseus is distributor for Nasco, a leading US supplier of hardware compatible with IBM software. It also distributes Hitachi computers.)

Botha says there were "no fireworks" over his departure, but he simply had "a very interesting offer" from Perseus.

Why is Cowley (already somewhat burdened as group computer consultant to Anglo and executive chairman of Anmercosa Computer Services) taking the helm again? "It's a logical decision," he says. "It creates the maximum stability and confidence in the company. It conveys that Anglo is right behind this company and avoids any disruption."

But, he says, another MD may be appointed at some stage. "It's just a matter of timing."

P.T.O

year to the industry and R7,5m to Sigma on its 1979 volumes.

Sigma's response is that it suffers the disadvantages in proportion to its sales as well.

To outsiders, perhaps the worst result of the fracas is that one of the most important economic indicators, the monthly Naamsa vehicle sales figures, will no longer be published. Naamsa says it will not publish incomplete figures, and Sigma seems unlikely to supply its figures to the organisation.

Sources inside the company, however, see no reason why Sigma and Naamsa figures should not be issued independently. But Naamsa members fear that, if they continue to publish their figures, Sigma will not follow suit.

Even though it likes to deal with a single body, there is no real reason why government should intervene in the dispute. But if the two sides cannot agree to publish vehicle sales figures, the danger is that government may feel compelled to take a hand.

Says Naamsa president Brian Pitt (Ford MD): "I am still hopeful we can get Sigma back into the fold. But, even if we don't, Naamsa will continue."

(30) FM 1/2/80

SHOPPING TRENDS

Where's the consumer boom?

Anglo makes no secret of the fact that Cape Town's Kenilworth Centre was the lemon in its shopping portfolio. But fancy letting footwork has changed all that and Kenilworth, according to figures released to the *FM* this week, posted a December turnover improvement of more than 100% over the corresponding month of 1978.

The dramatic leap, from R2.8m to R5,7m, led an all-round gross hike in Christmas spending of some 15% across the country. But, ironically, the rest of the Cape centres tended to lag.

The Anglo spread draws a fair national picture and confirms the *FM*'s preliminary estimate (*Property* Jan 4) that December trade perked up all round. Yet the best regional performance, according to Ampros leasing director Joe Hallis, was in Johannesburg.

Carlton Centre, lifted by a strong run on leisure goods, weighed in with a healthy turnover rise of more than 20%. Diverse centres like Killarney and Highpoint also produced better results. But, overall, the really big spending spree predicted by some didn't materialise.

There's one other factor that has to be considered. Eastgate, with a massive 90 000 m² of net shopping was open for its first Christmas. Randburg's Sanlamsentrum was also fully into its stride for the first time and OK added to the competition with the Roodepoort hyper.

The increase in trade may thus have shaded the inflation rate countrywide, but the message is still clear: if the economic lift-off depends on consumer spending, there's still a long way to go.

An interesting sidelight to the Anglo study is the performance of Johannesburg's tertiary shopping sector, which caters mainly for blacks. On average, the multiples found trading better in these areas than in the core.

Cape Town merchants also faced stiff new competition with the advent, in October, of Sanlam's Golden Acre. The 120 shops and 15 200 m² of trading space obviously influenced all-round turnover performance.

Cape shopping centres, in the Anglo experience, have been holding their own reasonably well. But Hallis believes the retail take is not rising as quickly as Johannesburg's. And ribbon developments, once particularly strong along the Peninsula transport routes, are feeling the pinch.

Hallis is specially pleased with Kenilworth. The former white elephant was given a life-saving leg up in mid-year when Dions agreed to move the old Rave operation to a problem area on the upper level. This 4 000 m² void had been abandoned as unlettable.

OK took over Rave's old 10 000 m², and Pick n Pay took more space on the understanding that it would seal off the direct entrance to the car park and thus increase circulation within the centre. With Clicks as a fourth magnet, the shuffle worked wonders.

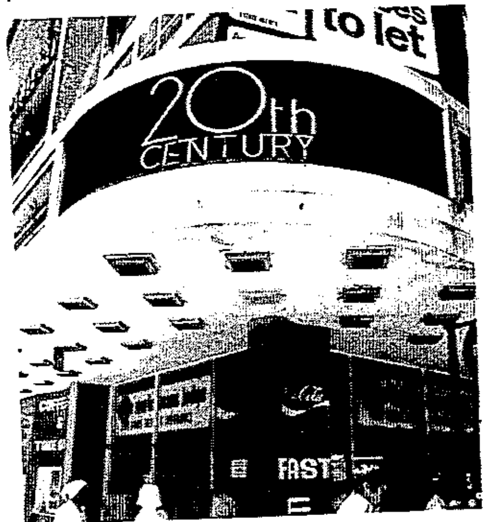
"Still room for improvement," comments Hallis, "but at least we are now making money out of something that was previously a major headache."

Durban trade has also held steady. Anglo isn't that well represented (320 West Street provides its biggest trading space with 11 500 m²) but Hallis says tenants generally did better than last year. Trading patterns are settling again, he says. Competition from the Prospecton hyperama and the successful La Lucia hypermarket have been absorbed.

Pretoria merchants also faced powerful new competition from developments like Sanlamsentrum in the CBD and the hyperama at Menlyn Park. They contributed to a slight hiccup in the trend, and perennial winner Sunnypark came in slightly below expectations.

On balance, the news was good for Sorec and Amaprop, which own the bulk of the retail space in the Anglo stable. Merchants, too, have come out reasonably well satisfied. But there's no sign of a major consumer boom yet.

and the Metro into oblivion. There's also a question mark hanging over His Majesty's theatre. And talk of redeveloping the Colosseum has been doing the rounds for years.



The Twentieth . . . bringing the house down

It's sad to see them go. But maintaining them in an age of rising costs and falling revenues is increasingly a luxury.

THE ARGUS, TUESDAY FEBRUARY 5 1980 30

Offer to buy back Newlands shop ignored

RESTAURANT owner Mr Colin Uren has not replied to an offer by 12 Newlands residents, on behalf of a concerned resident, to buy back Mr Bawa Khalfey's corner shop.

He was asked to reply by yesterday.

Mr Khalfey was evicted from the shop two weeks ago in terms of the Group Areas Act.

It had been his livelihood for 27 years.

His stock, worth R12 500, was removed by officials of the Department of Community Development.

Mr James Selfe, one of the 12 residents, said a committee had been set up to start a campaign to get Mr Khalfey back into his shop again.

The members also hope to prevent such a thing from happening again.

The offer made to Mr Uren, who owns a pizza restaurant close to the shop, was equal to what he had paid for the premises plus any costs he had incurred.

Mr Uren was given until yesterday to reply to the offer, which was made to him in a letter, personally delivered to him on Wednesday night.

Mr Selfe said Mr Khalfey was performing a community need, as his was the only store of its kind in the area.

He said that should Mr Uren open a restaurant on the premises there would be five restaurants within one small shopping centre. This would lead to a problem in parking for residents.

Mr Selfe said the letter had mentioned that "in view of the unfortunate publicity which has surrounded the transaction between the Department of Community Development and youself, we feel sure that you will view this offer favourably."

He said that if the offer had been successful, Mr Khalfey would have taken over the shop as manager.

The residents are now considering further action.

EDGARS (30) FM 8/2/80

In top gear

A surprisingly wide spectrum of companies has experienced excellent trading conditions during the six months to end-December. They range from basic industries such as steel (Highveld), through conglomerates (Protea) and supermarkets and department stores (Greatermans) to retailers of durable and semi-durable goods (Bradlows).

That consumer expenditure in real terms has been barrelling along with an improving economy is reconfirmed by Edgars' excellent results for the six months to January 5 this year. Sales rose by 23% to R144,3m, but, thanks to increased productivity, taxed profit accelerated by 37% to R10,2m (R7,4m).

Further down the line, earnings were 518c, a 39% rise on the previous 372c — and, much to shareholders delight, the interim dividend has been increased by 27% to 140c (110c).

According to MD Adrian Bellamy, all four retail chains contributed to the better results. In addition, the three group clothing factories also improved on profits, although at the Tongaat factory taxation has risen as a result of lower allowances. Despite the higher sales, says Bellamy,

Adrian Bellamy . . . planning for high growth

stocks and debtors remain at appropriate levels and the capital employed at the half-way mark rose by some 14% to R109m.

For the rest of the year, Edgars foresees the economy gathering momentum and accordingly has planned for "high growth in sales and profits". Obviously, its productivity drive is expected to pay off handsomely. Should earnings advance by 25% in the traditionally slacker second half, total earnings would amount to some 880c. If the group takes this opportunity to step up its dividend cover to its ultimate objective of 2,5 times, a total dividend of 352c is possible. At this level the prospective yield is a very comforting 6%.

John White

GREATERMANS (80) FM 8/2/80

Recovery tack

The market's faith in doubling Greatermans' share price to 770c in the past year appears to have been justified. The report for the six months to end-December reflects a solid profit trend turnaround, and the interim dividend is five times greater than the total paid in the previous year.

Group pre-tax profits, including Checkers, Ackermans and the department stores, rose to R6,2m (R1,3m), while associate companies contributed R420 000 (R982 000). The fall in the associates' contribution arose from Greaterman's sale of half its stake in Clicks earlier in the year for a "substantial capital profit".

Though no profit breakdown is given, the bulk would have come from the Checkers supermarket chain. The directors say the on-budget improvement of the chain has been calculated after writing off the costs of establishing five new stores in major centres. And for the balance of this year, a further 12 outlets are to be opened, which largely explains the planned R14,8m capex (R2,5m). Contracts for R3,5m have already been placed.

Part of the Checkers' expansion included the relatively small acquisition of 49% of Superama Supermarket. It is not expected to have a material impact on this year's earnings.

The refurbished Greatermans department stores still appear to be running at a loss. And a turnaround is unlikely this year even though trading is improving.

Part of the rationalisation of the department stores included the closing during the first half of four outlets and last year's major stocks write-down. Christmas more than lived up to expectations, and no further extraordinary write-offs are anticipated.

The Ackermans chain was enlarged by the new Save Marts which are being established on a national basis. Four new stores are on the cards in the second half. Another troublesome area, Prudential Shipping, is now running on a profitable, but restrained, basis.

A feature of the re-shaped Greatermans group is improving liquidity. After Christmas and the sales of Clicks and certain properties in PE and Durban, financing planned capex should present no problems.

The outlook for retailing in 1980 is favourable. Greatermans should be able to take advantage of this growth, with shareholders benefiting from a low tax rate as previous assessed losses are worked off. The interim average tax rate was 20,8% (34,7%), and low rates should carry through to the next financial year.

Last year, Greatermans reported a R2,5m taxed loss and paid 5c in dividends. Already this year 25c has been declared — on a 3,1 times cover. As funds for capex should be no problem, and trading conditions are good, distributions should not be greatly restrained.

The directors say the earnings trend should be maintained in the second half, which has previously reported higher earnings, pointing to a final dividend of about 25c, for a 6,5% prospective yield.

Des Kilalea

LATEST NEW CAR PRICES

(30) Rdm 5/2/80

ALFA ROMEO
1500 TI ... R5 995
1500 GL ... R6 345
1500 Sprint ... R7 995
Giulietta ... R8 195
Alfetta 1800 Exec ... R7 645
Alfetta 2000 Exec ... R8 395
Alfetta Super ... R9 095
Alfetta Super Exec ... R9 495
Alfetta Super (A) ... R10 695
Alfetta 2000 GTV ... R10 995

AUDI
80 GLS ... R7 295
80 GLS (A) ... R7 590
100 LS ... R7 390
100 GL5 Diesel ... R10 465
100 GL5 ... R8 875
100 GL5 (A) ... R9 190
100 GLS 5E I ... R10 225
100 GLS 5E (A) I ... R10 625
200 GLX 5E (A) I ... R13 985

BMW
518 ... R9 190
518 (A) ... R9 790
518 Exec ... R10 490
518 Exec (A) ... R11 090
520 ... R10 990
520 (A) PS ... R11 750
520 Exec ... R12 590
520 Exec (A) ... R13 350
528i PS ... R14 050
528i (A) PS A/C ... R14 790
528i Exec ... R16 050
528i Exec (A) ... R16 790
530 PS ... R16 090
728 PS ... R16 750
728 (A) PS ... R17 750
730 (A) PS ... R20 500
733 i (A) PS FI A/C ... R24 500

CHEVROLET
Ascona ... R4 760
Ascona S ... R5 145
Chevair 2300 GL ... R6 165
Chevair 2300 GL (A) ... R6 565
Chevair 2300 D/L ... R5 665
Chevair 2300 D/L (A) ... R6 065
Chevair Berlina (A) ... R6 925
Rekord DL ... R6 585
Rekord DL (A) ... R6 895
Rekord GL ... R6 925
Rekord GL (A) ... R7 170
Rekord S/W ... R6 950
Rekord S/W (A) ... R7 165
Commodore ... R6 985
Commodore (A) ... R7 395
Commodore GL (A) PS ... R8 695
Commodore GL S/W (A) ... R8 470
Senator ... R14 000

Cortina 2000 GLE ... R7 385
Cortina 3000 GL (A) ... R7 410
Cortina 3000S ... R7 820
Cortina 3000 Ghia (A) ... R8 945
Cortina 1600 L S/W ... R6 400
Cortina 2000 GL S/W ... R6 960
Cortina 2000 GL S/W (A) ... R7 435
Cortina 2000 GLE S/W ... R7 900
Cortina 3000 GL S/W ... R7 410
Cortina 3000 Ghia S/W (A) ... R9 580
Granada 2,0 GL ... R7 825
Granada 2,0 GL (A) ... R8 250
Granada GL (A) ... R9 450
Granada Ghia ... R14 500

LANCIA
Beta Coupe ... R11 200

LEYLAND
Mini de luxe ... R3 595
Mini Clubman ... R3 815
Mini GTS ... R4 215
Mini Clubman Spl ... R3 845
Mini LTD ... R3 895
Marina 1300 ... R4 025
Marina 1750 L ... R4 245
Marina 1750 HL (A) ... R4 860
Rover SD (M) ... R8 508
Rover SD (A) ... R9 102
Rover SDX (M) ... R9 271
Rover SDX (A) ... R9 922
Rover SDE (A) ... R13 930
Jaguar Executive ... R19 400

MERCEDES-BENZ
230 PS ... R13 090
230 (A) ... R14 088
240 (D) PS ... R14 804
240 (D) (A) ... R15 816
250 PS ... R14 730
250 (A) ... R15 757
300 (D) PS ... R16 833
300 (D) (A) ... R17 929
280 E (A) L ... R17 963
280 S ... R17 494
280 S (A) ... R18 598
280 SE (A) ... R21 475
350 SE (A) ... R24 149
450 SL ... R35 025
450 SL Coupe ... R37 309

PEUGEOT
305 SR ... R6 715
504 L ... R6 650
504 L (A) ... R7 160
504 L diesel ... R6 830
504 L S/W ... R7 325
504 GL ... R7 350
504 GL (A) ... R7 615
504 GL diesel ... R7 960
504 GL Estate ... R7 725
504 TI (A) ... R9 090

Key to abbreviations: (A) — automatic; AC — air conditioning; PS — power steering; S/W — station wagon; L — leather trim; EX — extras; FI — fuel injection.

The new car price list is brought up to date using the latest available information. While every care is taken in compilation the Rand Daily Mail cannot be held responsible for any error which may occur. These prices are retail prices and do not reflect discounts given by dealers. For price alterations manufacturers should telex 8-8921.

All prices exclude GST.

Corolla SR5 ... R5 885
Corona 1800 ... R5 265
Corona 2000 SL 4-door ... R5 835
Corona 2000 SL 4-door (A) ... R6 095
Cressida 2000 ... R6 190
Cressida 2000 (A) ... R6 545
Cressida S/W ... R6 675
Cressida 2000 L 5-sp ... R6 585
Cressida 2000 L (A) ... R6 785
Cressida L S/W ... R7 075
Cressida LG 6 (A) PS A/C ... R8 995

VOLKSWAGEN
Golf LS 2-door ... R4 595
Golf LS 4-door ... R4 995
Golf GL ... R5 424
Golf GLS ... R5 785
Golf GLS (A) ... R6 220
Golf Diesel ... R6 500
Golf GTS ... R6 210
Golf GTS 5-sp ... R6 550
Passat LS Sedan ... R5 790
Passat LS Variant ... R5 995
Passat GLS Sedan ... R6 645
Passat GLS Variant ... R6 885
Passat GLS Sedan (A) ... R7 135
Passat GLS Variant (A) ... R7 340
Passat Diesel Variant ... R7 550

Light Commercials:
CHEVROLET
(Under 2 560 kg Gvm)
Nomad ... R3 845
(2 500 to 5 000 kg Gvm)
C 10 Pickup ... R7 750
C 31 Pickup ... R9 060
C 31 C/cab ... R9 375
K 20 Pickup 4x4 ... R10 705
KB20 Pickup ... R4 485
KBD20 Pickup ... R5 475
KB25 Pickup ... R4 765
KBD25 Pickup ... R5 725
KB40 Pickup 4x4 ... R6 135
KBD40 Pickup 4x4 ... R7 125
TLD23 C/cab ... 7 390
TLD44 C/cab ... R7 890
TLD54 C/cab ... R8 815

Escort 1600 Leisure Van ... R5 155
F 100 ... R8 190
F100 (Diesel) ... R10 855
1-tonner Pick-up 1600 ... R4 555
1-tonner Pick-up 3000 ... R5 695
1-tonner Pick-up 3000 (A) ... R6 150
3000 Leisure ... R6 165
3000 Leisure (A) ... R6 620

ISUZU
TLD 23 c/cab ... R6 800
TLD 44 c/cab ... R7 590
TLD 54 c/cab ... R8 155
Isuzu KB20 diesel ... R5 205
Isuzu KB20 ... R4 385

JEEP
CJ7 hardtop (A) ... R7 530

LEYLAND
Mini van ... R2 995
Marina Panel van ... R3 695
Marina 1300 pick-up ... R3 225
Marina pick-up Deluxe ... R3 255
Land-Rover 88 ... R6 095
Land-Rover PUP 4 ... R6 725
Land-Rover PUP 6 ... R6 950
Land-Rover PUD 4 ... R7 375
Land-Rover BUP 4 ... R8 295
Land-Rover BUP 6 ... R8 550
Land-Rover 88 Hard-top ... R6 650
Land-Rover PUF 4 Hard-top ... R7 280
Land-Rover PUP 6 Hard-top ... R7 505
Land-Rover PUD 4 Hard-top ... R7 930
Daihatsu DV 23T c/cab ... R3 565
Daihatsu DV 23L c/cab ... R3 775
Daihatsu DV 23T d/side ... R4 060
Daihatsu DV 23L d/side ... R4 270
Daihatsu DB 26L d/side ... R4 995

PEUGEOT
404 std pick-up ... R4 750
404 DL pick-up ... R5 050
404 diesel pick-up ... R5 615
404 DL diesel pick-up ... R6 160

SIGMA
Mazda F1300 pick-up ... R4 295
Mazda B1600 std ... R4 630
Mazda B1600 c/cab ... R4 380
Mazda B1600 ds ... R4 665
Mazda B1800 std ... R4 930
Mazda B1800 c/cab ... R4 655
Mazda E2000 LWB c/cab ... R6 225
Mazda E2000 LWB ds ... R6 525
Mazda E3000 SWB c/cab ... R7 990
Mazda E3000 SWB d/s ... R8 340
Mazda E3000 LWB c/cab ... R8 420
Mazda E3000 LWB d/s ... R8 860
Dodge D100 ... R6 450
Dodge D100 (A) ... R6 750
Dodge D200 ... R7 750

TOYOTA
Corolla 1200 LDV ... R4 175
Corolla Panel van ... R4 685
Hi-Lux SWB c/cab ... R4 365
Hi-Lux SWB standard ... R4 485
Hi-Lux LWB c/cab ... R4 630
Hi-Lux LWB standard ... R4 765
Hi-Lux 2 000 4S ... R4 995
Hi-Lux 2 000 5S ... R5 495
Hi-Lux 2 000 4WD ... R6 735
Hi-Lux Diesel SWB ... R5 445
Hi-Lux Diesel LWB ... R5 695
Hi-Ace 1600 blind side Panel van ... R6 725
Hi-Ace 2000 semi-blind side Panel van ... R7 230
Hi-Ace 1600 12-seater ... R7 850
Hi-Ace 2000 10-seater ... R8 070
Stout c/cab ... R5 840
Stout standard ... R6 080
Dyna LWB c/cab ... R7 380
Dyna LWB dropside ... R7 725
Dyna SWB c/cab 5 speed Diesel ... R7 485
Dyna SWB dropside 5 speed Diesel ... R7 785
Land Cruiser c/cab ... R8 860
Land Cruiser standard ... R9 080
Land Cruiser c/cab Diesel ... R9 785
Land Cruiser standard Diesel ... R9 995

VOLKSWAGEN
1600 L Pick-up ... R6 295
1600 L Kombi ... R7 770
2000 L Pick-up ... R6 870
2000 L Double-cab Pick-up ... R7 485
2000 L Microbus ... R8 135
2000 L Microbus (A) ... R8 755
1600 L Panel Van ... R6 905
2000 L Panel Van ... R7 445
2000 L High Roof Panel Van ... R7 775

CITROEN

GS Special R4 625
GS Club R4 875
GS X2 .... R5 095
GS X2 Le Mans R5 250
GS (S/W) R5 150

DATSUN

120Y de luxe R4 685
140Y SDX R4 985
160Y (A) R5 595
160Y GX Coupe 5-sp R5 855
160Z R6 530
1600J R5 780
1600J S/W R6 285
1800J (A) R6 190
1800J S/W (A) R6 650
1800J SSS 5-sp R6 480
1800J GL (A) AC R6 950
200 L R6 660
200 L A R6 895
280L R7 275
280L (A) R7 680
280 GL (A) PS AC R9 320
280 SGL (A) AC PS FI, EX R11 500

FIAT

128 1100 2-door R4 446
128 1300 4-door R4 846
128 1300 Rally R5 246
128 1300 Jet Set R5 046
128 1300 Panorama R5 246
X1-9 .... R9 445
131 Coupe 5-sp R6 048
131 Rally R6 548
131 2000 Racing R7 648
131 CL 4SP R6 048
131 CL (A) R6 448
Supermirafiori 5-sp R6 548
Supermirafiori (A) R6 848
131 S/W R6 348
131 S/W 5-sp R6 548
131 S/W (A) R6 748
Superstrada 5-sp R6 998
Elita 2000 5-sp R8 047
Elita 2000 A R8 547
Elita 2000 5-sp Executive R8 947
Elita 2000 (A) Executive R9 447

FORD

Escort 1300L 4-door R4 700
Escort 1600 Sport R4 865
Escort 1600 GL 4-door R5 195
Escort 1600 GL (A) 4-door R5 580
Escort RS 2000 .... R6 555
Cortina 1300 L R5 555
Cortina 1600 L R6 000
Cortina 1600 GL R6 305
Cortina 2000 GL R6 525
Cortina 2000 GL (A) R6 960

RENAULT

Renault 5 GTL R4 645
Renault 5 TS R4 995

SIGMA

Mazda 323 1,3 .... R4 995
323 GLC 1,4 .... R5 595
323 GLC 1,4 (A) R5 995
323 GLC 1,6 .... R5 895
323 GLX 1,6 .... R6 625
Mazda Capella Rotary R6 146
Colt Galant 1600 5-sp R6 235
Colt Galant 1600 (A) R6 595
Colt Galant 2000 5-sp R6 695
Colt Galant 2000 (A) R7 095
Colt Galant 2600 (A) R8 895
Chrysler L (A) R9 506
Chrysler SE (A) R12 152

TOYOTA

Corolla 1200 2-door R4 455
Corolla 1200 4-door R4 575
Corolla 1600 4-door R5 195
Corolla 1600 4-door de luxe (A) R5 550
Corolla 1600 Sprinter 4-door 5-sp R5 675

DATSUN

120Y LDV R4 175
120Y Panel van R4 880
Caball 2T d/side R6 840
Caball 2T d/side Diesel R7 950
Caball 2,5T d/side R7 640
Caball 2,5T d/side Diesel R8 760
E20 Ekonovan LWB R7 570
E20 Ekonobus 10s R8 125
E20 Ekonobus 15s R9 265
680 Bakkie SWB R4 685
680 Bakkie LWB R4 940
680 Bakkie SWB Diesel .R5 660
680 Bakkie LWB Diesel .R5 920
E20 Ambulance (Basic) R10 995
Datsun Patrol R8 740

FIAT

128 1300 Panel van R4 348
128 1300 Pick-up R4 048

FORD

Escort 45 Van R4 720

differences usually follow on from divergences that are present in the ultimate objectives and interests of group members. Being intentional, they will affect not only the communication process, but also the process

2 **CONSUMER MAIL**

'Times change — so should sho[p

By PAM KLEINOT

CONTROVERSY is still raging in the Transvaal over the proposed introduction of flexible shopping hours.

The lines are drawn between shoppers and retailers claiming extended hours will ease the burden of working women, and others claiming this will only push up prices.

The comments follow a petition which has been sent to the Provincial Council. It calls for changes in the Shop Hours Ordinance and requests that Transvaal shops be allowed to stay open all day on Saturdays and late on Wednesdays and Fridays.

The petition is supported by tenants in almost every major shopping centre in the Pretoria, Witwatersrand, Vereeniging area, as well as those in Evander, Witbank and Middelburg.

Those in favour claim it will mean less rush hour shopping, more organised and comfortable shopping, provide employment opportunities for casual labour and cater for working women.

The public relations officer for Checkers, Ms Peta Lomberg, said the principle of flexitime in shopping hours catered for the changing needs of society.

"Urbanisation and the growing trend towards more working women means that there are new consumer needs. The retailer must be able to cater for these needs. Flexible shopping hours would allow him, in general, to do so," she said.

Among the advantages she gave were that flexible shopping hours allowed for family shopping, less rush hour shopping and tended to make shopping a more pleasant experience.

She added it would also provide employment opportunities for casuals.

Checkers have for some time been trading on an extended shopping hour basis — late nights, Saturday afternoons and Sunday mornings.

"While we do not support all the clauses of the proposal and while we will continue to keep our stores open for extended trading hours, we believe there is a need for flexible trading hours within the present 61 hours allowed," she said.

Pick 'n Pay's chief, Mr Raymond Ackerman, said he was in favour of flexible shopping hours as it allowed stores to do more business while paying the same rental and with little extra staff cost.

"It is good for the consumer which is the key issue and does not mean increased prices," he said.

Mr Ackerman said it had been working very well in Cape Town for the past two years.

"Shopping is more organised and from the retailers' point of view, working hours are staggered and staff get extra time off plus extra pay," he said.

The Consumer Council's PRO, Mr Mike Hawkins, said he favoured the proposals because it would make shopping easier for consumers who would have more time to make responsible shopping decisions.

"The working housewife has to do a month's shopping in two lunch hours," he said.

Mr Hawkins pointed out that while he favoured flexible shopping hours, he did not believe it would have to be achieved by extended shopping hours.

The chairman of the Consumer Union, Mrs Betty Hirzel, said the union was in favour of the proposal as it was advantageous to working people. She said nobody wanted longer hours in terms of the Provincial Ordinance which allows for a 61-hour week. "It is not necessary to lengthen present hours, just more flexibility and more staggered working hours."

She said a recent survey into current shopping hours conducted by National Productivity Institute had found that store performance and productivity was restricted and prices were adversely affected, keeping inflation up.

Mrs Hirzel said the Consumer Union would elect a committee to thrash o[ut] and reach so[me] consensus.

The consumer [...] the South Afric[an] Churches, Mr Eu[...] said the idea was [...] as it would be [...] consumers, parti[...] forced to buy g[...] work, often at hi[...]

"It is inconven[ient] to shop during [...] rush hour. Plac[...] don't always of[...] prices," he said.

However, ther[e are those] who argue that [it] will inflate prices [...] the vice-president [...] wives League,

...of patient days spent in hospital. Large quantities of resources are often allocated by health planners for the treatment of relatively esoteric diseases as a result of pressure from a group of interested professionals.[18] The influence of the medical profession on the allocation of resources is not a problem that relates to the provision of public sector health alone, the diseases treated in private hospitals may also reflect the doctor's preferences regarding the mix of the cases treated, rather than the incidence of the diseases in the community as a whole.[19]

THE PROBLEMS - AN OVERVIEW

In summary, the problems that have been discussed in this paper stem from three sources:

1. The shortcomings of the market mechanism.
2. The existence of competing and conflicting objectives in the community's overall goals and the difficulties involved in

... such intervention is unlikely to succeed in improving the situation unless the problems arising from the other two sources are also overcome. Accurate information is obviously crucially important if one wishes to determine how the state should influence the market in order to improve the overall allocation of resources from the social viewpoint.[20]

Overcoming Difficulties Resulting from Conflicting Objectives and Interests

The growing literature on the economic theory of club formation suggests that the decentralisation of decision-making, to the point where there is a reasonable consensus on objectives within the decentralised area, would do a great deal to overcome the problems that arise as a result of the presence of conflicting interests.[21] An alternative proposal that has been made is that of the possibility of the introduction of a quently they may well be subject to the same types of conflicts that are evident amongst the goals themselves.

Benefits flowing from the provision of health care accrue to the community

30

RAND DAILY MAIL, Wednesday, February 6, 1980

...ping hours'

... the matter ... kind of ... budsman of ... Council of ... ne Roelofse, ... sensible one ... venient for ... larly those ... ceries near ... er prices. ... nt for them ... ch hour or ... near work ... the best ... are others ... ch a move ... hey include ... the House- ... s Yvonne

Forshaw and Mr Meyer Kahn, a director of OK Bazaars.

Mr Kahn said he believed a change in the present shopping hour system would add to the cost structure of retailers, as well as to community services such as transport.

He added that any change would have severe social repercussions, particularly on lower income groups who could only spend time with their families on Saturday afternoons and Sundays.

Mrs Forshaw said that while late night shopping might be more convenient, it would mean higher labour costs which the consumer would have to bear.

She said such a move would also lead to impulsive buying.

"Grocery shopping is stricly a one-person business and to have husbands and children trailing around will just add items to the shopping basket and push up costs. Family shopping is expensive," she said.

Meanwhile, the senior vice-president of the National Union of Distributive Workers, Mr Morris Kagen, said the proposed changes were far too drastic and that changes should be introduced on a modest scale.

He added that the proposed new dispensation should make proper provision for the safeguarding and welfare of the workers.

"If these workers are required to work at inconvenient times, then they must be reasonably compensated and protected," he said.

Mr Kagen, who is a member of the white Shop Assistants' Trade Union, has a mandate to speak on behalf of the black, coloured and Indian unions.

He suggested two optional schemes:

If Saturday afternoon trading were to remain as at present, with late shopping allowed on Wednesdays and Fridays, no general dealer should be allowed to trade before 1pm on Mondays; or that Saturday afternoon shopping and the present hours on other days should be linked to a ban on general dealers opening at all on Mondays.

be affected ... now the health planners see housing conditions evolving, what estimate they make in connection with changes in future development and the choice of the discount rate used; to name but a few of the variables. In an evaluation of the impact that the eradication of malaria would have upon the economy of Sri Lanka, Barlow used 77 variables and found that 39 of these were affected in some way by the eradication programme before any sensitivity analysis was undertaken on the importance of the initial assumptions![14]

Group Decision-making and Communication.

Decisions that ultimately result from group interaction pose special problems from an optimality viewpoint, most of which stem from difficulties

that arise in the process of communication. Communication involves three distinct phases,namely the process in which data to be communicated is encoded into a form which is acceptable to the means of transmission, the process of transmission and the process of decoding the transmitted material into a form acceptable to the recipient of the transmission. Communication between individuals involves an encoding process in which ideas, images and concepts are translated into speech, the transmission of the coded data by voice or by written communication and the decoding of the speech into images and concepts in the mind of the recipient.

There are three major problems connected with the process of decision-making through group interaction, that affect the process of intragroup communication: firstly, different people have different levels of risk aversion. This diversity in attitudes toward risk-taking colours the evaluations made by group members, affects the strategies they adopt as actors within the group and the manner in which information is encoded, transmitted and decoded between group members. A person, who has a high aversion to risk, will code data for transmission in a manner that will emphasise the risk element to a greater extent than would be the case if the same data was coded by someone who liked to gamble.

Secondly, the nature of the items that are subject to the process of group decision-making in the public sector, particularly in the health care field, is often extremely complex. This complexity makes it difficult for group members to conceptualise the issues involved adequately. If the issues are not clearly visualised, the data that is coded and transmitted will itself be suspect. This problem is compounded by the fact that the ability of individuals to conceptualise complex issues varies significantly and the range of abilities of the people within the group is also likely to be wide. If the issues on which a decision is being made are seen differently by different people, simply because some are more able to conceptualise than others, the problems involved in communication become very significant. The criteria used by one man to encode the data may differ very substantially from those used by his colleague to decode the received transmission.

Thirdly, quite apart from any unintentional differences in the criteria used for coding and decoding speech, arising from the differences in the mental abilities of people within the group, intentional differences may well be deliberately introduced by group members. These intentional complicated by the fact that doctors are not evenly distributed throughout all geographical areas. Throughout the world, countries can be divided into the "rich-rich" - the United States of America, the "poor-rich" - Britain, the "rich-poor" - Iran, and the "poor-poor" - Bangladesh. Physicians migrate from "poor-poor" to "rich-poor" to "poor-rich" and, finally, to "rich-rich", and it is estimated that one third of physicians beginning their career in the United States of America, received their training abroad.[8] Similarly, within a country, there is a maldistribution of doctors between rural and urban areas. A follow-up study of 1 553 graduates of the Medical College of Boroda in India, revealed that 60% entered urban practice in India, 25% migrated overseas. and only 15% practised in rural areas in India.[9] Indeed, this phenomenon occurs throughout the world, but it is most marked in the third world. In Kenya, there is one doctor for every 672 people in the capital, while in the remainder of the country, there is only one doctor for every 25 000 persons.[8] Similar figures have been published for Thailand, and Ghana.[8] In South Africa, where approximately 60% of the population l... in rural areas, 65% of all doctors practise in metropolitan areas,

Asiatic bazaar a white elephant?

STAR 9/2/80

(30)

Vereeniging Bureau

Vereeniging's Asiatic bazaar, unwanted, uninhabited and still under construction, looks like being a white elephant.

Thrust on the town by the Department of Community Development, the bazaar is still not ready for occupation by all the town's Indian traders in spite of a deadline for November last year.

During last year the traders were notified that they would have to leave their shops by November. But November has come and gone and the bazaar still has only one occupant — a dry-cleaner. It is meant to house 68 businesses.

The reason for the delay, a spokesman for the department has said, is that a last part of the contract has yet to be completed.

Twelve old shops still have to be demolished and eight new ones built in their place. This is a separate contract, the spokesman said.

"The traders have been given the customary couple of months to start setting up their new shops while still operating from their old shops. In fact, Vereeniging's traders have been given a little more time than is normal for this phasing out."

A well-known medical educator once jokingly made projections to show a point in time where one half of the people in the United States of America would be physicians treating the other half; but health statistics would not reflect much improvement, since 90% of the residents of cities would be physicians treating one another, with the countryside remaining inadequately served.[12] A glimmer of hope that the problem may indeed be soluble is found in an editorial in the Journal of Medical Education 1977. The editor states "The periphery may appear isolated because most graduates will have seen little of it in their education, and even less during their clinical training".[13] I shall return to this point later.

I have already alluded to the fact that political, economic and social factors are the most important determinations of the health of the people of any country. Indeed, Maurice King, whose book "Medical Care in Developing Countries", subtitled "A Primer on the Medicine of Poverty and a Symposium from Makarere", states:

"The main determinant of the pattern of medical care in developing countries is poverty rather than a warm climate".[7] There is a tendency to transplant health care services from developed countries into less developed countries. This tendency disregards the fact that developing countries have limited resources and vastly differing needs when compared to developed countries. For example, infestations and parasitic diseases often cause up to half the total deaths in a developing country, whereas they are responsible for less than 1 in 10, in a developed country.[8] Indeed, the brave politician in the developing country will realise that the most important initial steps in health care can be taken without the immediate involvement of any highly qualified and therefore expensive personnel, and do not require substantial investment in buildings, equipment or medicines. In fact, I do not believe that I would be oversimplifying the case, if I stated that the most important first steps in health care, are "clean water and good lavatories". An example of this was seen in the Phillipines where, at a cost per capita of 15 U.S. cents, simple toilets were built. This action cut the incidence of cholera by 60%.[14] I will not discuss the role of non-physician health personnel in the provision of health care in developing countries as this ...owever, despite the realisation that ...personnel, or a substantial invest...ent, governments throughout the third ...itals. For example, a multi-storeyed ...ecause when it was completed it was ...entire health budget of the country ...non to find expensive buildings in ...fully equipped and staffed. A Southern African state recently com... ...effects of too much aid! This aid had taken the form of a massive grant to build a prestige hospital. This hospital would require all the doctors in the territory to staff it and the running costs would be beyond the reach of his country's limited finances. What then are the options?

Oscar Gish in his book, "Planning the health sector: the Tanzanian experience", gives two examples of the options available to health planners. Using the same investment of 6 million Tanzanian shillings, planners could construct one regional hospital or 15 health centres. The operating cost would be similar but the in-patient admissions, outpatient visits and population covered at the 15 health centres would be vastly higher than at the one regional hospital. Similarly, Gish highlights the differences in cost per in-patient day of dispensaries, rural health centres, district hospitals, regional hospitals and national hospitals.[15] Unfortunately, such information is often lacking but when it is available, the choice is clear.

Mr J J Lesolang, finalist from Ga-Rankuwa.

Businessman of the year finalists named

Post 21/2/80

30

By IKE MOTSAPI

THE NAMES of the 11 regional finalists who will take part in the Gilbeys Black Businessman of the Year competition have been announced.

They are: Mr S J J Lesoland (Ga-Rankuwa), Mr A Mkhwanazi (Zululand), Mr J Malala (Mahwelereng), Mr B O Tsela (Kwa Nyamazana), Mrs Monica Shuping (Bethlehem), Mrs Bushie Mogoa (Diepkloof, Soweto), Mr V Mgudlwa (Umtata), Mr W W D Ngcebetsa (Ngcele, Umtata), Mr M S Munzhedzi (Sibasa), Mr M S Motswaneyane (Stilfontein) and Mr S Madlakane (Uitenhage).

For the first time since the competition was started five years ago, there will be three winners this year. The winners will be chosen from three categories namely: (a) The best Manufacturer/Industrialist, (b) Best Retailer (c) and the Best Farmer/Agricultural Businessman.

Each winner will be taken on a study tour of America. The tour is planned by the American Government and the SA Leadership Exchange Programme.

Supermart issue

By WILLIE BOKALA

1/2/84 Post

THE Greatermans-Checkers plan to open a supermarket in Katlehong is expected to come under attack when the local chamber of commerce meets to raise objections at the move today.

The chairman of the chamber, Mr Joshua Namane, told me yesterday that traders see the move as an invitation to white traders.

The meeting will be held at the D H Williams Hall at 12.30 p m.

About 13 bursaries will be issued to matric students.

Sigma splits car industry

15/2/80 Argus

30

By Keith Macfarlane

THE most serious split to cleave the South African motor industry has come out into the open with the country's biggest selling manufacturer Sigma on one side and the other 22 manufacturers on the other.

It has been brought about by Sigman's resignation from the National Association of Automobile Manufacturers of South Africa.

The members of Naamsa include the 11 car manufacturers and the manufacturers of heavy trucks, five of whom sold fewer than 200 units each last year.

The motor industry is dominated by Sigma, owned by Anglo-American, with 22,5 percent of the country's car sales, and Volkwagen, owned by Volkswagen AG of Germany, with 21 percent. The other big runner, Ford, has 15 percent.

The split was brought about by two factors:

- Sigma's dissatisfaction with the fees paid to Naamsa where Sigma paid more than other manufacturers but had the same vote as everyone else and;
- The lack of support from the industry for a Sigma proposal that the industry apply to the Government for the waiving of the local content rules for cars weighing less than 725 kg and with a motor smaller than 700 cc.

HEADQUARTERS

There was also some impatience by Mr Chris Griffith, chairman of Sigma, and an executive director of Anglo American, who contended that some of the other members of Naamsa as wholly-owned subsidiaries of foreign companies could not take policy decisions without referring back to their headquarters.

Naamsa's position on the subscription issue is quite clear. It believes that each member should have the same voting power irrespective of the size of subscription. Sigma on the other hand believes that it is not getting its money's worth.

onis factory in Bellville Sout have
fellow workers were dismissed. The
e were members of a trade union.
ıy and hours of work - R40 a week
actory says these demands are "out
lead to "disruption" in his firm.

l & Canning Workers Union) say the
: union rights to negotiate for better
ate with the union. It says the men
t of a cut-back of staff.

than half the men on strike are
eat of being endorsed back to the
n with their 'Coloured' brothers and
rom the Department of Labour tried to
gathered outside the factory. The
le were all there for the same purpose."

s are increasing. At a solidarity
d college students from U.W.C., Hewat,
nical College called for workers to
Monis products.

ys it will instruct its members not
is negotiation.

as called on all sports bodies and
all for re-employment of the workers

ported a call for a boycott of all

ute'. However a director of the firm
ycott of the factory's products by
h blacks. The management have kept
production going by employing scab workers in the place of the stiking workers. However production has been slowed down.

Who are Fattis & Monis? Fattis and Monis is the factory which produces the following products: All Record flour products including self-raising flour, Cake flour, Bread flour, Sifted flour, Unsifted flour, Wjeatie Treat flour; All products with the Fattis & Monnis brand name including icecream cones, wafers, cake cups, macaroni, spagetti, large & small shells, ribbon noodles - broard, narrow, plain and green, rings and dilatines; All the above noodles and spagettis under the following brand names: Pick 'n Pay, Pot o' Gold, Princess, Checkers and Roma; Philadelphia flour and Koeberg Mille pack mealie meal: Fattis and Monis also control a number of Bakeries including Wrenck Town Bakery in Observatory, Good Hpe Bakery in Elsie River and Eltra Bakery in Somerset West.

Published by Comm Comm.
Printed by S.R.C. press, U.C.T.

e
ıvolved
ime to
Kallie

d on
; time
and
d less

m of
bulk,
mach
ls of

pro-
by
Tony
be
ıuch
the
be

ery
was
my
ner
an
ion
ıce
ad
to
or-
m-

ill
ur
th
et-
he

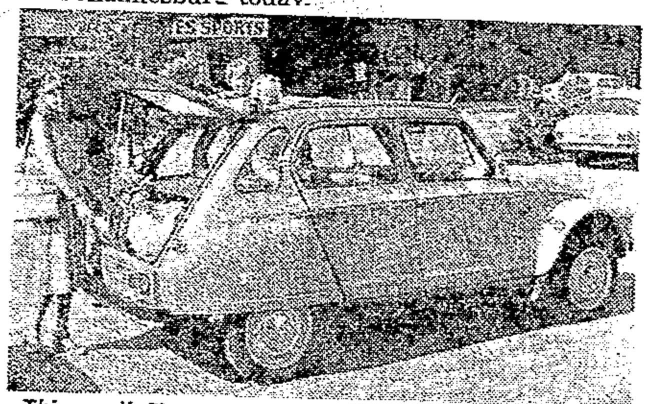
to
ıd

15/2/80
Star

Firm fights to market fuel-saving smaller cars

By Harvey Thomas

Plans to introduce a new range of more lightweight and fuel efficient vehicles that can save motorists hundreds of rands a year are to be announced in Johannesburg today.



This small Citroen is what Sigma terms a "lightweight fuel-efficient vehicle" (LFEV) which, they say, would be about R600 cheaper than the least expensive cars now available, and would save between one and two litres/100 km in city driving.

These "LFEVs" would be R600 to R700 cheaper than the average of the least expensive small cars now available in South Africa.

They would use between one litre/100 km and two litres/100 km less in city driving than one of the most economical.

Sigma is already involved in a row with other motor industry members about the LFEVs and seems to be on a collision course with the Government's local-content programme because of its formula for the "expedient introduction of these vehicles."

EXPERT

A top international motoring expert, Dr Werner Schmidt, international sales director of the Volkswagenwerk in Germany, has also warned that more fuel efficient cars will be necessary — although VW does not see eye to eye with Sigma about the precise type of vehicle needed.

Dr Schmidt said at Sun City yesterday that VW's research had convinced the company that, at least for the remainder of the century, there was no viable alternative to car engines burning petrol, diesel and/or methanol/ethanol.

Sigma will tell a national Press conference on the Rand today that these vehicles could immediately make a saving of about R200-million a year in South Africa's imported oil bill.

At the 54,2c price of petrol they would save owners between R100 and R200 a year, "but the real saving would come when the price of fuel goes through the roof."

into the whole South African health scene, which occupied them for two years During a tour of 3½ months, the Commission visited various centres and institutions in South Africa.

More than 1 000 witnesses testified and 505 memoranda were handed over. The Commission was authorised: 'to enquire into, to report and advise upon'

(1) The provision of an organised National Health Service in conformity with the modern conception of 'health', which will ensure adequate medical, dental, nursing and hospital services for all sections of the people of the Union of South Africa.

(2) The administrative, legislative and financial measures which would be necessary in order to provide the Union of South Africa with such a National Health Service.

Finally, in 1944, the Commission tabled their Report of more than 200 pages, which contained very bold and far-reaching proposals. In their summary of basic recommendations, the Commission states clearly: "The Commission's task was not merely one of offering suggestions for the improvement of a superstructure built upon foundations already laid, but for the reconstruction of the foundations themselves".

*The essence of the report is found in Part I, chapter III: 'The Modern Conception of Health', which seems to have lost nothing of its actuality during the past 35 years. It is a very comprehensive account of the various types of health services which are necessary.

In this chapter, a fundamental distinction is made between personal health services, which deal with persons and non-personal health services, which deal with things. Personal health services were divided into promotive, preventive, curative and rehabilitative services.

The great value of promotive and preventive health factors was stressed in maintaining the health of the individual and his community. Under promotive health services, the importance of adequate wages, nutrition, general education, etc., is mentioned. Periodic medical examinations, antenatal care, infant welfare clinics, immunisations, health education, school and workers' health services, are listed under preventive services.

The Commission also realised the tremendous importance of a proper relationship between promotive, preventive, curative and rehabilitative services:

"Today in short, advanced medical thought everywhere has come to realise that there should be no sharp division, even in administration and still less in presentation to the people, between promotive, preventive, curative and rehabilitative health services. All should be integrated in a comprehensive planned health service. Such a service would aim to secure not only the absence of disease, but also the maximum degree of physiological and mental efficiency".

The chapter ends with the following vision:

...ces with-
...need, and
... of
...nt these
...bserved
...ervices
...Health -
... of
...of the
...ities
...der-
...measures'
...a
...ur

Eight bursary recipients have reason to smile.

KATLEHONG REJECTS SUPER-MARKET PLAN

THE Katlehong Chamber of Commerce yesterday rejected the Greatermans-Checkers plan of opening a super-market in Katlehong.

This decision was taken at a meeting held at the D H Williams Hall by members of the chamber of commerce.

The meeting was also attended by about 400 students who opposed the super-market issue.

Eight bursaries were issued to matric students from Katlehong and Fumana High Schools in the township.

Winners of the bursaries are: Selinah Selimela, R100; Thomas Vilakazi, R100; Bonang Mohale, R50; Jonas Thabang, R50; Peter Mohla, R50; Simon Mohudi, R50; Elsie Cindi, R50 and Lulama Sophangisa, R50.

Last year the chamber issued four bursaries to matric students and only one of the students failed at the end of the year.

privileged section...

Moreover, existing ... are NOT adequate to ... national health ser... terms of reference"

Part III of the Commissi... whether a National Healt... needs of the people. T... to ensure unified direct... make the best use of the... ...tion of ...e health ... in order ...nd to

It was realised that massive ill health means decreased economic productivity and an increased expenditure on curative health services. The Commission

GARLICKS (30) FM 15/2/80

Sales lift-off

For the past four years Garlicks has been an unexciting performer on the JSE. The share price has ranged between 167c and

275c, before moving forward strongly to the current 330c on fine interim results. In the six months to end-December, after a forecast of better profits in the annual report, pre-tax profit increased 57,1% to R2,2m, while turnover rose in the region of 24%, says chairman John Garlick.

After tax profit for the six months amounted to R1,2m (R759 000) giving earnings of 40,3c (25,3c), which is within 3c of 1978's 43c total. In line with these earnings, the interim dividend has been raised to 12c (10c) — the only rise since 1974 when 23c was first paid.

Garlick says the profit increase was more apparent in the Transvaal, with Cape Town running next. And he is confident the second half will see a continuing improvement.

He refused to be drawn on any firm forecast of second-half profit, other than to say the rate of growth might slow down. This is because the second half of 1979 felt the effects of increased consumer spending, so any growth comparison will be off a higher base. Also, there are unavoidable cost increases in the pipeline as economic activity hots up, particularly wages.

At present, the share, at 330c, yields an historic 7,6%. After the interim dividend increase, another rise is possible in the final. Retail sales are set to post large gains this year, particularly if the Budget produces the tax concessions many hope for. This should all spill over into Garlicks' tills. The only restraint on a purchase now is the high level of prices in the JSE. Longer-term, however, Garlicks has shown itself to be a sound income hold with limited downside risk. *Des Kilalea*

MOTOR INDUSTRY (30)

Going Toyota FM 15/2/80

Toyota SA will be spending R40m over the next three years on retooling programmes for existing and new models and to bring local content on commercial vehicles into line with Phase V requirements.

Present local content on trucks is about 24%, says MD Colin Adcock, and that on the mini-bus range about 28%. Toyota is gearing to raise this to the required 50% level by the end of this year and 66% by the end of 1981. "We're fortunate with the Corolla panel van. The programme won't be as stiff because they use a lot of passenger car derivatives." Toyota will also be using more locally produced car engines for commercials, thereby increasing utilisation of its engine plant.

Adcock reckons expenditure will be "pretty evenly" divided between retooling for its range of passenger cars and the local content programme, but won't let out what is in the pipeline for new models. It seems though that a new Hi-Ace could be in the offing.

Some of the expenditure will go on engineering Atlantis Diesel engines into trucks of over 5 000 kg so "it can't really be seen as investment," says Adcock, "more as an ongoing expense."

With greater local content, emphasis will be placed on materials handling and storage — "before that we were handling neat boxes from Japan." The company's Motor Assemblies plant will in all likelihood be taking on more workers, but not as a direct result of the expansion "With the market looking good, we'll need more labour," says Adcock.

Financial Mail February 15 1980

CAR SALES (50) FM 15/2/80

Traumatic month

Figures published by Naamsa this week indicate that January was a traumatic month for some motor manufacturers. With total sales (excluding Sigma) up 8.5% on January 1979, there were some wild fluctuations, with, for example, Toyota up 66% and General Motors down 33%.

Unfortunately the figures do not tell the whole story, as industry leader Sigma Motor Corporation has withdrawn from Naamsa. The *FM* was unable to obtain Sigma's figures before it went to press, but our usual full table will be published next week.

However, the industry excluding Sigma sold 13 965 cars in January, compared with 12 868 last January and 17 656 in December.

Individual sales were as follows: Volkswagen 4 184 (up 30.3% on January 1979); Toyota 2 202 (up 66.2%); Datsun 2 107 (up 16.7%); Ford 1 815 (down 22.2%); General Motors 1 079 (down 33.6%); BMW 753 (up 15.7%), Fiat 535 (down 22.8%); UCDD (Mercedes Benz) 508 (down 21.6%); Alfa Romeo 500 (up 76.7%); Leyland 282 (down 1.7%).

Sales of commercial vehicles, again excluding Sigma, totalled 8 344, which was 31% better than last January.

Leading manufacturers' figures were: Toyota 2 574 (up 44% on last January); Datsun 2 080 (up 27%); GM 1 301 (up 22%); Ford 983 (up 27%); Leyland 456 (up 744%); Volkswagen 447 (up 33%).

BLACK MANUFACTURING (30)

Set for lift-off FM 15/2/80

"The Eighties for black manufacturers will be the most exciting decade we have yet seen," predicted Ian Hetherington, chairman and MD of Norton Abrasives when addressing the National African Federated Chamber of Commerce (Nafcoc) annual conference last year.

He went further: "Within the last two or three years the black industrial revolution has begun."

A spokesman for Nafcoc's industrial committee comments: "The potential for the black industrialist has suddenly become big." He further notes keen interest shown by black industrialists in study tours to Europe, the US and the Ivory Coast arranged in the past by the committee.

The committee, he claims, can hardly keep pace with requests for advice and assistance. Another pointer was a national black manufacturers' conference supported by 153 delegates in 1978. Again, a survey of the Ciskei last year indicated there were more small manufacturers than traders in the homeland.

But the experience of Anton Rupert's Small Business Corporation is not necessarily encouraging. Since May, it has so far helped establish only a polony maker, a light engineering concern, a veterinary concern, and two law firms. In addition, five loans — on average R11 000 — have been approved, and another 15 are under consideration.

Phillip Coetzenberg, public relations manager of the Corporation for Economic Development, feels that hitherto blacks have not played a meaningful rôle in manufacturing. But: "We refuse to believe that there is only one Shikwane in

Motsuenyane . . . start thinking big

this country." (Habakuk Shikwane is the former Soweto backyard manufacturer who is today considered SA's biggest manufacturer of cane furniture.)

Coetzenberg backs this up: the Tsonga-Shagaan Development Corporation has over the last 18 months managed to set up 90 small-scale industrialists in the northern Transvaal. They are involved in industries such as furniture, steel door and window manufacturing.

But as Nafcoc president Sam Motsuenyane put it earlier this year: "The black manufacturer still has many problems, particularly in the urban areas." Basically these are lack of exposure to the business world and limited understanding of some elementary business principles.

With this in mind, David Mailoane, secretary of the Soweto Chamber of Commerce and Industries' industrial sub-committee tells the *FM* that the chamber will hold a trade fair in May "to highlight these problems." Mailoane points out that in Soweto there is only one industrial area — the Orlando industrial sites — "and the problem there is lack of infrastructure."

There is a need to establish properly serviced sites for factories in the black areas. A Nafcoc industrial committee member says many of the new manufacturers "are working from their homes" (at candle-making, school uniform manufacture, and dressmaking in Soweto, for example). To help overcome the accommodation problem, the committee is soon to put up a complex in Zwelitsha in the Ciskei.

To really hit the big time, Motsuenyane feels, black manufacturers should start thinking about producing not only for local consumption, but also for overseas markets.

But the first priority is to mobilise capital, by forming black partnerships and companies.

MOTOR INDUSTRY

(30) FM 15/2/80

Honda on four wheels in SA

Manufacturers and assemblers of Mercedes-Benz cars and commercial vehicles in SA — UCDD — may soon be producing light cars and pick-ups under licence to the Honda Motor Company of Japan.

Disclosing this in an interview with the *FM*, Secretary for Industries Philip Theron said: "The government has received representations from UCDD, and the matter is now in the hands of the Board of Trade and Industries (BTI). It will be publishing the application in the Government Gazette."

It is expected that the notice will appear within the next week. It is being published in accordance with the requirements of the Customs and Excise Act and will note UCDD's "application for approval as a manufacturer of motor vehicles under franchise from the Honda Motor Company."

The BTI is to invite "objections to, or comments on" the application.

Should UCDD get the necessary permission, there can be no doubt the company — not to mention its national dealer network — will benefit tremendously from the inclusion of Honda vehicles in its range. Honda cars have been a huge success in the United States where Honda is assisting with the only manufacturing plant for Japanese cars. And in Britain, Leyland have a similar programme which they hope will inject new life into their ailing company.

The franchise was obviously keenly competed for in SA. A senior spokesman for Leyland SA said: "The Honda people were out here a while back, and interviewed virtually every one of the local manufacturers."

As far as UCDD is concerned, government approval of their Honda project will give the company a slice of the light car market which has proved so lucrative for companies like Sigma. Though UCDD has never made a loss, chief executive Morris Shenker is the first to admit that approval of a deal with Honda will mean a great deal to the company — particularly from the point of view of using spare capacity at its East London plant.

Asked which models he hoped to produce in SA, Shenker said no decision had yet been taken.

According to government sources, UCDD has submitted a well-motivated application which may well receive sympathetic consideration from the authorities.

Just how long it will take before matters are finalised remains to be seen. "Negotiations with Honda reached such a stage that we decided to ask for the necessary permission," says Shenker. "Now it's up to the government."

Significantly, government maintains that — contrary to rumours in the industry that Leyland SA had also made a pitch for the Honda franchise — the only motor company with whom the BTI is holding discussions on Honda is UCDD.

FM 15/2/80

PWV SHOPPING

Who's taking what?

Rand Afrikaans University's Institute of Urban Studies is nearing the end of its comprehensive look at retail trends in the Pretoria-Witwatersrand-Vereeniging area (*Property* February 23 1979). The Institute's Professor Dries Oosthuizen says fieldwork, which has been carried out since 1976, should be completed in three months.

Province, some municipalities and several companies in the private sector, will have paid some R170 000 in sponsorships by the time the report is complete. Not unreasonably, they will get the first look before it goes on general sale. But Oosthuizen has given the *FM* a preliminary glance at some of the findings which, inevitably, are a couple of years behind. The report reflects the situation in 1977, but the information will be welcome.

South Africa is statistics starved and Oosthuizen believes his report will set a benchmark for shops and shopping centres in future. With the framework provided, it should also be comparatively easy to update.

The results from the Johannesburg central area haven't been analysed. But, in the rest of the city, Hillbrow came out a surprising top. From all accounts things have changed since, but the Rau report gives Hillbrow a highly respectable annual turnover figure of R1 050 m².

The report shows 376 retail outlets, most of them convenience stores, and a total retail floor space of 60 000m². Gross rentals in 1977 averaged R6.43 m².

The la Rochelle Rosettenville trading district in the southern suburbs is another good performer. The Institute study shows 107 shops in this suburban business area with a total retail trade area of 20 000m². With a gross average rental of R2.93 m², merchants should have little cause for complaint.

Developers betting their all on a soaring Sandton trade don't look like being disappointed either. The study found Sandton to have 602 shops and a total retail area of 111 000m² with a turnover of R828 m².

Randburg (pre Sanlamsentrum) had 580 shops, 112 000m² of retail space and an annual turnover of R687 m².

Lowest retail take in this small sample was in the Rosebank Parkwood Parktown area which has a wide spread of chain and speciality stores. Total retail space in 1977 was 87 500m² with an average gross rental of R5.37 m². Turnover was well below average at R651 m².

It would be a mistake, of course, to regard the figures as the final word on profitability. Many operations are geared to lower turnovers and higher profits — Rosebank is one of them. Likewise, high turnovers are often linked to low margins.

But the figures do give a general idea of trends. It is thus interesting to compare the Rau results with the current situation in some of the main shopping centres.

The *FM* estimates, for example, that Carlton centre shops now turn over about R1 200 m² a year. And Sandton City, according to Rapp & Maister, is grossing R38m annually, which also gives a figure of over R1 000 m².

Eastgate, whose progress has been followed with interest by the trade, is set to weigh in with about R900 m² (on a gross turnover of R80m) at the close of the first trading year in mid-March.

So, at this stage, the message is none too clear. It does seem, though, that small, fragmented shops are losing out to both shopping centres and concentrated suburban business districts.

New shop hours 'would cut costs'

S/Star 16/2/80 (30)

By Lynda Loxton

The Transvaal's trading hours are a disservice to consumers, businessmen, staff, and the country.

Support up for flexible shopping

Support is growing for the first co-ordinated attempt by private enterprise in the Transvaal to get more flexible shopping hours.

Merchants' associations and developers representing hundreds of shopowners have signed a petition calling for an amendment to the Shop Hours Ordinance which will allow trading until 5 pm on Saturdays and until 9 pm on Wednesday and Fridays.

The Transvaal Provincial Administration has asked chambers of commerce, retailers and other interested parties to state their views on the issue.

The petitioners point out that flexible trading hours would better suit the needs of today's consumer, particularly the working woman; improve the productivity of shop staff, relieve peak-period traffic congestion, and help keep prices in check.

But not all retailers are in favour of any change in the ordinance. Some believe it would benefit the surburban shopping areas to the detriment of the city centre.

This summarises the views of the merchants' associations, retailers and developers behind the petition now before the Administrator urging a change in the "antiquated" Shop Hours Ordinance No 24 of 1959.

They want the ordinance changed to allow shops to keep open until 9 pm on Wednesdays and Fridays and until 5 pm on Saturdays. On "special days" — the day before Christmas or New Year's Day (as long as these do not fall on Mondays) — shops should be allowed to stay open until 10 pm.

While keeping the number of weekly trading hours to the present 61, this change in the ordinance would allow shopkeepers to adapt their opening and closing times according to demand.

The petitioners point out that entirely new shopping and working patterns have emerged in the Transvaal over the past decade.

Women make up 80 percent of the consumer buying power in the country and, since 1951, the number of white, coloured and Indian married working women has increased from 66 700 to an estimated 400 000 this year.

But, they point out, the present shopping hours do not cater for their needs — they often get home after the shops have closed.

The petitioners quote a recent National Productivity Institute report which found that, while trading was slack until 9.30 am each weekday and almost negligible on Mondays, about 42 percent of weekly revenue was earned on Friday and Saturday.

Adjusted hours, suggests the report, will improve labour productivity, allow more skilled service to be given to customers and reduce the cost of retailing.

Earlier this month, the senior vice-president of the National Union of Distributive Workers, Mr Morris Kagen, said the proposals in the petition were too drastic. If any changes were made, workers would have to be adequately compensated.

He suggested alternative schemes:

- Saturday afternoon shopping be not allowed but late shopping be allowed on Wednesday and Friday. No general dealer be allowed to trade before 1pm on Monday.
- Saturday afternoon shopping be allowed with existing hours on other days but no general

dealer trading on Monday

Fattis & Monis Strike

For almost a month 88 workers at the Fattis & Monis factory in Bellville South have been on strike. They struck because five of their fellow workers were dismissed. The workers say the dismissals were because all five were members of a trade union. The union was trying to negotiate for better pay and hours of work - R40 a week and an 8 hour working day. A director of the factory says these demands are "out of all proportion", and unreasonable and would lead to "disruption" in his firm.

Officials of the 10 000 member union (the Food & Canning Workers Union), say the dismissed men had signed a document giving the union rights to negotiate for better conditions. The factory refused to negotiate with the union. It says the men were replaced by machines and that it was part of a cut-back of staff.

Although those dismissed were 'Coloured', more than half of the men who were on strike are African contract workers. In spite of the threat of being endorsed back to the homelands, the African workers are standing firm with their 'Coloured' brothers and sisters. On the first day of the strike, men from the Department of Labour tried to separate 'Coloured' and African workers who had gathered outside the factory. The workers refused to be separated. One said, "We were all there for the same purpose."

Moves of solidarity with the striking workers are increasing. At a solidarity last week more than 500 university and college students from U.W.C., Hewat, Peninsula Training College and Bellville Technical College called for workers to be re-employed and for a boycott of Fattis & Monis products.

The Western Province Traders Association says it will instruct its members not to sell the factory's products unless there is negotiation.

The South African Council of Sport (SACOS) has called on all sports bodies and schools affiliated to SACOS to support a call for re-employment of the workers and a boycott of the factory's products.

More than 400 students from the University of Cape Town held a meeting and called for a boycott of all Fattis and Monis products.

The Women for Peace movement has called on the factory to negotiate with the workers.

The Cape branch of Nafcoc - the National African Federated Chamber of Commerce - has issued a statement in support of the dismissed workers.

Fattis and Monis insist that there is "no dispute". However a director of the firm says he is worried about calls for a boycott of the factory's products by blacks because much of the factory's trade is with blacks. The management have ...orkers in the place of the striking ...wn.

...is is the factory which produces the ... flours; Self-raising flour, Cake flour, ..., Wheatie Treat flour;

SILENCED A...

...the man w...

17/2/80 S. Times

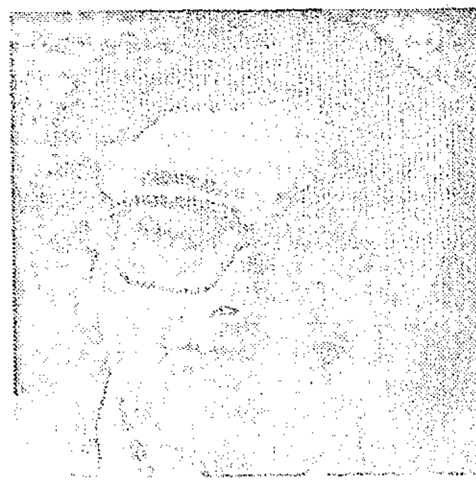
[...]ho was banned 30 years ago

THIRTY YEARS after being listed as a communist, Mr Cassim Allie, a vociferous and much-quoted human rights campaigner, has been effectively silenced by a Security Branch investigation.

This week the Security Branch in Cape Town began taking statements in an investigation against publications that have quoted him.

A Security Branch spokesman confirmed an investigation was under way, adding:

"But there is no investigation against Mr Allie." The investigation is only into publications that have quoted him.



Mr Cassim Allie . . . 'strives for harmony'

Asked why the investigation was only being carried out now, so long after Mr Allie had become a regularly quoted figure, the spokesman declined to comment.

SB probes papers that quoted him

By [illegible]

For 30 years, Mr Allie has been rising steadily to prominence as a public figure involved in trade union activity.

More recently, he was active in the campaign to prevent large companies from developing in District Six because of the dislocation of the coloured community there.

In that time, he has been extensively quoted in the media, despite being a listed person who legally may not be quoted.

He has addressed gatherings and conferences, one of them last year at the University of Stellenbosch, where he spoke on the Economic Potential of the Western Cape.

Mr Allie, who is secretary of the Western Cape Traders' Association, an organisation representing about 2 000 coloured, Indian and Chinese members, is a highly active personality in public affairs.

He has played a role in several human rights campaigns in the Cape, some of which have been remarkably successful.

He was involved in last year's seven-month boycott of Fattis and Monis products, and was in on the negotiations that finally settled the dispute.

He has also been prominent in the Save District Six campaign, working with other organisations to help persuade two major companies to stay out of the area.

In 1976, Shell Oil Company became the first commercial firm to take an option to buy in the area, but last year announced it would not exercise the option.

Shortly afterwards Anker Data Systems, an international electronics firm, decided to withdraw from buying a plot in District Six following a meeting with Mr Allie and Father Basil van Rensburg, the local Catholic Priest in District Six.

A less conclusive result was achieved when the French-owned oil company, Total SA (Pty) Ltd bought the site Shell decided not to buy. After meetings with Mr Allie, the company announced it would delay development of the site for a year.

Wants harmony

Father Van Rensburg describes Mr Allie as a sincere, articulate man striving to achieve racial harmony.

INDIAN CHURCH A SHOP IN DISTRICT SIX

30

THE REV E J MANIKKAM, chairman of the Rylands Estate Management Committee and leader of the Reformed Church of Africa (formerly Indian DRC) has booked a shop in the controversial "Indians-only" Asiatic Bazaar.

The name of Mr Manikkan, who is also deputy-leader of the Durban-based Democratic Party of South Africa, was one of the most unexpected among the hitherto secret list which has now come into the hands of the Sunday Times.

The Sunday Times today publishes for the first time the names of all those who have applied for and been allocated shops in this controversial complex (see list elsewhere on this page).

By NORMAN WEST

Mr Louis Fouche, Secretary for the Department of Community Development, said yesterday that all the shops had been let but no date has yet been determined for the opening of the complex.

The R1.2-million Oriental Plaza, as it is known locally, is situated in Sir Lowry Road, just opposite the Good Hope Centre.

Alternative

The complex was initially intended as alternative business accommodation to traders evicted from District Six (Zonnebloem) and whose business premises were expropriated in terms of the Community Development Act of 1966.

But the list of allocations shows that among the applicants are also private people, as well as people from existing Indian areas and places like Athlone, Elsie's River, Muizenberg and Simonstown.

The Bazaar has attracted fierce criticism because of its "Indians-only" exclusivity.

One of its fiercest critics was the Western Cape Traders Association which, while not against "displaced" traders taking up shops there, argued that people of all races have been displaced from their shops in District Six and, therefore, people of all races should have been given an even chance to apply for shops.

"After all," said Mr Dawood Khan, spokesman for the recently established "Don't Buy District" Action group, "Indians are allowed to trade in so-called coloured areas all over the Peninsula. Why should our coloured, black and white brothers be prevented from trading on an equal footing at the Bazaar?

Free enterprise

"What has happened to the concept of free enterprise and Democracy? For Indians to give credibility to an apartheid edifice like the Asiatic Bazaar simply serves a negative purpose," Mr Khan said.

The chairman of the Cravenby Management Committee, Mr B D Sagathevan, who is also a member of Mr Manikkam's Reform Church, has also been allocated a shop (No. 33). So has Mr Manikkam's son-in-law, Mr B V Premji (Shop No.30).

Mr Manikkam, who has a multi-racial congregation and who says that his "track-record" would show that he is "fiercely anti-racism" explained his acceptance of a shop in the complex as follows:

"The complex is a fait accompli. I am still against it being a Bazaar for Indians only, but while we are fighting for the ideal non-racial society in South Africa, we are, in the interim, caught up in the dilemma where we are forced to live and trade in areas demarcated by the Government for separate racial groups.

Mr Dawood Khan, who has started an action group to dissuade Indians from booking shops in the Asiatic Bazaar unless other races also qualify.

Traders named

HERE is the list of Indian applicants who have applied and who have been allocated shops in the controversial Asiatic Bazaar "for Indians-only" situated opposite the Good Hope Centre.

Only the names of applicants and current places of residence (where available) are listed. District Six has been renamed Zonnebloem:

Osmans Investments, Gatesville; M Allie, Zonnebloem; M S Ebrahim, Zonnebloem; Y Mohamed, Zonnebloem; A Lambarey and Partners, Zonnebloem; C Abdulla, Zonnebloem; S M Hassan, Woodstock; O Hassan, Zonnebloem; A Dawood, Lansdowne; A B Koorowley, Zonnebloem; I D Khalfe, Newlands; S A Saidoo, Zonnebloem; E Parker, Rylands; M Hoosin, Rylands; I Rawoot, Gatesville.

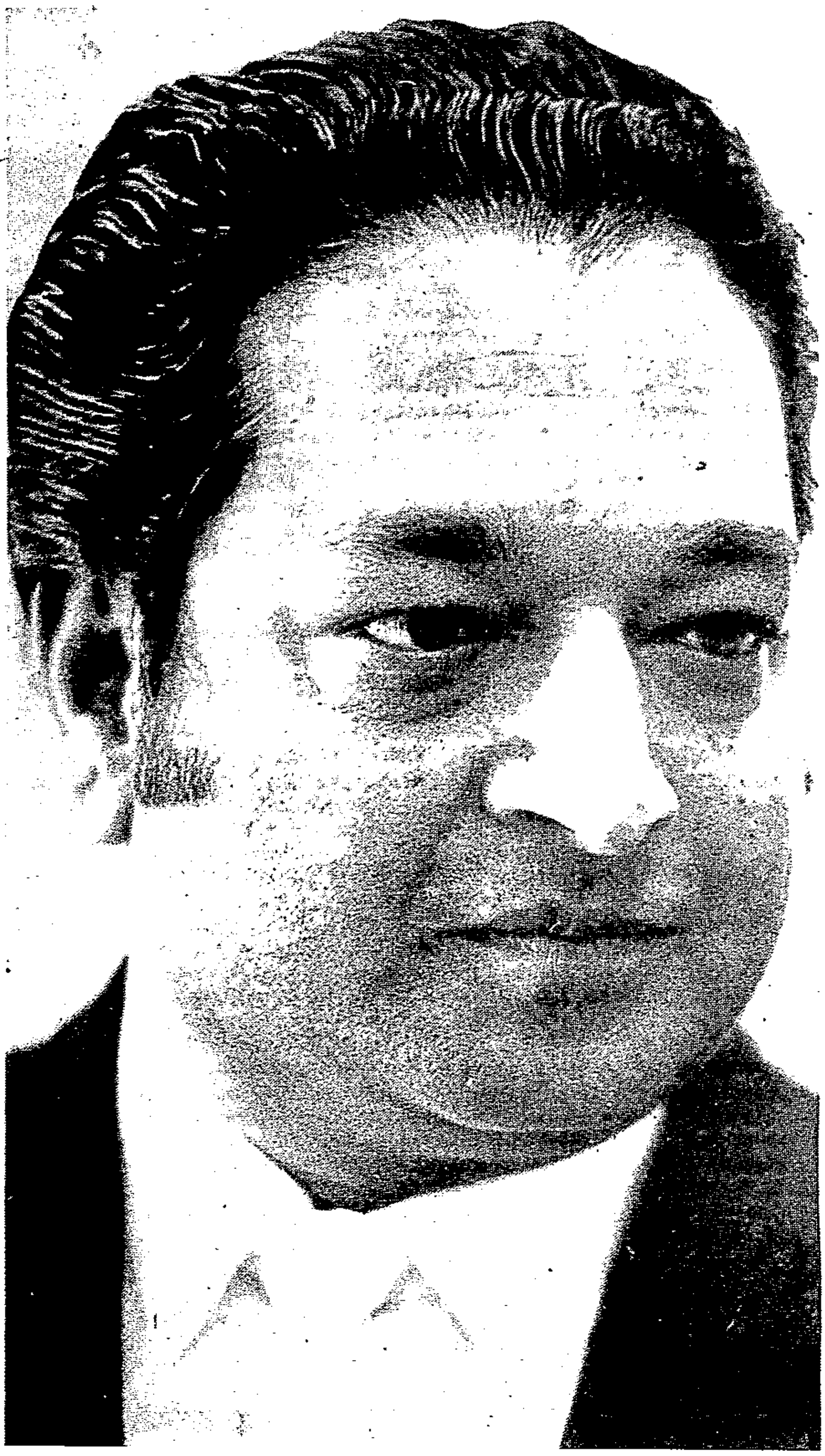
S Ismail, Zonnebloem; S Ismail, Zonnebloem; A Osman, Schotschekloof; M G Kassan, Tafelberg; A Dudukay, Gatesville; H Parker, ex-Zonnebloem; E B Khalfe; E B Khalfe(shops 25 and 26); S A R Mohomed, Woodstock; E J Manikkam, Rylands; B V Premji, Rylands; E Moolla, Elsie's River; B D Sagathevan, Cravenby (Chairman of the Cravenby Management Committee).

O Vally and S Ismail, ex Zonnebloem; A A Sonday; A A Sonday (shops 35 and 36); A Moosa, ex-Zonnebloem; A C Raffee Simonstown; H B Kapdi, Zonnebloem; A R M Magdee, Rylands; O Hamidulla, ex-Zonnebloem; H Cassiem, Zonnebloem; A K Kariel, Zonnebloem; E Allie, Zonnebloem; I J Ebrahim, ex-Zonnebloem; F Bawa, Zonnebloem; I Abdulla, Zonnebloem; G M Olla, Wetton; S H Nosarka, Athlone; H Hassan, Zonnebloem; A Khalfe, Zonnebloem.

M C Kader, Zonnebloem; A A Aziz, Elsie's River; D Gopal, Zonnebloem; T G Bhikka, Athlone; Dr A E A Safeda, Zonnebloem; H A Rawoot, Muizenberg; A Kader, Zonnebloem; A C Banderker and Partner, Crawford; E H Ismail and Partners, Zonnebloem; S I Laher, Athlone; A L Sonday, ex-Zonnebloem; L Gheewala, ex-Zonnebloem; L Gheewala (shops 64 and 65); M H Nosarka (Athlone); E Shaboodien, Gatesville; C Nathoo, Zonnebloem; M S Hoosain, Gatesville and Elsie's River; C W Nair (shop 73); C W Nair (shop 74) and D Kagee, Athlone.

An appliaction by a Dr A G Omar of Fordsburg for a shop to do business as general dealer, selling Eastern clothes, curios and jewellry, was turned down.

AN BOOKS



Rev E J Manikkam, one of the private persons who has booked a shop in the "Indians-only" Asiatic Bazaar in District Six.

"I want to start a bookshop to sell spiritual literature. One thing I want to make quite clear, however, is that my occupation of a shop in the complex does not mean I accept the system. Never!" Mr Manikkam said.

Shop No 57 has been allocated to Dr A E A Safeda for the purpose of a medical surgery.

I understand that since the final allocation, Mr L Gheewala, of District Six, has withdrawn his applications for shops 64 and 65 which he wanted to use for a General Dealer Tobacconist and Spices businesses.

Mr Gheewala could not be contacted for comment.

Bazaar : P2

rejected — Page 2

n tailor is Sultan's descendant

CAPE TAILOR has established, without
ntury Indonesian sultan — and he has beer
further his researches.

The two invitations, rom the Indonesian government and from parliamentary senate member ultan Muddaffar Syah, were sparked by their belef that some of Mr Raiep's heirlooms and hand-

Repc

Abdul Salaam, of Tidore, in the Trinnate Islands — known affectionately to the people at the Cape as Tuan Guru (Mr Teacher).

According to the South Af-

White business 'has to have black cash'

(30) ~~128~~ Post 18/2/80

MANY big businesses in the cities would collapse if blacks stopped buying from them, Bishop Desmond Tutu, general secretary of the SA Council of Churches (SACC), said at the weekend at Blackchain thanksgiving service.

Bishop Tutu said blacks had consumer power and big white businesses were prospering from their support. Building societies and banks would collapse if blacks withdrew their savings.

It was time blacks realised this. For a long time blacks were not able to get housing loans from societies and instead the money they pumped into those establishments was used to subsidise white housing.

Some white newspapers would see their circulations reduced drastically if blacks stopped buying them.

These newspapers wrote their articles as if their readership consisted of whites only and blacks were not part of that readership.

He said they should be called upon to consider their use of the word "terrorist" which was not generally liked by blacks.

They should know that their circulation was being boosted by the black readership. They benefited from advertising which depended on their circulation and they could fall if blacks withdrew their support.

Regardless of the support blacks gave white businesses, they still treated blacks like they were doing them a favour.

He called on black businessmen to share their prosperity with their community and the community in turn to support their fellow blacks.

"Your business must succeed for the sake of the black liberation," he added.

Businessmen, he said, would not prosper if they thought of themselves only and left the community to struggle behind them.

"You must help our education, give school bursaries and be concerned with the betterment of our people," he said.

"You must tell whites to negotiate with blacks before it is too late. We do not want to have another Rhodesia.

"It must be realised we have power. We want change reasonably and peacefully.

Daveyton traders no to supermarket plan

Post 18.2.80 (30)

BENONI — The Daveyton Traders Association has rejected the rGeatermans-Checkers plan of opening a supermarket in the area.

This was said yesterday by Mr Brian Jayiya, secretary of the association. Two other East Rand townships have rejected a similar plan. They are Tembisa and Katlehong.

Mr Jayiya said the traders held a meeting recently in the township where it was decided to reject the Greatermans-Checkers plan. He said: "We have rejected the plan because the Daveyton traders and residents have formed a company called Daveyton Hypermarket which, if all goes according to plan, will be built opposite the Daveyton station and will employ more than 200 people."

Mr Jayiya said they will only allow Greatermans-Checkers to build factories in the townships.

r in the area and will be discussed

robably not attracted to the towns.
to questions like 'Have you ever
town? If so, why don't you?' that
town life were:
ve - cash wages may be higher but
to meat and even firewood, must be

that towns are dangerous places, with 'rough' people. Seventeen out of 44 workers gave these as their reasons for not moving to a town, 16 said they had never thought of it or they did not know, and only 9 gave other reasons for staying on the farm. This last group said either that they wanted to be with other members of the family who were on the farm, that there was a shortage of housing in towns, that there were not enough jobs, or that they preferred farm work.

The apparently chronic shortage of housing in the Coloured and African townships is perhaps the most important obstacle in the way of those workers who might prefer to seek work there. Three workers gave the lack of housing as the reason why they stayed on the farm and one worker who had worked in town said he had left because he could not find a house of his own. Farmers are aware of the housing shortage; several said openly that they would lose most of their workers if local city councils and Bantu Administration Boards were to step up their housing programmes.

30 Post 18/2/80

Blackchain service

Bishop Desmond Tutu and Dean Simeon Ntoane at the Blackchain supermarket thanksgiving ceremony yesterday.

PRAISE FOR NAFCOC: AIMS ARE SET OUT

THE National African Federated Chamber of Commerce (Nafcoc) was praised at the weekend for building a business complex — Blackchain Ltd — in Soweto to compete with white big business in town.

By WILLIE BOKALA

Speakers during a thanksgiving service at Diepkloof, Soweto, said Blackchain proved that blacks were capable of controlling their own business.

The ceremony, attended by businessmen and others, was conducted by Bishop Desmond Tutu, general secretary of the SA Council of Churches (SACC), assisted by the Anglican Dean of Johannesburg, the Very Rev Simeon Nkoane.

It was organised to thank God for having made it possible for Nafcoc to raise funds to build the complex, part of which — a supermarket — has already been completed and fitted out.

MAJOR

Blackchain is the second major Nafcoc achievement after the African Bank.

Mr S J J Lesolang, chairman of the company, said Nafcoc planned to open other similar complexes to serve blacks throughout the country.

Nafcoc had 17 regions and it was its aim to establish supermarkets in those areas to bring good service right into townships where blacks live.

Mr Sam Motsuenyane, president of Nafcoc, said it was obvious that blacks would be ruling South Africa in 20 years time.

"And if we have to rule the country in the future, we have to prepare ourselves and start doing things ourselves and be determined to achieve the best," he said.

He said Blackchain was formed to meet the blacks' economic aspirations, meet their essential needs and involve them in commercial and industrial development in South Africa.

OBJECTIVES

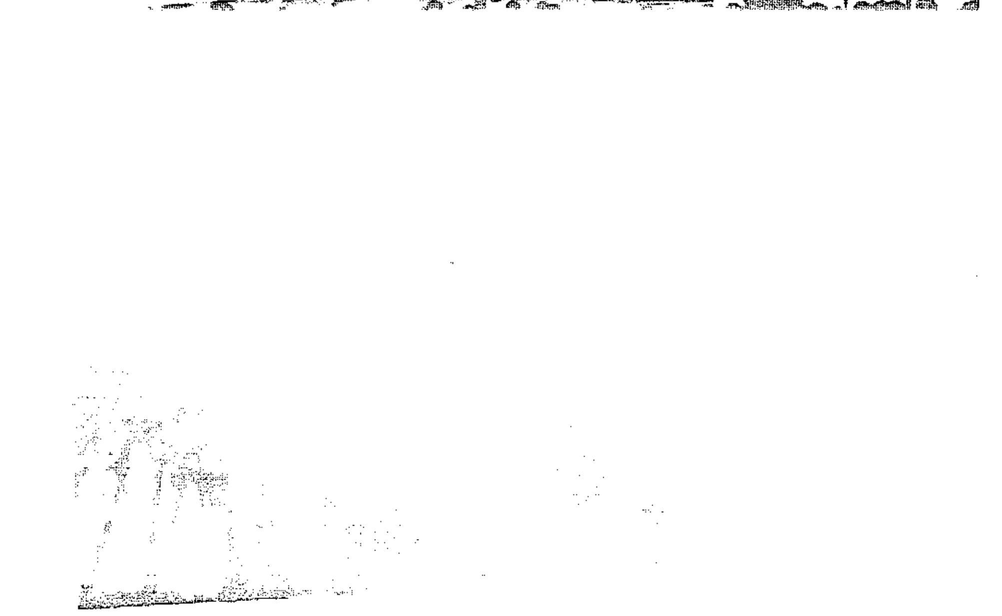
The main objectives of the company were to:

- Expand bulk-buying schemes by establishing warehouses from which local stores could draw their goods at reduced prices and benefit the customers.
- Meet the needs of the black community by building modern supermarkets in their areas.
- Encourage the black entrepreneur to emerge from the concept of small grocery shops into big business.
- Provide employment for the ordinary worker and graduates who often found themselves frustrated by business organisations and administration departments in towns.

Mr Lesolang

Blackchain will be managed by a board of directors consisting of Mr Lesolang, chairman, Mr H S Majola, managing director, Mr S M Motsuenyane, Mr P S Ramakobya, Mr W Zondo, Mr R M Ramushu and Mr Rodger Sishi.

The supermarket, Mr Lesolang said, would be opened on March 27 or 28.



Part of the gathering at the Blackchain service

Hillbrow traders back longer shop hours

30

18/2/80

Traders in Hillbrow's Village Market have joined the growing number of Johannesburg businessmen who are in favour of extended or flexible shopping hours.

The 21 tenants of the 48 shops on the market have signed a petition in which they ask their MPC, Mr Simon Chilchik, for help to get permission to extend their shopping hours. He has given full support to the traders.

Another petition, signed by merchants' associations, developers and traders representing hundreds of shops is already before the Administrator. The petition asks for flexible shopping hours, with shops allowed to stay open until 9 pm on Wednesdays and Fridays and until 5 pm on Saturdays.

SERVICE

The Hillbrow traders want to trade in the evenings so that they can serve better the needs of the 80 000 people in Hillbrow —most of whom work in other suburbs and return home in the evenings.

Since September, the traders have held special "viewing times" after hours. About 300 people a night have visited the market which, say the traders, proves that there is a need for longer shopping hours.

Longer shopping hours would also help counter a negative image of Hillbrow by providing an alternative attraction to the nightspots and clubs, said Mr Gordon Horne, property marketing manager for the company that owns the market.

He said that if trading hours could be re-arranged to meet public need, staff would not have to work longer hours.

processes is essential; and the division will have to be more fine the more discriminating public decisions can be. [10]

The results of programme budgeting may be valuable in themselves, although the mere procedure does not necessarily ensure that better decisions will be made. Their potential is realised only if there follows an assessment of the value of expenditure in each programme.

2.2 Programme Evaluation

Methods of evaluation range from simple procedures for looking at costs, where the conclusions are left largely to intuition, to highly complicated processes which present more or less clear-cut solutions. For these more precise methods, most of the value judgements have to be made explicitly in advance. Some points on the spectrum between these two extremes are analysed below.

2.3 Looking at Expenditure

Bas… log… mate… soci… that… prog… a br… may… on t… fits… anal… that… expe… of p…

(30) Star 14/2/80

'Let towns have own shop hours'

Transvaal municipalities should be allowed to determine shopping hours in their areas, Mr Alan Gadd (PFP, Yeoville) said in the Transvaal Provincial Council today.

Mr Gadd made a plea for more flexible shopping hours and announced that the Progressive Federal Party was considering proposing a motion to this effect.

He told the National Party majority: "It will be your right to vote against it and show how stubborn and crazy you can become."

Mr Gadd said that with a new Administrator of the Transvaal, Mr Willem Cruywagen, he hoped there would be more enlightened thinking on flexible shopping hours.

"However, if you still want to adopt your old verkrampte attitudes towards the consumers of this province whose aims are not political, we will oppose those attitudes to the bitter end until we hope you see a bit of light."

Mr Gadd said the Transvaal was behind the other three provinces, which allowed various forms of flexibility in shopping hours.

The Free State allowed municipalities to determine hours within their areas.

Mr Gadd said this was advanced and he proposed a similar principle for the Transvaal.

"The local authority of each town or city is better able to judge the shopping habits of its people than most other bodies, and certainly better than this Province."

Unfo… cong… used… from … judgement, highly uncertain, because of the wide variation in benefits attributable to a particular type of spend-

ing. This is partly due to a deficiency in information on the results of the programmes which can be resolved by recourse to appropriate data. Nevertheless, there will also be differences of judgement which cannot be resolved without prior agreement on the relative valuation of different benefits which have to be fed into the analysis; and in the intuitive process, these two factors may not be differentiated.

A very large proportion of decisions are now taken with no further analysis than this. Any further steps involve a way of systematically valuing the benefits of different programmes to render them comparable to one another.

2.4 An Informal Method for Setting Objectives

The following method for guiding the choice of priorities has been described by John Bryant. [12] It has been used by medical and nursing students in Thailand, and one of its advantages is that it can be used where no numerical data is available. It, therefore, lends itself to discussion, to draw on the experience of a group of people.

Potential health problems are first listed, and then given a score (from one to four pluses) under each of four headings:

Diagram 1: A method of ranking health problems

Problem	Prevalence	Severity	Community concern	Vulnerability to management	Total
Large & poorly spaced families	++++	++++	+++	++	96
Inadequate ante-natal & obstetric care	++++	++	++	+++	48
Malnutrition	+++	+++	++	++	36
Need for medical care	++	++	++++	++	32
Specific diseases:					
V.D.	++	++	++	++	16
Dental problems	++++	+	++	++	16
TB	+++	+++	+++	++	54
Common cold*	++++	+	+	-	0
Yaws*	-	++	+++	++++	0

* Added to test scoring method

30 RDM 19/2/80

MOTOR MAIL

LATEST NEW CAR PRICES

Key to abbreviations: (A) — automatic; AC — air conditioning; PS — power steering; S/W — station wagon; L — leather trim; EX — extras; FI — fuel injection.

The new car price list is brought up to date using the latest available information. While every care is taken in compilation the Rand Daily Mail cannot be held responsible for any error which may occur. These prices are retail prices and do not reflect discounts given by dealers. For price alterations manufacturers should telex 8-8921.

All prices exclude GST.

ALFA ROMEO

1500 TI	R5 995
1500 GL	R6 345
1500 Sprint	R7 995
Giulietta	R8 195
Alfetta 1800 Exec	R7 645
Alfetta 2000 Exec	R8 395
Alfetta Super	R9 095
Alfetta Super Exec	R9 495
Alfetta Super (A)	R10 695
Alfetta 2000 GTV	R10 995

AUDI

80 GLS	R7 295
80 GLS (A)	R7 590
100 LS	R7 390
100 GL5 Diesel	R10 465
100 GL5	R8 875
100 GL5 (A)	R9 190
100 GLS 5E I	R10 225
100 GLS 5E (A) I	R10 625
200 GLX 5E (A) I	R13 985

BMW

518	R9 190
518 (A)	R9 790
518 Exec	R10 490
518 Exec (A)	R11 090
520	R10 990
520 (A) PS	R11 750
520 Exec	R12 590
520 Exec (A)	R13 350
528i PS	R14 050
528i (A) PS A/C	R14 790
528i Exec	R16 050
528i Exec (A)	R16 790
530 PS	R16 090
728 PS	R16 750
728 (A) PS	R17 750
730 (A) PS	R20 500
733 i (A) PS FI A/C	R24 500

CHEVROLET

Ascona	R4 975
Ascona S	R5 370
Chevair L	R5 970
Chevair L (A)	R6 380
Chevair GL	R6 360
Chevair GL (A)	R6 770
Chevair Berlina (A)	R7 135
Rekord L	R6 860
Rekord L (A)	R7 160
Rekord GL	R7 135
Rekord GL (A)	R7 435
Rekord Berlina	R7 990
Rekord Berlina (A)	R8 235
Rekord S/W	R7 160
Rekord S/W (A)	R7 460
Commodore L	R7 245
Commodore L (A)	R7 700
Commodore L (A) PS	R8 065
Commodore GL (A) PS	R8 955
Commodore GL S/W (A)	R8 825
Commodore GL S/W (A) PS	R9 190
Senator (A) PS AC	R14 420

CITROEN

GS Special	R4 625
GS Club	R4 875
GS X2	R5 095
GS X2 Le Mans	R5 250
GS (S/W)	R5 150

DATSUN

120Y de luxe	R4 685
140Y SDX	R4 985
160Y (A)	R5 595
160Y GX Coupe 5-sp	R5 855
160Z	R6 530
1600J	R5 895
1600J S/W	R6 475
1800J (A)	R6 280
1800J S/W (A)	R6 850
1800J SSS 5-sp	R6 595
1800J GL (A) AC	R7 145
200 L	R6 860
200 L Exec (A)	R7 945
280L	R7 485
280L (A)	R7 780
280 GL (A) PS AC	R9 495
280 SGL (A) AC PS FI, EX	R11 600

FIAT

128 1100 2-door	R4 446
128 1300 4-door	R4 846
128 1300 Rally	R5 246
128 1300 Jet Set	R5 046
128 1300 Panorama	R5 246
XI-9	R9 445
131 Coupe 5-sp	R6 048
131 Rally	R6 548
131 2000 Racing	R7 648
131 CL 4SP	R6 048
131 CL (A)	R6 448
Supermirafiori 5-sp	R6 548
Supermirafiori (A)	R6 848
131 S/W	R6 348
131 S/W 5-sp	R6 548
131 S/W (A)	R6 748
Superstrada 5-sp	R6 998
Elita 2000 5-sp	R8 047
Elita 2000 A	R8 547
Elita 2000 5-sp Executive	R8 947
Elita 2000 (A) Executive	R9 447

FORD

Escort 1300L 4-door	R4 700
Escort 1600 Sport	R4 865
Escort 1600 GL 4-door	R5 195
Escort 1600 GL (A) 4-door	R5 580
Escort RS 2000	R6 555
Cortina 1300 L	R5 555
Cortina 1600 L	R6 000
Cortina 1600 GL	R6 305
Cortina 2000 GL	R6 525
Cortina 2000 GL (A)	R6 960
Cortina 2000 GLE	R7 385
Cortina 3000 GL (A)	R7 410
Cortina 3000S	R7 820
Cortina 3000 Ghia (A)	R8 945
Cortina 1600 L S/W	R6 400
Cortina 2000 GL S/W	R6 960
Cortina 2000 GL S/W (A)	R7 435
Cortina 2000 GLE S/W	R7 900
Cortina 3000 GL S/W	R7 410
Cortina 3000 Ghia S/W (A)	R9 580
Granada 2,0 GL	R7 825
Granada 2,0 GL (A)	R8 250
Granada GL (A)	R9 450
Granada Ghia	R14 500

LANCIA

Beta Coupe	R11 200

LEYLAND

Mini de luxe	R3 595
Mini Clubman	R3 815
Mini GTS	R4 215
Mini Clubman Spl	R3 845
Mini LTD	R3 895
Marina 1300	R4 025
Marina 1750 L	R4 245
Marina 1750 HL (A)	R4 860
Rover SD (M)	R8 508
Rover SD (A)	R9 102
Rover SDX (M)	R9 271
Rover SDX (A)	R9 922
Rover SDE (A)	R13 930
Jaguar Executive	R19 400

MERCEDES-BENZ

230 PS	R13 090
230 (A)	R14 088
240 (D) PS	R14 804
240 (D) (A)	R15 816
250 PS	R14 730
250 (A)	R15 757
300 (D) PS	R16 833
300 (D) (A)	R17 929
280 E (A) L	R17 963
280 S	R17 494
280 S (A)	R18 598
280 SE (A)	R21 475
350 SE (A)	R24 149
450 SL	R35 025
450 SL Coupe	R37 309

PEUGEOT

305 SR	R6 715
504 L	R6 650
504 L (A)	R7 160
504 L diesel	R6 830
504 L S/W	R7 325
504 GL	R7 350
504 GL (A)	R7 615
504 GL diesel	R7 960
504 GL Estate	R7 725
504 TI (A)	R9 090

RENAULT

Renault 5 GTL	R4 785
Renault 5 TS	R5 120

SIGMA

Mazda 323 1,3	R4 995
323 GLC 1,4	R5 595
323 GLC 1,4 (A)	R5 995
323 GLC 1,6	R5 895
323 GLX 1,6	R6 625
Mazda Capella Rotary	R6 146
Colt Galant 1600 5-sp	R6 235
Colt Galant 1600 (A)	R6 595
Colt Galant 2000 5-sp	R6 695
Colt Galant 2000 (A)	R7 095
Colt Galant 2600 (A)	R8 895
Chrysler L (A)	R9 506
Chrysler SE (A)	R12 152

TOYOTA

Corolla 1200 2-door	R4 570
Corolla 1200 4-door	R4 690
Corolla 1600 4-door	R5 345
Corolla 1600 4-door de luxe (A)	R5 670
Corolla 1600 Sprinter 4-door 5-sp	R5 720
Corolla SR5	R5 885
Corona 1800	R5 265
Corona 2000 SL 4-door	R6 085
Corona 2000 SL 4-door (A)	R6 095
Cressida	R6 375
Cressida (A)	R6 680
Cressida S/W	R6 790
Cressida 2000 L 5-sp	R6 785
Cressida 2000 L (A)	R6 970
Cressida L S/W	R7 290

VOLKSWAGEN

Golf LS 2-door	R4 595
Golf LS 4-door	R4 995
Golf GL	R5 425
Golf GLS	R5 785
Golf GLS (A)	R6 220
Golf Diesel	R6 500
Golf GTS	R6 210
Golf GTS 5-sp	R6 550
Passat LS Sedan	R5 790
Passat LS Variant	R5 995
Passat GLS Sedan	R6 645
Passat GLS Variant	R6 885
Passat GLS Sedan (A)	R7 135
Passat GLS Variant (A)	R7 340
Passat Diesel Variant	R7 550
Passat GLS SE	R6 825
Passat GLS SE (A)	R7 285
Passat GLS SE Variant	R7 015
Passat GLS SE Variant (A)	R7 470

...loureds' have higher ... from cardiovascular ... age, neoplastic ... ase in men 45-64 ... 5/1 000 which has ... of mortality emerges ... equire emphasis. ... seases in question,

Both white and 'coloured' females have shown an increasing life expectancy at the age of 45, and although this has been small, it contrasts with the downward trend of both white and 'coloured' males.

Although it is apparent that the Expectation of Life at birth for the 'coloureds' has shown a marked improvement between 1941 and 1970, it is salutary to note that neither 'coloured' males nor females, at either e_o or e_{45} have reached expectations of Life in 1970 which are as high as the whites were in 1929. What also gives some cause f... though the ...

64

Cassiem Allie — a force in the community

By LEON BEKKER

SEATED behind a battered desk in a corner of his Elsies River garage, Mr Cassiem Allie doesn't look like a man who wields much power.

The fact that he speaks for a R257 million slice of the annual business cake in the Cape and for the 2 100 traders of the Western Cape Traders Association (WCTA), places him in a clearer perspective.

Mr Allie is one of the prime movers in the fight to get the government to rescind its stand on District Six, and was one of those who successfully campaigned against land purchases in the controversial area by Anker Data Systems and the giant Shell petroleum company.

Thorny position

His stand against Shell SA (Pty) Ltd was a particularly thorny position to be in, as he holds a Shell franchise at his Elsies River garage.

Recently, it became known that Total Oil SA (Pty) Ltd. had bought a piece of land in District Six. After an outcry, Total's managing director, Mr Alphonse Hough, agreed to meet one person with whom to discuss the issue. He chose Mr Allie.

Mr Allie was also telephoned by Pretoria and invited by the government to participate in a State committee of senior government officials set up to study and make recommendations on the Athlone business area.

After representations made by Mr Allie on behalf of the WCTA to the Minister of Community Development, Mr Marais Steyn, Mr Steyn undertook to supply Mr Allie with a comprehensive report on the establishment of businesses by white entrepreneurs in coloured areas.

In May 1979 he was invited by the University of Stellenbosch to address a meeting of Afrikaans businessmen and academics on the subject of the Western Cape's economic potential, and his speech — pleading for a government initiative to encourage the growth of a stable and prosperous coloured population — was so well received that many of those present took the opportunity during the tea break to shake his hand and congratulate him.

Yet, despite these and other indications that Mr Cassiem Allie is a man who is widely respected, his name still remains on a list of people "named" in terms of the Supression of Communism Act.

After being quoted extensively by the press in recent years in his capacity of general secretary of the WCTA, Mr Allie was visited recently by a security policeman and told that press reports quoting him were a contravention of a provision of the Internal Security Act which specifies that a person whose name appears on the list may not be quoted.

He was born in Isipingo (just outside Durban), and attended Durban's Shastri College and the University of Natal where

Mr Cassiem Allie

the University of Natal where he studied political science.

In 1942 he joined the Communist Party in an attempt to exert pressure on the authorities on behalf of Indian businessmen.

In 1944 he joined the Natal Indian Congress, and was on its executive. The Communist Party made an attempt to infiltrate the congress. Mr Allie demurred, and was thrown out of the Communist Party.

In 1947 he came to Cape Town and joined the Cape Indian Assembly, a wing of the SA Indian Congress.

In 1951 he got a letter from the Minister of Justice informing him that his name was on the Suppression of Communism list, but, in common with a number of others at the time he didn't take his listing very seriously.

In fact, by the late sixties he had forgotten all about it.

In 1952 he was elected a town councillor for Goodwood, in which position he served his community for many years.

He was banned for a five-year term in the late sixties, and when the period had expired, the banning was not renewed.

In May 1978 Mr Allie was elected general secretary of the WCTA at an inaugural meeting attended by about 700 Indian, Asian and coloured traders. Since then the association's ranks have expanded, and today nearly 2 100 businessmen (mostly local traders) are members.

Policy stand

Under his prodding, the WCTA has pegged out a policy stand firmly against encroachment by "big white business" in coloured areas while the prohibition on coloured traders operating freely in white areas remains.

The association has also tak-

Indian trad... WCTA believes, being stopped from expanding their businesses by the combination of being restricted to particular townships by the Department of Community Development, and town planners who refuse permission for expansion in those townships.

An ambitious project which the WCTA under Mr Allie is involved with is nearing fruition. This is the creation of a new bank for coloured, Indian, Asian, Chinese and African businessmen, which is expected to open its doors in 1981.

Pilot study

A pilot study by Professor H J de Podwin, dean of the graduate school of business at America's Rutgers University, has been completed. The study was commissioned by the National African Federated Chamber of Commerce (NAFCOC).

The WCTA has flexed its muscles convincingly in a number of fields: A national wholesale chain was forced to dismiss its Cape manager after he had been found to be practising job discrimination; a national soft drink firm was forced through a boycott to grant the same discounts to small businesses which it was giving to supermarket chains; a national potato chip firm was pressured into establishing a R100 000 bursary fund after it had been threatened with a boycott because of alleged racial discrimination in sponsorships; a cash register company pulled out of District Six and a giant oil company also decided against purchasing land in the area.

Through the years the hand of Mr Cassiem Allie has guided the WCTA and fashioned it into a force to be reckoned with.

As for Mr Cassiem Allie, the man,...he may not be quoted.

Whole page

Post 21/2/80

30 ~~343~~

Blackchain to create jobs, confidence

Mr H S Majola, managing director of Black-chain supermarket.

THE BLACKCHAIN complex in Diepkloof, Soweto, will be able to give employment to at least 230 workers by the time it is completed in June.

By WILLIE BOKALA

The chain — the second major achievement of the National African Federated Chamber of Commerce (Nafcoc) — will open its already completed supermarket at the end of March with a staff of 120 including cashiers, sweepers and packers.

When complete the complex will consist of:

- a supermarket,
- a Cash and Carry warehouse,
- 17 speciality stores, and
- six office and medical suites (surgeries).

It is estimated that the warehouse, speciality stores and offices and surgeries will take about 80 workers.

Said Mr H S Majola, managing director of the Blackchain: "Our aim is, in fact, Blackchain has been initiated to solve the problem of unemployment among our own people. This problem has been caused by the situation in South Africa which is such that one finds only 20 percent of the population giving employment to 80 percent of the people.

"Whites, who are in the minority, control all business and places of employment and blacks have to rely on them for work."

The other objective is to regain the 80 percent buying power provided by blacks which has been lost to white businesses in the cities. And also to have projects initiated by blacks, owned wholly by them and situated in their own communities.

"Time has come when blacks have to pride themselves of their own achievements and we are there to do just that. Push forward," Mr Majola said.

The 17 speciality stores will be leased out to people to operate their own private businesses. "We have designed these so that our people can take them up and emerge from the idea that general dealer or grocery business is the only kind of trade. We want them to realise that we have reached a time in reality where we should learn how to specialise," he said.

He said Blackchain wanted to give good service to the community.

"It is not true that people buy in town because prices are low there. This might be just one of the reasons but the main cause behind it is that black consumers, like any other consumer, want convenience and variety and a large number of commodities to choose from.

"She or he must have confidence in the trader and such big stores like our supermarket to choose from. The black consumer had no confidence in us black traders, and there were no big stores in the townships where he could have this variety.

"We are here now and ready to serve them. Watch and you will see the big difference it is going to make," he said.

STAR 21/2/80

Early change ruled out on shop hours

30

Pretoria Bureau

Hopes that Transvaal shop hours would be extended or made more flexible this year were dashed in the Provincial Council today.

Mr Theo Martins, MEC in charge of shopping hours, said there was no chance of the shop hours ordinance being amended this year. He said that at the earliest the ordinance could be amended next year.

Mr Martins said the matter was being examined by officials and would have to be considered by the executive committee and by other provincial departments.

Three petitions from business circles have pleaded for new and more flexible shopping hours but Mr Martins said the consumer would have to be consulted.

He said new shopping hours would disrupt family life.

Mr A[illegible] Gadd (PFP, Yeoville) who pleaded for more flexible shopping hours, said in an interview that he challenged Mr Martins to hold a referendum to consult consumers on what shopping hours they wanted.

● Page 12: Some racial laws should go, says MEC.

Supermarket plan for Katlehong

30

By MZIKAYISE EDOM

~~THE~~ Katlehong Chamber of Commerce has embarked on a supermarket project — the Khuthala Enterprises — after rejecting a plan by Greatermans-Checkers to open a Supermarket in the area.

This was said yesterday by Mr Joshua Namane, secretary of the Chamber. The project is estimated at R100 000.

The Chamber refused the Greatermans-Checkers plan at a meeting attended by about 50 traders and over 400 students in the township last Thursday.

Post 22.2.80

Mr Namane said another meeting was held this week in the township where the matter was further discussed. He said the meeting was attended by the Chamber, Katlehong community council as observers, Greatermans-Checkers directors and officials of the Erab.

FUTURE PLANS

He said "Greatermans-Checkers wanted us to contribute 51 percent and they contribute 59 percent towards the plan, but we refused. We asked them where will we get the money from and we told them of our future plans."

Mr Namane said if the Khuthala Enterprises project fails, they will pass it to the Blackchain. He said traders will buy shares from Khuthala Enterprises.

Two other East Rand areas have rejected the Greatermans-Checkers plan. They are Tembisa and Daveyton.

MOTOR INDUSTRY

(30) FM 22/2/80

The rift deepens

The rift between the National Association of Automobile Manufacturers of SA and its former biggest member, Sigma Motor Corporation, deepened this week with a statement by Naamsa president Brian Pitt.

Pitt, clearly angered by Sigma chairman Chris Griffith's freewheeling criticism of Naamsa at a special press conference last week, said not many members would agree with Sigma's claim that its financial contribution to Naamsa far outweighed any benefits gained from membership.

Naamsa's subscription formula was in existence before Sigma joined, said Pitt, and Sigma's proposal to change it was rejected by a majority of more than two to one.

Sigma resigned because, based on its sales, it pays a high proportion of Naamsa revenues, but has the same vote as the smallest member.

But Griffith voiced a number of other objections to the organisation, one being its failure to support Sigma's application for "cycling time" on the introduction of new ultra-light cars to the SA market. This would allow any manufacturer to import such a vehicle for two years without penalties for failing to meet local content requirements.

"Sigma was not given a mandate to act on Naamsa's behalf," says Pitt. "The first the industry knew of the application was when it was published in the Government Gazette.

"Sigma's accusation that other manufacturers were selfishly looking after their own interests in opposing the application comes strangely from a company which asked to bring in, at public expense, a new model under conditions tailored to benefit specifically its own company."

Naamsa's attitude, says Pitt, is that a manufacturer may introduce any new model it wishes, provided it complies with the rules of Phase V of the local content programme.

"These rules are sufficiently flexible to allow for the early introduction of new models with a local content below 66%."

At a lunch last week, Sigma launched a campaign to push its case for ultra-light (up to 725kg vehicle mass and 700cc engine capacity) vehicles. Sigma's argument is that oil prices are escalating alarmingly, and a major change in motoring habits must be wrought quickly.

With a lead time of at least 27 months in tooling up for local manufacture of a new model, says Griffith, it is necessary to introduce light fuel-efficient vehicles (LFEVs) immediately.

"The industry could be ruined in five to six years unless it changes," he says. "We know there will not be strong demand right from the start. Habits must be changed."

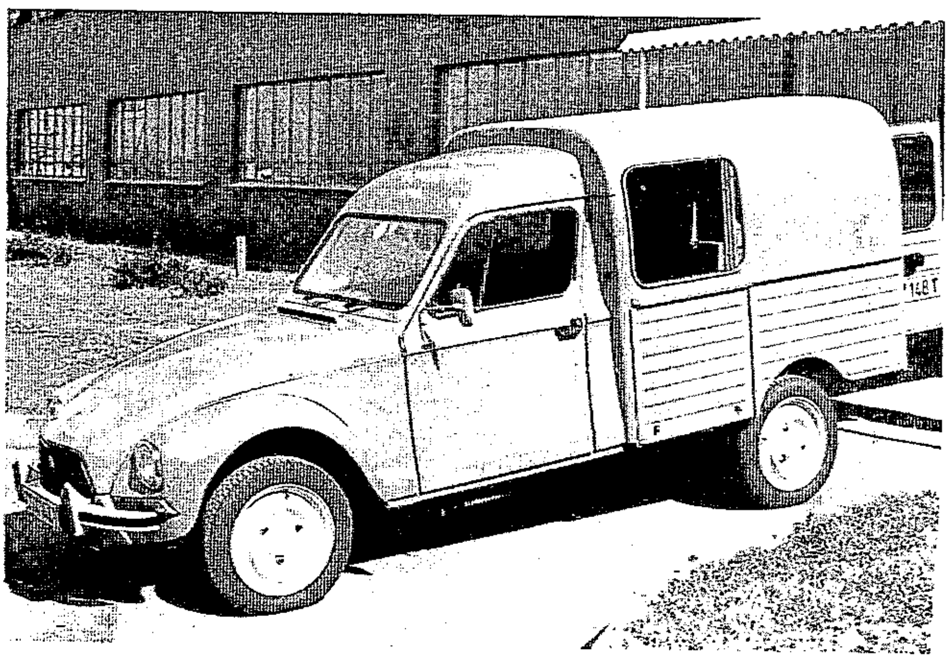
He says that there are about 20 cars and commercial vehicles in the world in the LFEV category, and Sigma has access to four of them. This leaves plenty for his competitors, he argues.

"The proportion of LFEVs we have access to does not exceed our market share in SA," he notes.

Sigma has tested some LFEVs in SA and has found that in town driving their consumption is 23% (equal to 1.5ℓ per 100 km) *less* than that of the Mazda 323. On the open road, the saving is less but still significant — 10%-17%.

Widespread use of these vehicles, it contends, would bring about a marked reduction in the nation's total fuel consumption.

Snorts Griffith: "The thing that completely astounds me is that a country that has the enormous foresight to develop Sasol, appears to be populated with people who cannot see the need for flexibility in motor manufacturing."



Citroën Acadiane . . . will we see it here?

24/2/80

SUNDAY POST SCRIPT

30

We should support our fellow blacks by buying from their shops, says Sam Mabe — but we should also be given our money's worth.

LAST WEEK Friday, the National Federated Chamber of Commerce held a thanksgiving service in which they thanked God for helping them raise enough funds to build the biggest and the only shopping complex of its kind — wholly black owned — in Soweto.

That service was, as far as **SUNDAY POST SCRIPT** knows, the first of its kind to be held by blacks in this country.

This reminded me of some black businesses which never get too far off the ground because of the poor support they get from the consumers.

Some shopkeepers are very greedy and in their endeavours to get rich overnight, they drive business away by overcharging. It is not surprising to find one item, say a 2,5 kg tin of powdered baby milk, costing R2 more in the township shop than in the city shops.

But also, what attracts us more to white shops is the view we inherited from this country's colonial past, that it is prestigious to shop in Eloff Street where we are served by whites.

This happens even in countries outside the Republic where blacks and whites can run businesses alongside each other.

In Johannesburg, I have been shocked by the way some immigrants who own cafes and fish and chip shops mishandle their black customers.

They sometimes give them poor service and abuse them when they complain, crack indecent jokes and make obscene gestures at the women and even swear at them.

Despite this raw deal they get for their hard-earned money, many blacks continue giving their wholehearted support to such shops and for heaven's sake, they do so with a broad smile.

I would not suggest or encourage people to boycott certain shops, but our buying power should be used for a good cause. Through this power, we must teach these guys that we are entitled to their politeness in matters where our money is involved.

I agree that some black businesses flop because some people will start a business simply because they have enough money to do so, but when they have little or no knowledge of how to run it.

But such blunders can be rectified if we put our heads together and support one another. The buying power we command is so vast that I believe that in a few years' time, a great percentage of Soweto's working population could get employment inside Soweto from fellow blacks.

We could even tear a page from the Afrikaner's book. I admire those people for their unity and the spirit of brotherhood existing among them. In everything they do, their main concern is that it should be their fellow Afrikaner who benefits.

When buying clothes, groceries, furniture, liquor and what-have-you, they give preference to Afrikaner-owned shops. They do the same even with banks to which they take their money.

It surely is ridiculous to involve race in all aspects of our everyday lives, but being economically underdeveloped as we are, supporting our fellow blacks by buying from their shops would actually be boosting ourselves.

But we should also be given our money's worth of course.

RDM 25/2/8 (41) 30

Blacks criticise business system

Staff Reporter

GREAT efforts have been made by the Government and private sector to impress blacks with the merits of the free enterprise system, but black businessmen feel the system does not exist for them.

This view was expressed in an editorial in the latest issue of "African Business," the official voice of the National African Federated Chamber of Commerce.

If South Africa was to have a stable and hopeful future, change must be brought about, not under the pressure of circumstances, but out of recognition of the need for change, the paper says.

The paper sketches the historical development of the black businessman and says he has:

- Always operated under restrictions and this has been the major determinant of the nature and character of his business. "The fear to compete with blacks may have prompted the restrictive attitudes of both the white Government and the private sector;"
- Remained small because he has operated largely in an environment where the residents are predominantly poor;
- Had his business isolated from the mainstream of business in the country. His business is dealt with by the Department of Co-operation and Development, while it should fall under the Department of Commerce and Industry.

There were a number of areas where "visible and heartening" change had taken place.

"The passing of the 99-year Leasehold Act has given blacks in the urban areas the necessary collateral for acquiring funds from financial institutions.

"The Government's approval of the Wiehahn and Riekert commissions and also the concessions extended to urban black traders during the past three years have met with universal approval by the black businessman.

"But what is to be regretted is that these concessions emanate out of a crisis situation created by the Soweto student riots," the paper says.

However, there were shortcomings upon which the Government still had to legislate. These were:

- The transfer of Government liquor outlets and businesses to black entrepreneurs;
- The removal of restrictions still imposed by the Group Areas Act upon black businessmen to trade where they wanted and the amendment of restrictions on black businessmen under the Urban Areas Act; and,
- The 99-year leasehold concession did not go far enough and should be substituted by freehold landownership by blacks. "This concept should also be extended to the rural areas if we are to meet the demand of truly free enterprise."

91

Pebco call for shop boycott

D.D.[illegible] 26/2/80 30 ~~340~~

PORT ELIZABETH — A Pebco meeting attended by 2 000 people in a church hall in Kwazakhele approved a decision by the executive of the organisation to ask blacks to boycott white shops in town and all Eastern Cape Administration Board (ECAB) liquor outlets in the townships from March.

The decision of the executive was announced by the acting chairman of Pebco, Mr Wilson Skosana, and approved by the meeting.

Mr Skosana said as from February 29 all ECAB liquor outlets in all black townships would not be supported by black customers.

He said the reasons for this were that the ECAB, acting through the Community Council, had repeatedly refused to hire out township entertainment halls for Pebco meetings.

Pebco regarded this as unfair discrimination since their members paid the same rents and so were entitled to enjoy the amenities built with their money, Mr Skosana said.

"Instead, the profits from rentals and beerhalls are channelled to the homelandsn" he added.

He attacked the ECAB's employment practices and said 90 per cent of the personnel in the townships' office were whites paid from the townships' rentals.

It was suggested residents could buy from Indian and Colouredowned shops at Korsten and Gelvandale.

Mr Skosana also said the Pebco executive would meet the Port Elizabeth branch of the National Federated Chambers of Commerce (NAFCOC) in order to get them to advise traders to charge reasonable prices that would compare well with those charged in supermarkets in town.

"Let us follow the example of other nations and support our people. A Jew would look for another Jew's shop," he said amid applause.

The meeting also decided to reject the ECAB's reduction of rentals in Zwide.

"We will refuse to pay rent until rentals are uniform," Mr Skosana said.

It was hoped that blacks in Uitenhage and Walmer would identify with the decisions.

Asked to comment on the moves, the Chief Director of the ECAB, Mr L. C. Koch, said he did not think he should comment every time Pebco said something.

"The hiring of halls is the total responsibility of the Community Council and not the board," he said.

On the claim that 90 per cent of the board's employees in offices in the townships were white, he said: "I am not entering into a public debate with Pebco through newspapers. If they have a problem they can come and talk to me." — DDR

90

IX DISEASES OF THE D

	W		A	
	M	F	M	F
0–1	0,17	0,08	0,10	[illegible]
1–4	0,01	0,01	0,00	[illegible]
5–24	0,02	0,01	0,03	[illegible]
25–44	0,11	0,09	0,39	[illegible]
45–64	0,92	0,42	1,60	[illegible]
65+	1,80	1,16	1,61	[illegible]
ALL	0,31	0,21	0,33	[illegible]
NO.	653	430	116	[illegible]

X DISEASES OF THE GENITO-URINARY SYSTEM

	W		A		C		B	
	M	F	M	F	M	F	M	F
0–1	0,02	0,03	0,00	0,10	0,25	0,10	0,04	0,06
1–4	0,01	0,01	0,02	0,00	0,12	0,14	0,02	0,04
5–24	0,02	0,01	0,04	0,04	0,02	0,04	0,03	0,02
25–44	0,02	0,05	0,06	0,09	0,17	0,13	0,06	0,08
45–64	0,23	0,19	0,44	0,37	0,36	0,36	0,34	0,25
65+	1,25	1,09	1,07	1,83	1,57	1,10	0,73	0,56
[illegible]	[illegible]	0,15	0,11	0,12	0,15	0,14	0,10	0,06

XV CERTAIN CAUSES OF PERINATAL MORBIDITY AND MORTALITY

	W		A		C		B	
	M	F	M	F	M	F	M	F
0–1	12,46	9,07	16,92	11,55	29,22	24,78	23,16	22,23
1–4	0,02	0,02	0,02	0,02	0,02	0,04	0,04	0,00
5–24	–	–	–	–	–	–	–	–
25–44	–	–	–	–	–	–	–	–
45–65	–	–	–	–	–	–	–	–
65+	–	–	–	–	–	–	–	–
ALL	0,25	0,17	0,48	0,32	0,83	0,67	0,55	0,67

IV DISEASES OF BLOOD AND BLOOD-FORMING ORGANS

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,02	0,03	0,20	0,21	0,06	0,16	0,06	0,06
1-4	0,01	0,01	0,02	0,00	0,02	0,04	0,01	0,01
5-24	0,00	0,00	0,01	0,01	0,01	0,01	0,01	0,01
25-44	0,01	0,01	0,01	0,02	0,00	0,01	0,01	0,01
45-64	0,02	0,02	0,03	0,03	0,06	0,04	0,01	0,03
65+	0,11	0,11	0,13	0,15	0,13	0,15	0,03	0,03
ALL	0,01	0,02	0,02	0,02	0,02	0,03	0,01	0,01
NO.	30	34	7	7	21	31	23	21

DISEASES OF THE NERVOUS SYSTEM AND SENSE ORGANS

World verdien en betaal weer meer

Rapport 27/2/80 (30)

Deur FRANZ ALBRECHT

IN die halfjaar tot Desember het die World Furnishers-groep, 'n filiaal van die W and A Investment-groep, sy aandeelverdienste met 20 persent vermeerder in vergelyking met die vorige ooreenstemmende tydperk — 24c teenoor 20c. Die tussentydse dividend is met 0,5c tot 4,5c per aandeel verhoog.

Die aandeelverdienste van 24c is gelyk aan die hele vorige jaar se verdienste van ook 24c, wat 2c hoër was as die jaarlikse verdienste van 22c in die jaar tot Junie 1978.

Tussen die twee ses maande tydperke was daar 'n vermeerdering van 2,5 persent in die aantal uitgereikte aandele van 5,55 miljoen tot 5,69 miljoen.

Ondanks die ernstige ressessie in die meubelbedryf in die jare 1974 tot 1977, het World Furnishers 'n ononderbroke winsgroei getoon vir die afgelope agt jaar, sê die direkteure in die halfjaarlikse verslag.

Gedurende die ses maande onder oënskou het die groep sewe nuwe winkels geopen — meer as in enige ander ses maande-periode in die groep se geskiedenis. Die nuwe afsetgebied vertoon reeds sterk.

As deel van die ontwikkelingsprogram vir die volle jaar, word daar beplan om meer winkels in die tweede helfte van die finansiële jaar te open, sê die direkteure. Hierdie breë basis maak die groep slaggereed om voordeel te trek uit die verbeterde handelstoestande wat tans heers.

● Die dividenduitkering in die tweede helfte van die finansiële jaar is tradisoneel kleiner as in die eerste helfte, maar al word net die vorige einddividend van 3,25c gehandhaaf, kan aandeelhouers 7,75c (7,25c) verwag.

Dit plaas die aandeel op 'n dividendopbrengs van amper 6 persent teen 'n prys van 131c, terwyl die gemiddelde vir die meubelsektor maar 'n bietjie meer as 5 persent is. Daar is egter ander meubelaandele wat net soveel of meer op huidige opbrengste lewer.

VII DISEASES OF THE CIRCULATORY SYSTEM

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,51	0,33	1,10	0,21	1,80	1,59	0,13	0,10
1-4	0,05	0,06	0,02	0,10	0,15	0,17	0,02	0,04
5-24	0,07	0,06	0,09	0,10	0,14	0,17	0,11	0,13
25-44	1,09	0,44	1,31	0,70	1,54	1,27	0,73	0,78
45-64	9,75	4,44	14,76	10,70	10,33	8,25	4,61	5,01
65	42,19	32,93	55,30	47,72	43,12	40,90	13,55	14,21
ALL	4,70	3,81	3,22	2,25	2,74	2,69	1,14	1,20
NO.	9752	7926	1135	804	3114	3140	2390	1921

VIII DISEASES OF THE RESPIRATORY SYSTEM

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	2,90	2,22	7,81	4,85	32,20	28,78	13,54	14,15
1-4	0,22	0,28	0,90	0,69	5,32	5,45	2,46	2,13
5-24	0,05	0,06	0,17	0,11	0,21	0,23	0,18	0,16
25-44	0,20	0,12	0,37	0,33	0,94	0,72	0,66	0,52
45-64	1,46	0,92	3,33	1,85	4,88	2,14	2,75	1,72
65+	11,52	7,89	16,51	13,42	20,07	10,49	9,32	6,19
ALL	1,12	0,97	1,22	0,79	2,87	2,22	1,37	1,24
NO.	2336	2019	430	282	3270	2588	2858	1951

28/2/80

~~123~~

30

Star

Assocom and Ministers to discuss problems

Own Correspondent

Assocom is to hold a series of meetings with senior Cabinet members next week to iron out problems facing the country's commerce.

Representatives of Assocom's board of management will meet members of the Cabinet between March 3 and 6 in Cape Town to discuss a wide range of topics.

The Ministers involved are the Prime Minister, Mr P W Botha, the Minister of Finance, Senator Owen Horwood, the Minister of Man-power and Development, Mr Fanie Botha, and the Minister of Transport, Mr Chris Heunis.

Other Ministers will also meet Assocom delegations. They are Dr Piet Koornhof, Minister of Co-operation and Development, Dr Schalk van der Merwe, Minister of Industry, Trade and Consumer Affairs, Mr Marais Steyn, Minister of Community Development, Coloured and Indian Affairs, Mr F W de Klerk, Minister of Mines, Environmental Planning and Energy, Dr Ferdie Hartzenberg, Minister of Education and Training and Dr A P Treurnicht, Minister of Public Works, Statistics and Tourism.

Assocom is expected to express its concern over the continuing high inflation rate, and to call on the Government to immediately remove the 7½ percent surcharge, preferably before the main budget is announced.

It is also expected that the Government will be asked to consider lowering the tax rate, increasing the tax ceiling and abolishing the loan levy.

The question of taxing fringe benefits will also be raised and the Government may be asked to consider bringing in tax relief this year, and waiting until next year before taxing fringe benefits.

Scrutiny by Parliament over State bodies, such as Iscor and Escom, which incur capital expenditure, will also be suggested.

Assocom will also discuss implementing the Wiehahn and Riekert commission reports, the economic situation and outlook, black unemployment and housing, the Government's fuel and energy policy and the formation of a co-ordinated national tourism policy.

WOMEN

Longer shopping hc

30

The Provincial Council has postponed yet again a decision to extend shopping hours in the Transvaal. JENNY DYER spoke to Johannesburg working housewives who told her that more flexible hours would make their lot an easier one.

Star 27/2/80

"I HATE Saturday shopping. You queue for attention, fight to get into changing rooms, fight for parking. By the time I get home for lunch there's murder in my heart. . . ."

Sounds familiar? Then you must be one of the hundreds of working women or men who is a victim of what some have described as the "antiquated" Shop Hours Ordinance No 24 of 1959 which restricts shopping hours.

As the law stands, working women and men are forced to join the lunch-time scramble or after-hours rush for essentials and never get a chance to calmly and leisurely choose other goods like clothes or furniture.

The Ordinance takes no account of the number of women who now work and are expected to squeeze running a home into their rushed day.

A move to make shopping hours longer or more flexible has been thrown out of the Provincial Council, where the proposal was introduced by Mr Alan Gadd (PFP, Yeoville).

Mr Theo Martins, MEC in charge of shopping hours, said the proposed new shopping hours — late at night and Saturday afternoons — would disrupt family life.

Women, who comprise 80 percent of the buying power in South Africa and especially working women (an estimated 400 000), disagreed with Mr Martins.

PROFESSOR SANDRA VAN DER MERWE — would like shops to stay open seven days a week.

MARGARET LESSING — planned shopping hours would not disrupt family life.

MRS VAL MICKLEBURGH — does a lot of "convenience" shopping.

MR THEO MARTINS MEC — extended shopping hours woul disrupt family life.

These working women point out that they are forced to buy things they don't like or are expensive simply because they don't have the time to shop around when stores are open.

Advantages they say of more flexible shopping hours would be more time to shop with husbands and children, an opportunity for women and students to work part-time, no "convenience" shopping at small cafés which is expensive, and also it would mean a saving of fuel.

Arguments against extended shopping hours are that there is inadequate transport after hours, the safety of shop assistants returning home later at night might be endangered and shop assistants would be required to work longer hours.

Val Mickleburgh, a top businesswoman who is marketing manager for Total SA said there was an increasing number of women in the workplace who couldn't shop in normal hours and found it difficult on Saturdays.

"There are also many women who because they have young children cannot work normal hours and they would like to work when their husbands are at home.

"More flexible shopping hours would unlock this productivity and give them an opportunity to supplement their incomes," she said.

Professor Sandra van der Merwe said she would like shops to be open seven days a week. She said if they closed on Mondays instead of Saturdays as had been proposed it would defeat the object of opening at weekends.

Ann Mackeurtan, a stockbroker and mother of a young child said: "I'd like later shopping hours. Saturday afternoon shopping would be super. I find with an 8 am to 6 pm day my shopping hours are very limited."

"I'd probably be inclined to spend more because at the moment I don't have the time to choose things," she said.

Christine Woessner, a company director of Markinor said she would like all shops t be open until 7 pm o 8 pm at least once week.

"One Saturday month in Germany th shops are open unt 6.30 pm and this woul be sufficient for me On Saturday morning there are so man problems especially i you want to look a something with you husband."

Joan Laubsche national adviser o women for the Nation al Council of Wome said the flexibility c shopping hours shoul be left to the retaile in the interests of th consumer, employe and employer.

"Flexible shoppin hours would lead t greater productivit because on Monda morning the shops ar

urs? Join the queue

dead and there's nothing on the shelves. Saturday shopping is so popular the hours should be extended," she said.

Mrs Zoe Marchand, mayor of Sandton, said she wouldn't like to see shops open later than 6.30 pm on weekdays or later than 4 pm on Saturdays.

"There are people who would shop instead of being with their children. Families should have activities other than shopping," she said.

Margaret Lessing, speaking on behalf of the Consumer Union that is discussing the subject of shopping hours tomorrow morning, said: "We do not believe carefully planned shopping hours would disrupt family life. It would be a step in the fight against inflation." She said the union was not yet convinced the consumer did want different shopping hours.

Sue Gordon, national organiser of the Domestic Worker's Employment Project, said it would be "marvellous" to have extended shopping hours if "one knew people were not being exploited and that adequate transport was provided for the workers."

A community worker at DWEP, Mrs F Ngcobo, pointed out that later hours could disrupt the family life of the shop assistants as they would return home only after their children were in bed.

This is what a number of other Johannesburg working women had to say.

● "I have to rush to the supermarket for food and can never shop at leisure for clothes, cosmetetics, gardening and household equipment.

● "I have lived in England and there you can browse around the shops and enjoy afternoon tea with a chum on Saturday afternoons," said a Johannesburg woman executive.

● "Working women could take their husbands to look at things and people will think twice before buying. Flexible shopping hours make for sophisticated urban life," said another woman.

● "I never get a chance to try on clothes. More flexible hours would increase turnover, part-time job opportunities for housewives and students," said a young career girl.

● A working mother said: "I'm tired of trying to beat the traffic home, tearing into the supermarket and trying to remember everything. I always forget something and the next day the whole process is repeated.

"In the evening the butchers are closed and the fruit and vegetables that are left are rubbish. How do you find time to buy gifts at lunch time?" she asked.

"It's difficult to do shopping at weekends. I have to run the children to their activities and then find time to do the shopping. If shops were open longer hours I wouldn't overspend and could stick to my budget," said another working mother.

XHOSA 1 - WEEKLY TEST - 8 September '78

Translate Into English

1. Singacula/vuma sonke kodwa asinakuthetha sonke.

---

2. Linga /zama ukuze uphumelele.

---

3. AmaXhosa akha izindlu ngezitena (bricks) kodwa abeLung ngesamente nezitena .

---

4. Isitya esikhulu esihle nesimhlophe sesikabawo, kodwa e luhlaza sesam.

---

5. Sizakuhamba ngebhasi thina ukuya eMonti kodwa abanye -ololiwe.

Translate into Xhosa

6. A beautiful thing is beautiful, but an ugly thing is t

---

7. Don't worry (-khathazeka) the students understand.

---

8. Zenzile has arrived, the other people will arrive tom morning.

Chain store boss slams internationals

Post 29/2/80 (30)

MR RAYMOND ACKERMAN, boss of the multi-million rand food chain Pick 'n Pay, said on Wednesday night he might be forced into its own manufacturing.

He threatened this at an evening seminar of the Jaycee's in Johannesburg on Tomorrow's Executive in the Eighties.

Should the Government investigation into the negotiating practices of the big chains lead to the practice of the rule of "open and fair trading."

This would lead to nothing else but price fixing, he said. The manufacturers want the prices to rise to the small traders' level, he said. But it would lead to rampant inflation, pushing inflation in food prices up to 18 percent a year.

This will force Pick 'n Pay into its own manufacturing, he said. "We shall open our own factories to negotiate with ourselves, he said. The leaders of the movement to ask for a Government investigation were international companies who do not disclose their own profit figures, he said.

They are using emotive terms such as price discrimination. As a stigma clings to the word discrimination, they hope that it will be abolished as political discrimination is abolished, Mr Ackerman said.

Probe into soaps

THE regional branch of the Trade Inspections of the Department of Commerce and Consumer Affairs will institute its own investigations into soaps which were found over and under-massed, according to the regional inspector, Mr H G Brits.

Findings of a recent consumer test were reported in a morning paper that 64 percent of soap tested were short measured and about 40 percent of the 28 samples were found to be below permissible levels.

Trade Inspections makes allowances for shrinkage which occurs as a result of the moisture lost during the shelf life of a tablet of soap.

The department's regulations allow a short measure of only 2 g for soaps with a nett measure of between 50 g and 100 g — while those weighing 101g to 200 g are allowed a short measure of 4 g.

Some of the soaps inspected were found to be overmassed, giving the consumer more washing mileage.

The department allows an overmass of 8 g on soaps with a nett mass of between 100 g to 200 g and only 4 g to 50 g to 100 g overmass.

The department's spokesman said, "according to the Trade Metrology Act, producers are not allowed to sell short mass or short quantities. Offenders would be prosecuted according to the provisions of the Act".

WITHHOLD

Inspectors have the power to withhold sales where regulations are violated. Sales can only be resumed after they have rectified the discrepancies and confirmed this in writing after which the department checks and gives permission to start selling," the spokesman said.

Producers of some of the soaps in question were not available for comment.

SHOPPING BASKET

PRODUCT	Eloff OK Bazaars	Mayfair Checkers	Brixton Pick 'n Pay	Mayfair Spar
Washing Powder 1 kg Housebrand	Bingo 92c R1,05	Bingo 89c 95c	Good & Clean 98c R1,14	Bingo 89c —
Face Soap 125 g Housebrand	Palmolive 29c 24c	Nordika (125 g) 24c —	Palmolive 29c 25c	Palmolive 29c (125 g) 27c
Mielie Meal 2,5 kg Housebrand	52c 51c	A1 (Special) 52c —	Impala 49c —	Impala 49c —
Tea 250 g Housebrand	Three Trees 79c 99c	Glen Tea 95c 79c	Glen Tea 89c (Tea bags) 99c	Glen Tea 95c 87c
Coffee 250 g Housebrand	Ricoffy R1,29 99c	Ricoffy R1,45 (750 g) R2,45	Frisco R1,29 —	Ricoffy R1,29 (Pack) 99c
Candles (packet) Housebrand	Price's 48c —	— 49c	Buffalo 49c —	Lamp 43c —
White Bread Brown Bread	24c 15c	25c 16c	24c 15c	24c 15c
Sugar 2,5 kg Housebrand	Huletts 99c 99c	Selati R1,01 R1,01	Huletts 99c —	Huletts 99c —
Margarine (Yellow) 500 g Housebrand	Sunshine 64c —	Stork 69c 68c	Sunshine 63c	Blossom 59c —
Jam (Apricot Smooth) 450 g Housebrand	All Gold 57c 52c	All Gold 57c —	Brink 55c —	Koo 49c 48c
Powdered Milk 250 g Housebrand	Molico 78c 67c	Skimco 76c —	Skimco 66c —	Molico 75c —
Condensed Milk 397 g Housebrand	Nestle 47c 47c	Nestle 51c —	Gold Cross 46c —	Nestle 49c —
Sunflower Oil 750 ml Housebrand	Solo 89c 89c	Black Cat 89c —	Covo 99c 92c	Solo 95c —
Beans 500 g Housebrand	Lion 51c —	Buffalo 51c —	Lion 49c —	Lion 49c —

30

CONSUMER CONFIDENCE

Ready, steady . . .

FM 29/2/80

Retail sales at last appear to be moving back up to the levels of 1975 and 1976 in an apparently firmly-based upturn, according to the latest Department of Statistics release. February's turnover is estimated at almost 4% above sales during the same month last year measured in real terms.

Stellenbosch's Bureau for Economic Research, however, says that the upswing is only just out of the blocks.

Confidence in many areas of the private sector, says the Bureau in its latest *Consumer Survey Report*, is at five-year highs. Expectations relating both to individuals' financial resources and to the development of the economy are rising sharply, it adds.

Although almost 50% of respondents to the survey see only a "slight" improvement in the economy over the next 12 months, at least 42% foresee a "considerable" improvement. The comparative figures for 1979 were 44.6% and a meagre 4.2%, respectively.

Consumer expectations on their own financial positions a year from now are nearly as optimistic. The percentage of individuals who think their finances will improve considerably in 1980 has risen from 4% last year to 7,7% this year. The proportion who see a small rise in prosperity has, at the same time, jumped from 23,5% to 34,5%.

Expenditure on durables in particular, say the Stellenbosch boffins, is set for take-off in 1980, with the percentage of respondents who consider this year to be the right time to buy white goods and other durables increasing from 13,3% to 22,6%.

The Bureau points out that, despite an apparently higher propensity to spend, willingness and ability to save are also rising quite strongly. Over 13% of respondents see conditions as "definitely favourable" for saving, compared to less than 10% a year ago.

Even inflation, the old bugbear, is being viewed in a more kindly light by consumers. The number of people who see the rate of price increases staying constant this year has risen from 41,5% to 60%, while those who see the rate of increase actually falling has risen from 2,6% to 7,5%.

The Bureau places a *caveat* here, however, pointing out that "one can never be sure that consumers will not be jolted, as they have been in the past, by considerable rises in administered prices."

The latest consumer price index figures from the Department of Statistics support this warning, with prices in January some 0,9% above December. This indicates an annual rate of 10,8% but, taken with the average rate of 0,5% for the three preceding months, the current rate of inflation is still well below 10%. Despite this, however, the year on year increase over the 12 months to January 1980 was a disturbing 13,8% — with food prices rising almost 15% over the year.

In individual business sectors, the Bureau reports that motor traders are in a considerably better mood now than they were in the third quarter of 1979. An "overwhelming percentage" of dealers is now confident of further improvements in the already satisfactory conditions prevailing so far this year.

Virtually all non-durable goods retailers reported better volumes and values in the last quarter of 1979 compared to the same period a year before, and almost all have placed increased orders for future delivery. The number of respondents reporting higher employment levels is "heartening," the Bureau says.

Manufacturers, likewise, had a good three months in October-December and are optimistic about the first quarter. Although sales values may ease, the Bureau says, there is still an increase in the number of companies which look to increase fixed investment soon.

RETAILING · (25) FM 29/2/80

Playing house brand

Housebrands account for about 10% of the R420m a year grocery market and this share rose during the recent recession. Soon to enter the fray is a new house brand from The Hyperama which will, in May, replace the OK Bazaar Pot-O-Gold brand it has carried so far.

The brand will be called The Hyperama, and first on sale will be canned goods like jams, apricots and berries, followed by items like soap powders, tea, coffee and coffee creamers.

The decision to replace Pot-O-Gold could not have been taken lightly as it has a wide consumer acceptance and holds about 70% of the grocery house brand market. But it is part of a strategy to show the difference between OK's Hyperamas and its bazaars. "We want people to realise that The Hyperama is not just another OK," says Hyperama MD Gerald Manne, explaining that the Hyperamas are aimed at more affluent, car-owning consumers.

Although food items in the hyperama range will carry a five-colour label, in keeping with its more classy image, price will probably be marginally cheaper than Pot-O-Gold items. OK's food GM Ralph Horwitz says this is due to the slightly lower costs of distributing to the few hypers than to the many OK outlets.

Not all retailers believe in house brands. Pick n Pay has for years not carried them and traded on the slogan "Branded lines you know at prices really low."

"When recession and inflation were at their worst, we were forced into the 'no-name' game to keep prices down," says Norman Leibov, P n P's senior grocery buyer. "We asked our suppliers to sell us their branded lines at the same prices that they sell housebrands to our competitors. Some of them did. But others would not discount their brands, although they agreed to supply them at the lower prices in 'no-name' packaging.

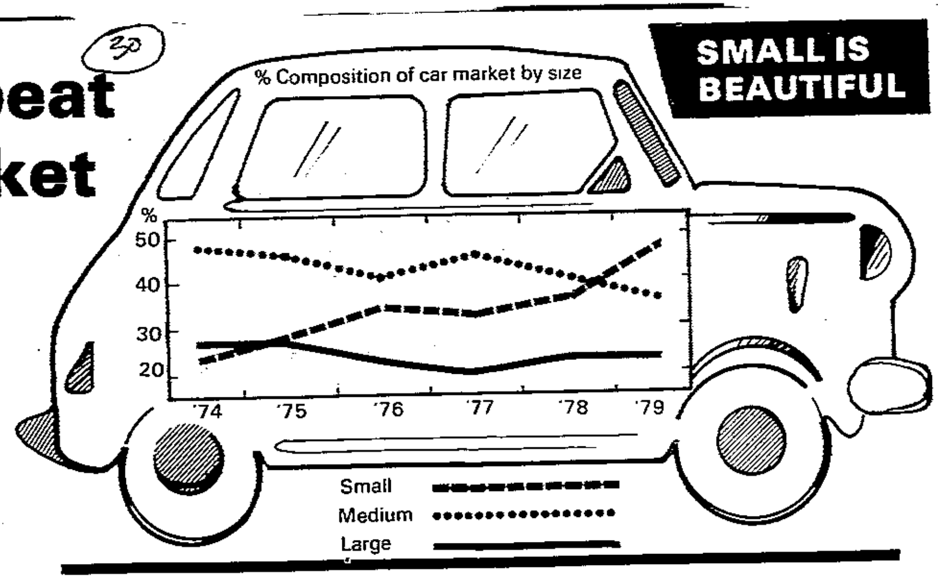
"We would rather not sell no-name brands, and have already stopped selling no-name peas, beans, shampoo, and frozen chip steaks, because their suppliers have now agreed to supply us their national brands at the lower prices."

Many manufacturers see house brands as a threat to profits as they cut margins and put a large slice of a supplier's business into the hands of one customer. Many have refused to supply house brands, but as Manne says, "If we want a housebrand from a manufacturer who is not keen to supply, he is placed in a cleft stick, because he knows his competitor will get the business if he turns us down."

According to Horwitz, the recent recession made manufacturers a lot more keen to protect their volumes by signing house brand deals, and over this period, it is rumoured that even the mighty Premier group, which long refused to supply house brands, changed its mind.

FM 29/2/80 (30)

It's more upbeat — downmarket



Small cars came close to capturing half of the SA motor car market last year in the most significant sales shift in years.

The analysis by the privately circulated Motor Industry News Digest shows that the small car segment increased from 35,5% of the market in 1978 to 47,1%, while every other category lost penetration.

Small cars have been making ground consistently since the oil-crunch year of 1973, which set petrol prices skyrocketing. But until last year, a motor car category which appeared inviolate was the top executive segment.

No matter what happened, it seemed, SA executives were not going to forego their Mercedes, BMWs and Jaguars — especially as most of them are company-owned anyway and the individual does not have to pay his own motoring expenses.

But the additional price shocks and fuel conservation measures early last year had a damaging impact on even that top-bracket sector, which fell back from 7,1% in 1978 to 5,9%. Hardest hit was market leader Mercedes-Benz, whose market share dropped from 4,5% to 3,5%, while BMW continued to gain — from 3,4% to 3,9%.

(Jaguar and Rover also declined; Audi 200 gained; Datsun 280 and GM Senator were newcomers which took a share.)

To begin with, it was felt by many that Mercedes would bounce back once the initial shock was over. Well it did — but by year's end, the marque was still selling well below its previous levels. Local manufacturer UCDD clearly is going to need the Honda small car it plans to make here.

And despite BMW's continued improvement, the signs are that the top executive car market will settle back to a somewhat lower sales plateau than it has become used to.

All other sectors declined. Relatively big drops occurred in medium (from 22,1% to 16,9%) and executive large (16,7% to 12,0%), while executive medium shrank from 18,5% to 18,1%. (Typical cars in each category: medium — Ford Cortina; executive medium — Chev Rekord; executive large — BMW 518/520.)

It is unlikely that the market has stabilised yet, except for executive medium, and perhaps top executive. But for the rest, look for further gains by small cars this year at the expense of medium and executive large.

Another trend of significance has been the shift away from diesels after their surge in 1978. Diesel cars, of which there are now six models, sold just over 3 000 in 1977 (1,8% of the market), 8 700 in '78 (4,3%) and 5 800 in '79 (2,7%).

Diesels proved attractive because of their long life and economical running, but publicity about the national petrol-diesel imbalance seems to have kiboshed that trend.

MOTOR INDUSTRY (30) FM 29/2/80

Is Griffith out of step?

The SA motor industry is out of touch with the times, according to maverick motor-maker Chris Griffith. His comments, and his withdrawal of Sigma Motor Corporation from Naamsa, the industry body, have touched off a furore within the business.

He says the local content programme, based on mass, discourages the move to lighter, more fuel-efficient vehicles. He says local content concessions must be given for the introduction of ultra-light vehicles in the national interest. He says the local content requirements should not be advanced beyond the present 66%.

How much of a point does Griffith have?

Maybe not all that much. Toyota MD Colin Adcock disputes the claim that lighter vehicles are discouraged in SA. The source factories for all SA's cars are constantly improving the design of their vehicles so as to give better fuel efficiency. If the overall mass of a car is reduced, those improvements are part of the models which are introduced here as well.

If a car's mass is reduced, say, from 1 000 kg to 900 kg, the local manufacturer is not penalised by introducing some lighter components because 66% of 900 is less than 66% of 1 000.

Clearly, some problems could arise. The foreign design, for example, might substitute a lighter engine, but by switching to it the local manufacturer would adversely affect his local content and incur penalties.

But it's not a major hassle. A simple modification to the programme could and should be made, allowing a manufacturer to substitute a lighter component for any existing component without penalty.

The only alternative to a local content programme based on mass is one based on value, and this has problems of its own. In Australia, under a value-based system, achievement of local content requirements can be negated by devaluation of the Australian dollar, which increases the value of imported components.

Basing local content on weight does not encourage local manufacture of the more sophisticated and hence costly components until a late stage in the programme. Instead, the industry goes for the heavy, and usually simpler, parts.

Although SA-made cars are 66% local by mass, only an estimated 50% of the value of the components are local. (This does not, however, account for the labour content in the assembly operation, fixed and other costs.)

It is only now that plans are in hand to set up a gearbox plant in SA. After 20 years of the local content programme, the industry is still strategically vulnerable.

But perhaps this is not such a bad thing. The industry has not yet had to be self-sufficient. Meanwhile, it has had access to the latest technology from abroad, and has had the time to build up its own manufacturing expertise.

It is common cause that there is need to make cars more fuel efficient. Essentially, three factors influence fuel consumption: engine technology, body design (which affects the drag coefficient), and body mass.

Nobody can say exactly what relation there is between body mass and fuel efficiency because it is never taken in isolation. But it is fairly clear that body mass is not the most important factor. A new Renault engine, for example, introduced in France in the old body, yielded a 20% reduction in fuel consumption.

The new generation of 1980 cars is consistently achieving consumption improvements of 10%-20%. The new Mercedes-Benz S class, with a 50 kg lighter body and improved engine, cuts 10% off the previous figure. BMW's new range, introduced in Germany this year, saves 7%. The Toyota Corolla is 20% better, in fuel terms, than the model of two years ago.

Sigma, launching its campaign for concessions on the introduction of ultra-light cars and commercials recently, stressed the dangers of the next fuel crisis, though it is arguable whether the situation is so critical that SA's future rests on the immediate introduction of these vehicles.

Sigma says the ultra-light vehicles (up to 725 kg vehicle mass and 700 cc engine capacity) use 23% less fuel than the small-engined Mazda 323 in urban use. Adcock snorts that the Renault 5 outperforms at cruising speed the ultra-lights as so defined. But it must be said that the ultra-lights are at their best relative to other cars in town conditions, where stop-start driving puts a particularly heavy premium on vehicle mass.

Datsun-Nissan MD Peter Whitfield contests Sigma's assertion that foreign exchange savings to the tune of R200m could be made by importing ultra-lights. He estimates that the difference in the foreign exchange cost of a 10% local vehicle and a 67% local vehicle is R1 000-R1 200.

Against this must be set the fuel saving on a small vehicle. Making the generous assumption that the saving is 2ℓ/100 km, and that this saving is maintained over the 120 000 km which a vehicle may travel in its life, Whitfield calculates that the foreign exchange fuel saving (at 13c/ℓ) would be R312 over the vehicle's life.

(This also ignores, incidentally, the fact that from 1984 a large proportion of SA's petrol requirements will be locally produced, thus reducing the foreign exchange element in fuel costs.)

So, says Whitfield, the country would lose R800-R900 per unit in foreign exchange (increased vehicle import cost less fuel saving).

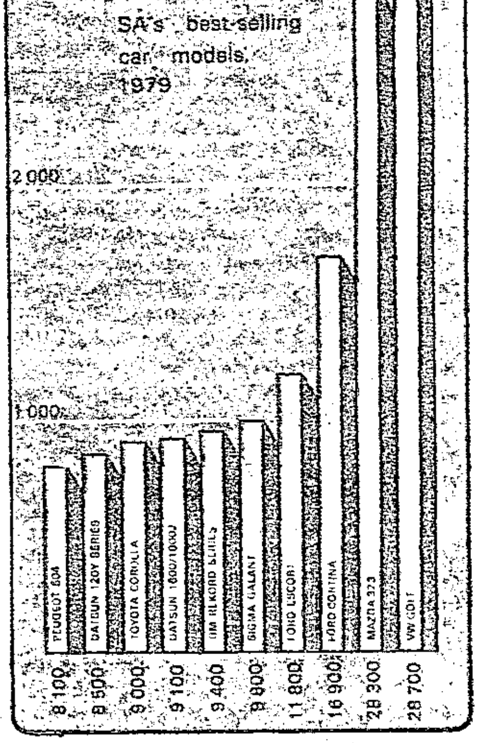
The rest of the industry cannot understand Sigma's stand on the ultra-lights. For one thing, there is nothing to stop Sigma introducing them under the local content programme.

"The penalties for 1980 are extremely low," says Whitfield. "They amount to only 0.25% of duty per 1% of local content below 50%. In 1981, that will increase to 0.5%. Surely that is adequate allowance for the early and rapid introduction of a light commercial vehicle?"

Sigma insists it is thinking of the national interest. Any manufacturer would be able to benefit from concessions given for ultra-lights. The others suspect the application had a selfish motivation, and was tailor-made for Sigma.

In response to this, Griffith told a press conference that Sigma had access to available ultra-lights to no greater an extent than its share of the SA market (23% of the car market last year and 11% of commercials).

Not quite true. Sigma's own list of light fuel-efficient vehicles available worldwide purports to show 10 basic models of ultra-light cars and 10 commercials. Four of the passenger car models and three commercials are made by companies for which Sigma has the SA franchise — Citroen, Mazda and Mitsubishi, which would already give Sigma a considerable edge over its rivals.



But in reality, on the passenger car side, there appear to be 15 basic models (plus some variants) made by six manufacturers. Sigma has access to six models. In commercials, there appear to be eight makes and 10 models, among which Sigma can lay its hands on four models.

So Sigma has access to 40% of the available cars and 40% of the commercials. Clearly, it *does* have an edge over its competitors.

Griffith is on stronger ground when he calls for a standstill in the local content programme. His view is that the original rationales for local content — strategic self-sufficiency, job creation and import substitution — are no longer valid.

Go this route, says Griffith, and you cut yourself off from technology advancements. If SA is to export, it has to import, and it makes sense to import high-technology commodities on which the local production cost premium is the highest.

At the present level of local content, the current premium on SA-made cars is an estimated 25%. It's easy to see why. Tooling-up costs for a new car, assuming some carry-over of components from a previous model, range from R8m for a small model to R15m for a large. Without carry-over, the minimum would be more like R10m.

SA's best-selling car last year made less than 29 000 units. Take a less exceptional example — say 12 000 units averaged over a life on the market of five years. A tooling cost of R8m amortised over that volume represents an added fixed cost of R133 per unit. On a less popular and more high-priced unit, this element could be as high as R350.

In Europe, to sell 500 000 cars in the life of a model is nothing. At that volume, tooling amortisation works out at more like R20 per unit. That's what's meant by economies of scale, but it is not the whole picture. The whole fixed and even variable cost structure is affected by production volume.

The current health of the economy suggests that job creation and foreign exchange savings through local car production can better be achieved by concentrating on the areas where the SA economy is strongest — notably in the export of primary commodities.

Whether or not you go along with this argument depends, of course, on your perception of SA's political future. If we are to accept the ultimate inevitability of economic sanctions, there is no alternative but to push local content to its logical conclusion.

But perhaps it would be wiser to work even harder at avoiding sanctions.

McCARTHY 29 FM 29/2/80

Geared for growth

Despite only 11% growth in total dealers' sales of new vehicles in SA for the July-December period, the McCarthy group reported a 37% higher first-half operating profit of R7,2m (R5,2m). And this was after a forecast in the annual report that sluggish conditions in the industry might mean static earnings for the 1979-80 financial year.

For shareholders the benefit of McCarthy's 15% sales improvement was even greater. Earnings rose 92,2% to 19,8c (10,3c), and a 6c (3,5c) interim dividend has been declared. McCarthy also took the opportunity to trim borrowings even further during the half-year, and the interest payment fell 42,3% to R1,1m (R1,9m). Chairman Brian McCarthy says the savings stemmed from a higher stockturn as business conditions picked up, as well as from discounting HP debtors.

McCarthy says the profit increase was attributable to a much improved trading pattern in the second quarter. Better sales and holding cost increases down to 5% allowed slightly higher gross margins. Also there was a greatly improved performance from McCarthy Industrial Holdings (MIH), a Johannesburg-based subsidiary dealing in Perkins engines and Kawasaki motorcycles and engines. A year ago this operation was producing an unsatisfactory return. McCarthy says now with about 7% of group assets represented in MIH, the contribution to profit is in the region of 15%. For example, last year Kawasaki cycle sales increased 300% which appears to be double the market's growth.

The motor interests saw little growth in terms of units sold in the review period, the 15% turnover increase being mostly inflationary. At the retail level, units sold were up around 11%, but the takeover of Peugeot by Sigma meant McCarthy lost its distributor status, and thus wholesale sales fell to bring total new unit sales to same level as last year.

During the first half McCarthy continued its policy of reviewing the returns from individual outlets, closing those which were unsatisfactory and which would require, relatively, too much time to rectify. In a group McCarthy's size, with an annual turnover approaching R400m this year, a 1% improvement in gross margin has a huge impact on profit. In the review period, some outlets were closed while three were opened or acquired. Another is presently being negotiated in Pinetown.

With about 23 Peugeot outlets out of a total of 84, persistent supply problems continued to affect the group adversely. At present both basic Peugeot models are in short supply in effect crimping sales.

This year McCarthy sees the total new vehicle market growing some 8% to 342 000 (314 000), which, with better margins, augurs well for group profit. Expansion of MIH this year will centre on self-service car-bike accessory outlets on the Reef, which should further add to this subsidiary's profit contribution. And, with second hand cars now in short supply, there should be additional revenue from that source as well as from a spillover into spare parts and servicing.

The forecast is for at least a repeat performance in the second half. This would indicate minimum earnings of 39,6c (21,6c), and, assuming an unchanged dividend cover of 2,7 times, a payout of 14c. So the final could be around 8c (4,5c), putting the share, at 152c, on a 9,2% dividend yield. At this price the share appears undervalued, particularly as McCarthy is the nation's biggest dealer network and the effect of cost savings can be translated into large increases in profit in a time of market growth. *Des Kilalea*

Shop workers may benefit if hours change

RDM 29/7/80.

By GERALD REILLY
Pretoria Bureau

MORE flexible shopping hours could mean a shorter working week for shop workers, Dr Jan Visser, director of the National Productivity Institute said yesterday.

Speaking at a special meeting convened by the SA National Consumer Union, he said this was in addition to flexible hours being more convenient for consumers and raising productivity in the retail trade.

The meeting brought all interested sectors together for the first time to discuss changing shopping hours.

The union through its constituent organisations represents more than 2-million consumers.

Dr Visser pointed out that an investigation into the productivity of retailers had shown they could not make the most of their workers during certain times of the day and during certain periods in the week.

A change in shopping hours could help them achieve this and in containing their costs.

Dr Visser suggested shops open at 10am instead of at 8am and stay open until 5pm on Saturday.

The consensus at the meeting was for more flexible shopping hours, but there was no agreement on what should these, should be.

The National Union of Distributive Workers were prepared to accept trading up to 5pm on Saturdays "as a lesser evil", provided trade by general dealers was prohibited on Mondays.

The Public Servants Association pressed for later shopping hours to accommodate women workers.

The Free Market Foundation stressed the desirability of less restrictions and asked that retailers be allowed to determine their own trading hours according to circumstances and consumer demand in their areas.

The Afrikaanse Handelsinstituut said it would support a change in shopping hours provided consumer demand was proven, but was worried about the effect on specialist and smaller retailers if later shopping hours became a general trend.

The Pretoria Chamber of Commerce supported freer trading as a means to greater productivity, and said it was surveying opinions of all Transvaal chambers of commerce.

The South African Council of Transport Workers said extended shopping hours would be a drain on fuel supplies.

The major chain stores differed — one was totally opposed to change, a second wanted the freedom of retailers to choose their hours, a third, while agreeing on freedom to trade, said it would resist any attempt to curtail after-hours trading to which it was now committed.

suspects. — DDR.

1/3/80 DD

Pebco firm on boycott

PORT ELIZABETH — About 2 000 Pebco supporters packed a cinema and reaffirmed their resolution to boycott white traders here from March 15.

The boycott would continue until the three year restrictions on their leaders are lifted.

Mr Thozamile Botha (chairman), Mr Phalo Tshume (secretary), and two committee members, Mr Mono Badela and Mr Dan Qeqe were restricted and banned this week.

The meeting also reaffirmed its resolution to boycott East Cape Administration Board liquor outlets from today. — DDR.

Rapport 2/3/84

30

MAN AAN DIE ROER

Ná 14 jr. klop sy hart nog wild vir die OK

Deur FRANZ ALBRECHT

WANNEER Brits vanjaar vir die eerste keer ook 'n OK-winkel kry, sal een van die direkteure van OK Bazaars (1929)hierdie gebeurtenis met meer as die gewone belangstelling dophou. Hy is op Brits gebore en het daar skoolgegaan.

Hy is die besturende direkteur van OK Bazaars, mnr. Meyer Kahn, 40, wat twee jaar gelede in hierdie pos aangestel is. In die jaar voor dit, was hy medebesturende direkteur in beheer van die OK-winkels.

Hy is 'n oud-Tukkie met die grade B.A. (Regte) en MBA (deeltyds) agter sy naam. En hoewel hy nou al twaalf jaar in Johannesburg werk — by OK en by Amalgamated Retail — woon hy nog steeds in Pretoria.

„Pretoria verruil ek vir geen ander plek nie," sê hy. „Dit is vir my soos 'n vakansieoord waarna ek terugkeer ná die dag se werk. Wanneer ek daarheen ry vanaf Johannesburg skud ek die werk van my af."

Buitendien is mnr. Kahn se vriendekring in Pretoria. Sy moeder en broer woon ook daar. En Loftesversveld is byderhand. Hy neem sy dogter van tien jaar soms saam met hom rugby toe. Sy ander kind — ook 'n dogter — is sewe.

Hy bestuur self na en van Pretoria. „Dit is die enigste tyd wanneer ek alleen is, en ek hou daarvan om die tyd te gebruik om te dink," sê hy.

MNR. MEYER KAHN

Op Brits staan 'n familiemeubelonderneming wat deur mnr. Kahn se jonger broer bestuur word. Dit is 'n gevestigde saak en doen aktiewe sake. Dat die OK sterk mededinging vir hierdie onderneming gaan bied. is nie te betwyfel nie.

Nadat mnr. Kahn sy MBA behaal het, het 'n begeerte by hom opgekom om ondervinding by 'n groot onderneming soos die OK op te doen. Hy het in Pretoria aansoek gedoen om 'n betrekking en is as leerlingbestuurder aangestel.

Op die ouderdom van 26 en 'n beginner by die OK, was mnr. Kahn seker een van die laags besoldigde MBA-gegradueerdes in die land, meen hy. Nie dat dit nou saak maak nie — veertien jaar later verdien hy as besturende direkteur van OK genoeg om vir daardie maer dae te vergoed.

Aanvanklik het hy gedink dat hy vir net omtrent agttien maande na 'n groot groep sou gaan om ondervinding te kry.

„Maar ek en die OK het mekaar gevind," sê hy. Die grootsheid van die saak — wat 'n volledige diens vir die miljoene der miljoene verbruikers van Suider-Afrika bied — het my aangegryp. Die verbasende wye reeks goedere wat dit bied, maak dit uniek in die wêreld. Tot vandag toe klop my hart vinniger wanneer ek die groot letters OK sien," sê mnr. Kahn.

„Mense kom van heinde en ver om die OK te besigtig. Hulle kan dit byna nie glo dat een onderneming so 'n wye reeks van goedere kan bemark en verkoop nie. Ons spesialiseer nie, maar ons is spesialiste op elk van die gebiede waarin ons sake doen," sê hy.

„Daar is groter kleinhandelsake as die OK in ander dele van die wêreld, maar nie een van hulle bied die groot verskeidenheid goedere en dienste wat ons het nie."

En nog hou die OK nie op om meer goedere tot sy reeks by te voeg nie. Die nuutste toevoeging is sporttoerusting in spesiale sportafdelings.

Nadat hy agttien maande in Pretoria by die verskillende takke ondervinding gekry het, het hy in 1968 na Johannesburg se hooftakkantoor gekom. Dieselfde jaar is hy getroud.

In Johannesburg het hy binne vier jaar hoof van die hooftakkantoor se afdeling vir meubels en huishoudelike toebehore geword.

Hy is in 1972 vir vyf jaar weg van OK na 'n meubelvervaardiger in die Suid-Afrikaanse Brouerye-groep, Afcol. Hy het as direkteur aangesluit in beheer van kleinhandel. Toe Amalgamated Retail (Amrel) van Afcol afstig, het hy besturende direkteur van Amrel geword. In 1977 is hy terug na die OK as mede-besturende direkteur.

As hy nou so terugkyk, is een van sy belangrikste prestasies sedert hy terug is by die OK, die oplewing van die moreel van die werknemers. OK het moeilike tye deurgemaak en die moreel was in 'n stadium laag.

Maar hy vertel 'n mens met trots dat hierdie stadium agter die rug is. Uitbreidings is weer voor die deur en die OK het weer so mededingend as wat kan kom, geword.

„Ons het voedelpryse, byvoorbeeld, drasties verlaag om weer 'n belangrike mededinger in die mark op hierdie gebied te word." sê hy.

„'n Mens kan gerus sê dat negentig persent van Suid-Afrika se totale bevolking — dit wil sê ongeveer 25 miljoen mense — op die een of die ander tyd klante van die OK is. Ons is in die kol wanneer ons adverteer: Koop waar Suid-Afrika koop" sê mnr. Kahn.

Oor sy vinnige opgang by OK sê mnr. Kahn beskeie dat hy altyd gelukkig was in dié opsig dat hy die geleenthede gegun is, en dat hy goeie mense om hom gehad het.

Die vier basiese beginsels wanneer dit kom by geslaagde kleinhandelverkope, volgens mnr. Kahn, is: kliëntediens, mededingende pryse, 'n ruim verskeidenheid goedere, en die wyse waarop mense die winkel beskou, van binne en van buite.

'n Belangrike taak van die direkteure is om by die takke en die winkels se mense uit te kom. „Daar is nie kasregisters in die direkteure se kantore nie — ons verkoop niks op hoofkantoor nie — en daarom moet ons dikwels na die plekke toe gaan waar die verkope plaasvind," sê mnr. Kahn.

Post 3/31/80

The big rip-off

30

• From Page 1

terests are made from Customer's Protection Insurance (CPI) and the Group Life Insurance (GLI).

Executive director of the Furniture Trade Association of South Africa (FTA), Mr S Redelinghuys, confirmed POST findings. He said excessive profiteering may be possible on clients by furniture stores on the black market.

He said, however, his association was not aware of everything that goes on in the furniture trade and that he would investigate such practices.

According to information that leaked to POST, customers sign a blank form, and the "hidden" details are later filled in by clerks after the HP agreement had been clinched. Nothing is explained when HP contracts are made hence a customer may find that an item originally costing R300 increases to R600 when the first instalment reaches him.

Mr Redelinghuys said: "Customers must not do that. They should never sign any blank contract because it will commit them as times go by. It is the duty of a dealer to explain a deal before he commits a customer to any agreement. Customers have the right and must watch against such dealers."

Every furniture dealer is entitled to a 100 percent mark-up on any item sold as put up as per the Code of Conduct with the FTA. Mr Redelinghuys said the mark-up on goods enable dealers to run business.

"The mark-up is put to enable dealers to pay office costs," he said. "They have to pay the staff and train recruits. They have to pay tax, auditors, lawyers, and so on. These are some of the expenses they face and that's why they are in business."

But expert information showed that customers buy goods of inferior quality at high prices because of the mark-up. A comes R600 when the 100 percent mark-up is put. You work out 14½ percent interest in 24 months and now the stove costs in the region of R780.

POST also learnt that a dealer collects seven percent of CPI charges from the customer over a 24 months period and only a small percentage (8,25%) is paid over to the Insurance Company of the premium received from the customer. An example is if the premium is R72, the Insurance Company only receives R6 of the lot.

The CPI claims (covering of goods by fire or *theft in which case the* balance of the amount is credited) and GLA (crediting balance of account in case of death) are based on a computer print out of one of the biggest furniture stores in the country over a period of 10 months which is in **POST** possession.

Furniture rip-off

Post

30 3/3/80

FURNITURE dealers can make up to 200 percent profit on items sold by Hire Purchase (HP), POST can disclose.

By LEN KALANE

This means that an item, bought for R500 by the dealer can be sold for as much as R1 600 — a profit of R1 100. In this regard 200,4 percent is made on a normal bona fide deal. And hardest hit are blacks who mostly buy furniture by HP.

In cases where customers skip instalments or exceed the 24 months to pay period, additional interest is added to the account. If the customer does not pay and the goods repossessed, the average loss in the furniture trade is just over one percent of the total nett sales.

The first stage of this excessive profiteering on black clients is made out of "hidden" interests coming under the HP agreement. These "hidden" in-

• To Page 3

Eriksen hit by strikes

(1982) (30)

RDM 4/3/80

Financial Editor

STRIKES at Port Elizabeth and in Britain and the renewed oil crisis last year all combined to push down profits in 1979 of Eriksen Consolidated Holdings, the Ford motor distributors.

Taxed profit fell from R860 097 to R691 547 although turnover was up in money terms from R58-million to R63-million, lower in real terms.

Eriksen has, however, increased the total dividend for 1979 to 12,5c from an effective 10,6c in 1978.

Effective because the group changed its year-end, and in the previous 17-month accounting period a total of 15c was paid.

Eriksen has declared a final payment of 7,5c for 1979 after the interim 5c.

Earnings a share dipped from an adjusted 71,7c to 57,6c.

The chairman, Mr Ernst Eriksen, says: "But for the fuel crisis in the middle of 1979 and the shortage of supplies occasioned by strikes, both in the UK and in South Africa, the company would undoubtedly have achieved greater growth in turnover, which would have related more closely to the increase in expenses and provisions.

Mr Eriksen says: "The improvement in the country's economy indicates more buoyant trading conditions in the coming year and provided that our supply of vehicles remains unimpeded we can expect improved profits for 1980."

COMMENT. At 200c, Eriksen shares historically yield 29% on earnings and 6,25% on dividend, but those figures are artificial.

The outlook suggests prospective yields more like 40% and 7,5% or better.

Even those who find the industrial market generally fairly fully priced might think the recovery prospects interesting.

Ciskei traders' talks

(1) 105 4/3/80 (2) 30

EAST LONDON — Traders from here and surrounding areas will h old a meeting at the Civic Centre, Mdantsane, tomorrow at 2 pm.

The convenor, Mr E. N. Kwanina, said yesterday a new body to be formed would affiliate to the Inqaba regional chamber and office bearers would be elected. He said shopkeepers, bottle store owners, farmers and registered hawkers would attend the meeeting.

Mr Kwanana said all businessmen from the following areas, Duncan Village, Chalumna, St Lukes, Berlin, Mooiplaas and Komga were expected.

Mr Kwinana said the Gompo Traders Union would be dissolved. — DDR.

Vaal Chamber indaba

HIGH RENTALS and poor conditions of small shops in the Vaal Triangle will be the main issues at the Vaal Triangle ~~African~~ Chamber of Commerce's annual general meeting tomorrow. (30) Post 5/4/80

Mr Moses Marole, secretary of the chamber, said new office-bearers would be elected.

The provision of small industrial sites for welders, panel-beaters and for coalyards would also be on the agenda.

"The chamber is to meet the authorities to discuss improvements and extensions to small shops which are of poor condition while rentals of the shops are very high," said Mr Marole.

Mr Marole appealed to all members to turn up for the meeting at the Residensia Hall at 10 am.

CISKEI VISIT

THE wife of the South African Prime Minister, Mr P W Botha, and the wife of the Minister of Co-Operation and Development, Mr P J Koornhof will visit the Ciskei homeland on March 17 and 18.

They would be shown around the territory by the wife of Chief Minister, L L Sebe. 12/80

They will be introduced to the Ciskei Cabinet by the Commissioner General of the Ciskei, Mr J J Engelbrecht. Chief Sebe will welcome them.

They will visit some factories at Dimbaza, Mount Coke Hospital and the Khambashe Community Centre where they will be entertained to lunch.

Mrs Botha will be a guest speaker at the luncheon. They will be given presents at the centre.

BUSINESS POST

Turnover

Post

By WILLIE BOK

THE BLACK-OWNED Home Owners' Warehou prospered well to reach a turnover in the R5 to January 31.

And now its managing director, Mr Ramsay Ramushu, says they are striving for a near-million turnover at the end of the current financial year "to show that we, black as we are, can do our own thing and show the world our ability to manage on our own".

Although Mr Ramushu did not want the net profit revealed, the financial statement showed a turnover of R500 000 compared to about R200 000 for 1978, a strong upsurge.

There was a tremendous increase in net profit with fixed assets valued at R210 140, he reported.

The reason why Mr Ramushu has glued his eyes on high turnover and net profit is that last year's figures were generated by hardware material only and the business has now introduced building material which is expected to sell well in Soweto.

The history of Home Owners Warehouse started just under five years ago when Mr Ramushu opened the Afro Gas store in White City, not far from Sizwe stores, and dealt mainly with gas.

"I realise can't v

"T doors cularly and I battle

T Mr Ra

"T to bu White towns'

" cleani ted v realis

Y

F ness. the r

BUSINESS POST is another new package from POST and will appear every Thursday.

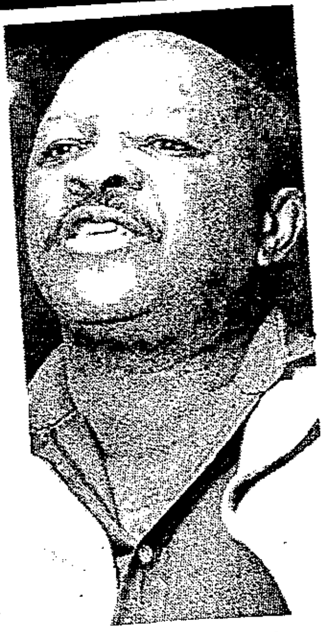
We will highlight business in our areas, our problems and achievements.

We will report on traders associations, taxi associations and all associations that serve people of a particular business calling.

We also hope to have experts or leading businessmen tell how they made it to the top with the hope that other struggling businessmen will reach the same or higher levels.

When our people get promoted to top positions they will be at liberty to inform the community through BUSINESS POST.

This column will deal with black advancement in commerce industry and business so if you have some news please cantact us at PO Box 6663, Johannesburg 2000.



Mrs Ramsay Ramushu, managing director of Home Owners Warehouse of White City, Jabavu.

Afribank appoints Nkonyeni

A BLACK director of companies, Mr A S Nkonyeni, has been appointed to the board of African Bank.

The bank said this week he would bring a wealth of knowledge and experience with him of great benefit.

Mr Nkonyeni served as a senior accountant with the Xhosa Development Corporation in Transkei, managed the Transkei Hotel and later became financial manager of the TDC.

Born at Idutywa, he was educated in Aqabara and Healdtown.

He went on to obtain a Bachelor of Commerce (BComm) degree from the University of Cape Town.

Wrab wants to sell smokers

TO improve its trade, Wrab plans to sell cigarettes and smokers' requisites at all its bottle stores.

The board feels this will increase its revenue and offset increasing competition from traders.

The board recommended to its meeting last month that an application be made to the Liquor Licensing Board to sell cigarettes and smokers' requisites, ice buckets, tongs and other items in bottle stores.

Wrab will apply for general dealer's licences for each of its 20 bottle stores.

Because provision for this new service has not been made in the 1979-1980 estimates, Wrab recommended that R1 120 be set aside for licence costs.

Wrab says that it had not traded in these articles previously because it was felt it was the sphere of the black traders.

But, under the amended Sorghum Beer Act, black traders can sell sorghum beer.

The value of stock of these articles, excluding liquor is expected to be between R4 000 and R6 000 and the board will spend R200 on application fees for all the bottle stores, R200 on inspection fees and R720 on licence fees annually.

KEYS A NEW LINE

KEY International Service has offered black traders interested in handling key business with machines and key blanks imported from France.

The company sees this as a good opportunity for black businessmen to move into a new field.

They key blanks will be colour-coded and lighter and smaller than customary keys.

There is also a battery-powered key light to put an end to fumbling for the keyhole in the dark.

Key International Services estimates that of the 60-million keys sold in South Africa annually, two-thirds are lost.

The remedy is extra keys to avert the expense of a new lock.

6/3/80

urges

30

LA

e Company in Jabavu, Soweto, 0 000 category in the 11 months

later learned a great deal about business and that a one-man show does not prosper. You in whn you are in business alone.

e next thing I thought of was to open my or shares and let the people of Soweto, parti- the poor people of White City, buy shares new that together we would fight a united and win," he said.

e business now has a board of diretors with nushu managing director.

'e encouraged even the poorest of the poor shares because we felt it was the poor of City who were the greatest beneficiaries in a ip of theirs.

I can tell you that even the woman who does g at this business is a shareholder. We star- ith our own employees and got them all to the benefit of such unity," he said.

s, but why are profits climbing? I asked him. e answered: "We know how to run our busi- We stock what people want. We give them ght product at the right price."

Meeting told why blacks buy US

(30)

RDM 6/3/80

WHEN blacks could call South Africa "ours" on a par with whites and were no longer regarded as "foreigners" there would be no need for campaigns to boost sales of local products, a speaker at the Buy South African conference yesterday said.

Mr W L Baqwa, industrial relations manager of Murray and Roberts, sketched the attitude of black consumers and why they preferred United States' products.

"One of the psychological effects of the domestic interracial situation is that the one sector does not really wish the other any success in its undertakings."

Blacks felt the success of free enterprise in South Africa could be ascribed to their being at the losing end all the time — that profit depended on their menial remuneration.

To attain the acceptance blacks enjoyed in American society, they selected clothing to "boost their appearance image and possibly lead to different treatment".

The success of locally manufactured goods was seen as a strengthening of the reason for their plight.

That they diminished their own chances of employment by not buying local goods was of secondary consideration.

Buying South African was a national concept which made sense to nationals, but remained a subject of scepticism to those regarded as "foreigners".

Mr Chris du Plessis, executive secretary of the Buy South African Committee, said the Buy South African campaign was not based on patriotism, but on economic realities.

Speaking on its aims and strategy, Mr Du Plessis said the Buy South African campaign could only be a success if some misconceptions about the principle on which it was launched were cleared up.

A large number of whites gave a patriotic colour to the campaign, while blacks were inclined to interpret it emotionally as a strengthening of the system which they reject.

The campaign was, however, based on economic grounds.

A higher demand for local products would stimulate em-

... Africa's balance of payments, he said.

The idea was not to encourage buying locally manufactured goods irrespective of other considerations. Price, quality and after-sales service were of great importance and consumers should only buy when these requisites were met.

Prejudice still existed against local products, he said, but South Africa was no longer regarded as the industrial Cinderella of the Western world.

Professor Jan Hupkes, of Unisa's School of Business Leadership, said that while the high gold price had been beneficial to the economy, it also had inherent hazards.

He said the main hazard was that it could corrupt the structure of the economy.

After the Second World War the current account of the balance of payments was in basic deficit of about 3% of the gross national product.

The threat of this external deficit had a disciplinary effect on domestic money policy by stopping excessive monetary permissiveness.

Policies of import replacement and export promotion had to be followed and these led to the generation of economic wealth and a better balanced economic system.

If the gold bonanza was spent unwisely, not only would there be rip-roaring inflation but the current account of the balance of payments would be undermined.

The need was therefore for a policy of growth with financial discipline.

There was also a need to educate the public on the responsibilities of the new situation. The gold bonanza should not be squandered on pet projects and demands. The economy was on the brink of a major expansionary phase.

This expansion would continue as long as it carried the imprint "Made in South Africa", Prof Hupkes said. — Sapa.

MOTOR INDUSTRY

(30) FM 7/3/80

Bite the bullet

The Atlantis Diesel Engines (ADE) plant, which comes on stream in July next year, is causing a lot of dissatisfied rumbles. All but five of the 12 tractor makes on the SA market are likely to disappear, and farmers are facing 15%-20% price increases on tractors with the ADE engines. Further, by standardising on ADE engines, local companies will miss out on imported tractors going cheap on the international market.

Announcing the scheme in 1978, then Minister of Economic Affairs Chris Heunis said that ADE was to become the only "official" diesel manufacturer in SA, and that any other plants of a similar nature would be "actively discouraged."

One company to be spared some of the changeover costs to ADE engines is the Federale Volksbeleggings-controlled Fedmech, which produces Massey Ferguson tractors. These tractors are powered by Perkins diesel engines which is the make to be produced for tractors by ADE.

But even Massey-Ferguson tractors will cost more because ADE's price on engines will be higher than it costs to import the same engines in CKD kits as at present. And Fedmech will also have the cost of tooling up to fit the locally produced Perkins engines to the tractor chassis. At present, tractors are imported with chassis and engine assembled by the overseas factory.

Other tractor companies which want to stay in the SA market will have this cost as well as the expense of making basic design changes to the chassis and transmissions of their tractors. For, unlike a truck where the engine is almost a "bolt-on" part, a tractor is designed around its engine which forms an integral part of the chassis. And, as it works within a narrower revolution range than a truck engine, gear ratios which were tailored for the original engine may have to be changed if the tractor gets a different engine.

Several tractor companies have been carrying out tests overseas with Perkins engines fitted to their tractors and are now preparing to produce the new hybrid models. "It's a technical lash-up job," says one tractor man, "and we are not really happy about marrying our tractors with someone else's engines."

Research and development on the new designs and plant modifications are costing some companies between R3m and R5m. Industry spokesmen say that the scheme might make sense if the local market were big enough, but total sales potential of less than 15 000 tractors a year for some years to come is far less than the output of many single factories overseas. Besides, with a glut of tractors on the world market and plenty of spare manufacturing capacity, SA has in recent years become something of tractor dumping ground. Even after the 7,5% surcharge, prices of imported tractors have been very low by world standards.

Another anomaly of the ADE scheme is that, for its first few years of operation,

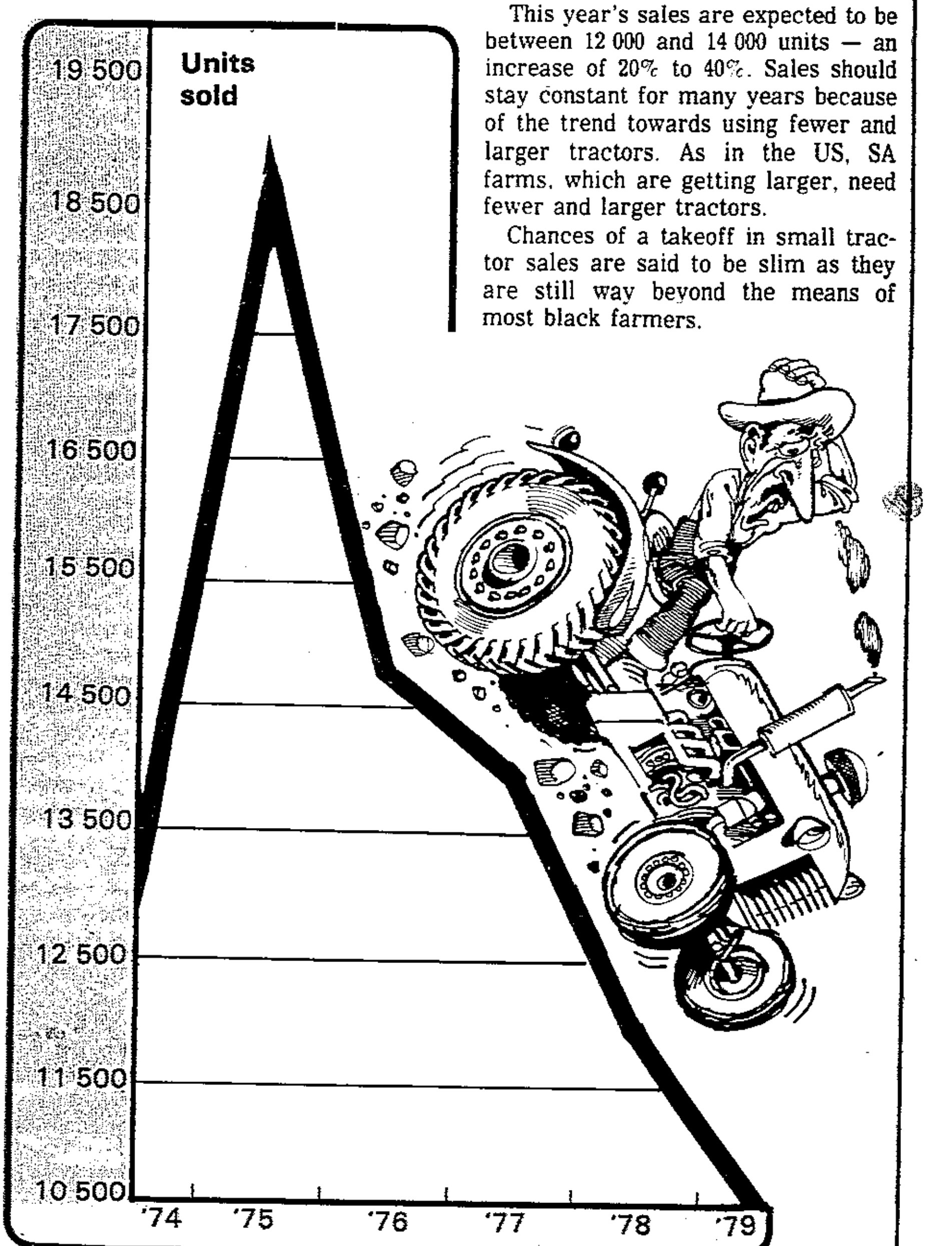
TRACTOR SALES PLUNGE

During five lean years, tractor sales have fallen to just over half the record number of 19 166 units sold in 1975.

Last year, in a market down 12,5%, only International Harvester and Case, with a combined market share of 9,2%, actually increased sales. Market leaders Ford (market share 22,5%), Massey Ferguson (21,2%), Fiat (19,2%), and John Deere (14,2%) suffered a combined sales drop of 1 060 units.

This year's sales are expected to be between 12 000 and 14 000 units — an increase of 20% to 40%. Sales should stay constant for many years because of the trend towards using fewer and larger tractors. As in the US, SA farms, which are getting larger, need fewer and larger tractors.

Chances of a takeoff in small tractor sales are said to be slim as they are still way beyond the means of most black farmers.



its engines will have a lower local content than engines being produced now by Deutz. From its diesel plant near Pietermaritzburg, Deutz has so far produced about 15 000 aircooled diesel engines, 3 000 of them for tractors, with a local content of around 55%. It has cut back production as lack of protection makes it cheaper to import.

ADE, on the other hand, will start by merely assembling complete imported CKD engine kits; 90% local content is targeted only for 1984. But the government protection ADE is likely to receive could cause the Deutz tractor operation to wither away. (Deutz would not comment.)

Suppliers with less than 5% market share (Deutz, Case, Powtrac, Leyland, Volvo and Mercedes-Benz) may well drop out of the market. Malcomess has 5% and International Harvester 6.2%. Says Barney Strydom, MD of Case, distributor of the David Brown make: "The game is no longer worth the candle for us, and we will be phasing out our David Brown line. But we will continue to sell Case, which we can import complete, because ADE will not be making an engine in that Kw class."

Strategic interest

The ADE project, which may be needed in the national strategic interest, is certainly bad news for the tractor industry, apart perhaps from Fedmech, which is likely to have a price advantage over its competitors and the fewest technical problems. But the market is too small to justify a high local content. The main benefit of the idea seems to be that the tractor engine output will push up total ADE volumes, and thereby reduce cost of the far greater number of truck engines it will be producing.

Some indication of this is given by FVB's Johan Moolman, who has said that although the General Mining Group has invested in a gearbox and axle plant for trucks, such a venture for tractors would not be viable for years to come even with complete protection from overseas competition.

"The local content programme for cars was introduced gradually," says one tractor man, "and between 1961 and the present, local content rose from about 10% to 66%. With tractors in a much smaller market the content from local suppliers will rise from 10% to about 40% overnight when ADE starts producing. It's madness."

Bid for flexible shopping hours

STAR 8/3/80

30

Consumers want more flexible shopping hours and believe they could result in shorter working weeks for shop employees, the Consumer Union has found.

This directly contradicts the reasons given by Mr Theo Martins, MEC, for yet again defeating efforts in the Transvaal Provincial Council for having the 20-year-old Shop Hours Ordinance updated.

The Consumer Union convened a meeting in Pretoria, to probe the feelings of consumers and commerce and hear the results of research.

A speaker at the meeting, Dr Jan Visser of the National Productivity Institute, said research had shown shop employees were idle during certain times of the day and periods of the week.

He emphasised that a change in hours could assist employers utilise maximum efficiency and thereby cut down on costs.

CURBED

Dr Visser suggested shops open at 10 am and stay open until 5 pm on Saturday afternoons.

The National Union of Distributive Workers was prepared to accept trading up to 5 pm on Saturdays, provided trade by general dealers was prohibited on Mondays.

The Public Servants' Association said it was in favour of later shopping hours to accommodate women workers — who comprise 80 percent of national buying power.

The Free Market Foundation curbed the debate on the actual hours that should be introduced by suggesting retailers be left to determine their own trading hours.

Pretoria Chamber of Commerce said freer trading would improve productivity.

However, the Afrikaanse Handelsinstituut remained unconvinced and said it was perturbed about the effect longer shopping hours would have on the viability of smaller stores.

Other voices of dissent came from the Suid-Afrikaanse Vrouefederasie, who pleaded for the family weekend to remain intact.

RAPPORT 9/3/80 (4) (30)

Man aan die roer

Sy ‚romantiese' winkels lê hom na aan die hart

MNR. DONALD CAMPBELL

Deur FRANZ ALNRECHT.

HY is die hoof van 'n winkelgroep wat nog die ,,romantiese dele" van Suider-Afrika bedien. Sommige van die 273 winkels in die groep is op plekke soos Aggeneys, Pofadder en Pomfret, in die Kalahari, sowel as in die groot stede.

Dit is hierdie afgleë plekke — sommige waarvan net te perd of met 'n vliegtuig bereik kan word — wat onder die vel van die voorsitter van Frasers, mnr. Donald Campbell, 53, ingekruip het, sodat hy hulle „romanties" noem.

Behalwe vir 273 winkels is daar ook nog 49 groothandelsopslagplekke in die groep. Daar kan met reg na Frasers verwys word as die groep wat 'n geweldige ruim reeks goedere na dié plekke wat moeilik bereikbaar is, gebring het.

Tog vind 'n mens ook Frasers in die groot stede. Dit is hierdie eienskap wat die groep van ander onderskei. Dit verskaf enigiets vanaf kruideniersware, klerasie en komberse tot huishoudelike benodigdhede, huisraad en bouershardeware — op byna elke moontlike plek in Suider-Afrika.

Daarom is 'n uitvoerende pos by Frasers nie dieselfde as by die meeste ander winkelgroepe nie. Elke week is die uitvoerende amptenare drie of meer dae uit die kantoor om winkels te besoek. En dan gebeur dit maklik dat hulle vlieg, per vierwielaangedrewe voertuie ry of te perd reis.

En mnr. Donald Campbell — geen familie van die water- en landspoedkoning met dieselfde naam nie — is geen uitsondering van Frasers se uitvoerende amptenare nie. In sy dertig jaar by die groep, kan hy met reg sê dat hy al baie in Suider-Afrika gereis het.

Die eintlike reis het maar betreklik onlangs gebeur — 15 jaar gelede — al bestaan die groep reeds 103 jaar in Suider-Afrika. In werklikheid het die groep eers in 1966 op dreef gekom nadat dit op die Johannesburgse Effektebeurs genoteer is.

In die eerste aantal jare van die groep se bestaan — omtrent vyftig jaar gelede — het dit net in Lesotho sake gedoen. Maar toe Frasers eers genoteer is, is sy hoofkantoor ook in 1966 vanaf Wepener na Johannesburg verskuif.

Mnr. Campbell, nou die top man van 'n maatskappy wat honderde ander genoteerde maatskappye opdraend gee wanneer dit kom by winsgroei, markkapitalisasie en groei van bates, is self van Wepener. Hy was ses jaar burgemeester van dié dorp.

Hy het as byna-gekwalifiseerde jong rekenmeester om 'n pos as interne ouditeur by Frasers in Wepener aansoek gedoen — en was „gelukkig" met sy aanstelling. 'n Persoon, meer gekwalifiseerd as hy, het net te laat aansoek gedoen, anders sou hý die betrekking gekry het. Hy het daarna sy geoktrooieerde rekenmeesterskap behaal.

Mnr. Campbell was net 24 toe hy by Frasers aangesluit het, maar hy het toe reeds 'n jaar se sakeondervinding agter die rug gehad. Hy en 'n vennoot het 'n koerant en drukkery, Die Caledon-Venster, gekoop en kort daarna ook die Hermanus News die lig laat sien.

Hulle het saam in die nag die koerant by elke huis in die dorp afgelewer. Sake het egter begin druk omdat die koerante se kontantinkomste nie genoeg was om die uitgawes, skulddelging én mnr. Campbell se persoonlike behoeftes te kon finansier nie.

Hy het sy aandeel in die besigheid net daar gelaat en gaan werk soek. Vandaar die aansoek om die betrekking by Frasers. Sy voormalige vennoot het sy aandeel in die besigheid by hom gekoop namate sake — oftewel die kontantvloei — verbeter het.

Sy opgang was geleidelik, maar seker. Binne elf jaar ná hy in 1950 aangesluit het, onderwyl hy hoofrekenmeester was, is hy tot die direksie verkies. Vier jaar later — in 1965 — is hy as finansiële direkteur aangestel. Sewe jaar hierná het hy besturende direkteur geword, en binne nog twee jaar — in 1974 — is hy tot voorsitter verkies.

Onder sy voorsitterskap het Frasers in die afgelope ses jaar sy groepomset van R42 miljoen tot R162 miljoen vermeerder. Verdienste per aandeel het in hierdie ses jaar met 231 persent tot 61,3c gegroei. Die dividenduitkering het met 282 persent toegeneem toot 21c per aandeel, terwyl die dekking nog steeds drie keer is.

Dié prestasies van die verlede is net 'n groter aansporing vir mnr. Campbell om sy groep tot steeds hoër hoogtes te lei. Maar die groei van die groep sal geensins afbreuk doen aan die persoonlike, intieme verhouding wat hoofkantoor met die afsonderlike winkelbestuurders en hul personeel het nie.

Een van die redes vir Frasers se sukses is waarskynlik die feit dat individuele winkelbestuurders selfbestuur het en tot hul eie voordeel en wins kan werk. Dit kan amper nie anders nie, as 'n mens aan die afgesonderdheid van sommige van die winkels dink.

Mnr. Campbell, wat vroeërjare mededingende tennis gespeel het, draf die afgelope tyd gereeld soggens sesuur om fiks te bly. En sover hy kan agterkom, is hy en sy maat van die min gereelde oggenddrawwers. Ander kom en gaan, of draf meer gereeld in die somer as in die winter.

In sy vrye tyd lees hy graag, veral oor die Suid-Afrikaanse geskiedenis, wat te verstane is as 'n mens in gedagte hou dat hy vir 'n groep werk wat al 103 jaar in Suider-Afrika is. Daarbenewens stam sy familie aan vaderskant ook van die 1820-Setlaars af.

(262) (272) RAPPORT 9/3/80 (30)

Dit gons om Kirsh-groep oor „grote'

FRANZ ALBRECHT

VIR die sovelste keer het die ongenoteerde Kirsh Industries-groep die Suid-Afrikaanse sakewêreld aan die gons. Hierdie keer, lyk dit egter of die groep 'n werklik groot vis in die gedagte het, of aan groot uitbreidings dink.

In die kort bestek van 'n week het die groep 'n belangrike volfiliaal, Commonwealth Shippers, vir R4,3 miljoen verkoop, én die befaamde jong oudregter, mnr. Mervyn King, 41, as uitvoerende direkteur aangestel.

Hy is die eerste nuwe uitvoerende direkteur in die Kirsh-groep in twintig jaar wat nie verantwoordelik is vir 'n spesifieke bedryfsmaatskappy nie.

Die voorsitter van Kirsh Industries, mnr. Natie (Nathan) Kirsh, 48, was tot nog toe die enigste uitvoerende direkteur wat nie in beheer van 'n sekere bedryfsaktiwiteit was nie. Saam met hom op die raad is sy broer, mnr. Issy Kirsh, wat verantwoordelik is vir Swaziland se handelsradio, en mnr. Dudley Hope 'n voormalige hoofbestuurder van Standard Bank.

Maar die verkoop in beginsel van Commonwealth Shippers aan Trade & Industry Acceptance Corporation verlede week, hou twee groot voordele in vir die Kirsh-groep wat hom nog verder slaggereed maak vir groot dinge.

Teen die middel van die jaar, wanneer Commonwealth Shippers deur Trade & Industry geabsorbeer is, keer die huidige besturende direkteur van Commonwealth Shippers, die vyftigjarige mnr. Arnold Levy, terug na die Kirsh-groep as uitvoerende direkteur.

Dit beteken dat die Kirsh-groep binnekort twee nuwe uitvoerende direkteure op sy raad sal hê, waarvan die eerste al in die tuig is. Die gewig wat al vyf die groep se uitvoerende direkteure in die ekonomiese wêreld dra, mag nie onderskat word nie.

In die tweede plek hou die verkoop van die verskepings- en konfirmasiehuis (Commonwealth Shippers) 'n geweldige voordeel vir die groep in. Die enorme voorwaardelike aanspreeklikheid wat met so 'n maatskappy gepaard gaan, word nou uit die balansstaat van die groep verwyder.

Die transaksie met Trade & Industry is deurgevoer met Trade & Industry-aandele plus 'n balans van R1,5 miljoen in òf kontant, òf aflosbare voorkeuraandele. Maar die geldwaarde van die transaksie is 'n toevallige wins in vergelyking met die enorme potensiële las waarvan ontslae geraak word.

Enkele dae nadat die transaksie beklink en nog voordat mnr. King se aanstelling bekragtig is, het mnr. Kirsh en mnr. King oorsee vertrek. „Ons gaan oorsee vir 'n nuwe onderneming," het mnr. Kirsh aan 'n finansiële tydskrif gesê.

Hy het ook, na wat berig word, gesê mnr. King sal hopelik in die buiteland aanbly om die knoop van die nuwe onderneming deur te hak.

Hoewel Kirsh Industries nie genoteer is nie, is daar reeds drie genoteerde maatskappye in die groep: Kimet (waarvan 63 persent deur Kirsh besit word), Metro Cash and Carry Holdings (50 persent), en Constantia-Versekering (50 persent).

Nadat die transaksie met Trade — Industry beklink is, sal Kirsh 15 persent van die uitgereikte aandele van hierdie genoteerde groep besit.

Daar is baie bedrywighede in Swaziland, waaraan die Swazilandse regering 'n aandeel het. Mnr. Kirsh is sowat 22 jaar gelede na Swaziland om sy sakebelange op die been te bring. Oorsee is daar ook bedrywighede.

Die Kirsh-groep het ook 'n 50 persent aandeel in 'n paar van die spogmiddestadeiendomme in Johannesburg.

Mnr. King word ook aangestel as uitvoerende direkteur van die groep se belange in Europa en Noord-Amerika, wat onafhanklik is van hul belange in Suidelike Afrika.

Hoofbedrywighede in die Kirsh-groep, gemeet aan die bydrae tot winste.

1. Selfbedieningsgroothandel
2. Eiendom
3. Swaziland-beleggings:
   - maal van mielies
   - maak van kafferkoringmout
   - meng van kunsmis
   - voedseldistribusie
   - kunsmis en chemikalië
   - boumateriale, trekkers en voertuie
   - finansiering en eiendom
4. Maak en verspreiding van kafferkoringmout in S.A.
5. Supermarkte
6. Handelsradio
7. Verspreiding van nywerheidschemikalië en plastiese grondstowe
8. Vers[illegible]ering

Record 20 000 new cars sold in February

STAR 12/3/80 30

By Harvey Thomas

New car sales in February should be a record. Although the Sigma Motor Corporation has yet to release its figures it appears that the motor industry sold 20 000 cars — an improvement of 60 percent on February last year.

Sigma has resigned from the National Association of Automobile Manufacturers of South Africa and now releases its sales figures after those compiled by the association.

Sources indicated today that Sigma would announce February car sales of about 4 500 to make the industry total about 20 050.

The top company in February was Sigma, followed by Volkswagen which sold 2 888 Golfs, and then Ford. But, in spite of the boost small cars such as the Golf and the Mazda 323 have given, overall sales achieved by VW and Sigma, manufacturers of the luxury cars, also had a good month.

The German company BMW sold a record 902 cars to beat its arch-rival Mercedes-Benz, which had sales of 806.

Motor industry analysts believe that the surge in the market has been caused by renewed consumer confidence as well as some pre-budget buying.

They also say that many customers decided to buy now in anticipation of quarterly price increases which have just come into effect.

CAPE TIMES 13/3/80

30 101 379 206 205

Warning on influx control

JOHANNESBURG. — If the recommendations of the Riekert Commission on influx control were fully implemented, they would drive a wedge between urban and rural blacks, according to the Association of Chambers of Commerce of South Africa.

In a document submitted during a meeting with cabinet ministers in Cape Town last week and released here yesterday, Assocom said it agreed with the commission that the uncontrolled migration of blacks to urban areas would give rise to serious social and welfare problems.

However, it feared that the measures proposed by the commission — and now being implemented — would not solve those problems, and were likely to lead to further distortions in the labour market and to other economic and socio-political problems.

Unemployment

They were likely to result also in substantially-increased unemployment in the rural areas and black states.

"This factor is of particular significance in Natal because the borders of that province encompass the whole of the black state of Kwazulu," said the document.

"Assocom wishes to stress the dangers of increased poverty and unemployment in this particular homeland. The problem is not one merely of the control of migrant labour, but of the economic stability of the entire Republic and associated black states."

Recognized

The commission had recognized that "sustained and purposeful attempts will have to be made to create employment opportunities in the black states and adjoining areas if the migration of black labour from these states to existing metropolitan areas and other industrial centres, and the concomitant social cost and problems, are to be obviated."

Assocom emphasized, however, that the creation of additional employment opportunities should be accorded top priority by the government and could not remain solely the responsibility of the governments of the various black states, which were not qualified administratively or financially to cope with it. — Sapa

Call to end bureaux

JOHANNESBURG. — The black labour bureaux should be dissolved and official employment services established for all race groups under one government department, the Association of Chambers of Commerce of South Africa has said.

This is recommended in a document submitted to certain cabinet ministers during a discussion with Assocom in Cape Town last week. The document's contents were released here today.

In the document, Assocom says the Riekert commission had suggested that the black labour bureaux should still fall under the control of the administration boards acting as agents for the Department of Manpower Utilisation.

"These proposals run counter to the stated goals of the commission to avoid discriminatory measures, and are somewhat at variance with the recommendations of the Wiehahn commission which envisaged that the control of all labour matters would be given to the department regardless of race. — Sapa-Reuter

STAR 13/3/80

Assocom slates 72-hour influx control rule

30 ~~133~~ ~~339~~ ~~165~~ ~~206~~

By Elizabeth Wilson, Labour Reporter

In a major memorandum on the Riekert Manpower Report, Assocom slates the 72-hour influx rule for blacks as "seriously disturbing race relations" and causing great harm to the country's image overseas.

The Association of Chambers of Commerce calls for the reference books carried by blacks to be used solely for identification and not for influx control.

It urges that blacks from black states should have passports while black residents in white areas should be provided with a "book of life" in the same way as whites.

The association reports that in practice, the 72-hour restriction is not effective in preventing the influx of blacks into major urban areas.

The three-day concession affords no guarantee against summary arrest since the onus is on the black person to prove his rights to be in an area.

Assocom says that where blacks commute daily from adjacent black homelands the restriction has "become meaningless."

It calls on the government to consider a total repeal of the 72-hour provision. In the meanwhile, it recommends that the concessionary period be extended to 14 days.

It predicts that a tightening of influx control will result in increased illegal employment and a worsening of the squatter problem.

The squatter problem is "already assuming alarming proportions" in major urban areas.

The memorandum calls on the Government to give top priority to the creation of additional job opportunities.

It highlights the urgent need for more housing for blacks in urban areas — including migrant blacks.

A shortage and backlog of housing for blacks in the major peri-urban areas of Natal and other areas close to black states was at the root of many of the manpower problems in these regions.

In the past, the Government had attempted to link accommodation with employment opportunities in an attempt to restrict the influx of workers. The failure of this policy was "generally accepted."

The Riekert Commission had noted the dangers of the present position and Assocom welcomed its recognition of the rights of urban blacks to remain in urban areas permanently.

Among the Assocom recommendations on housing was a call for the introduction to the tribal areas of a scheme similar to the 99-year-leasehold system. This would provide an appropriate security of tenure which would permit building societies to make advances.

On the introduction of "central assembly centres" as employment service centres, Assocom says: "Employers and employees should have complete freedom to negotiate their own contracts of employment" at these centres.

Assocom stressed the importance of in-service training for black employees. Tax concessions should be retained for those employers who provided such training and there should be other incentives such as grants-in-aid.

On the question of subsidised transport, Assocom opposed in principle, all forms of levies on employers, including levies for transport.

While there was a need to subsidise transport facilities for black workers the financial responsibility for this lay with the exchequer, said Assocom.

10/3/80 (30) DD

55 000 flood hypermarket

PORT ELIZABETH — It was a super crush yesterday as an estimated 55 000 people swarmed to the opening day of the new Pick 'n Pay hypermarket here and bought, according to the company's computer, more than 350 000 items.

The store's general manager, Mr Kobus Mouton, was not prepared last night to reveal the day's takings.

"It's not company policy, but I can tell you it was even better than I, at most optimistic, anticipated. We expected to be very busy but the rush has been fantastic."

Five minutes after the hypermarket opened for business at 9 am yesterday the doors had to be closed because the store was packed to capacity.

But after about 15 minutes the first buyers were through the checkouts and a second batch of eager customers were allowed in. Last night, when the doors were closed at 7 pm it took another one and a half hours for the staff to clear the store.

At the height of business the car parks were chockfull and motorists parked two and three deep on the verges of the Old Cape Road for 500 metres on each side of the complex.

The 40 fully-trained cashiers who were flown in from other stores in the Republic, kept the crush of shoppers flowing freely through the 45 checkout points until the build-up as closing time approached. — DDC.

STUI3-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 4

15010 BACHELOR OF ARTS YEAR : 1 13010

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
155146P	JERVIS	JOSEPHINE ALEXANDRA	115103	ITALIAN INTENSIVE	F	(47)	1	155148P
156426D	JONES	TIMOTHY ARNOT	106103	ECONOMICS IA	F	(44)	1	156426D
160764U	JONES	MARK FRANCIS	115101	FRENCH I	UP	(62)	1	160764U
162323N	JOOSTE	LINDA ADELLE	114101 118101	RELIGIOUS STUDIES I CULTURAL HISTORY OF W.E. I	ABS ABS		7	162323N
~~157009M~~	~~KATZ~~	~~MARCELLE FAYE~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(54)~~		~~157009M~~
		GERDA-MARIE	004101 107101	PSYCHOLOGY I ENGLISH I (PRE-1980)	UP 3NX	(58)	1	157519R
		CAROLYN MAY	110101	HISTORY I	UP	(57)	1	160448A
		MONIQUE RUTH	102103	AFRIKAANS EN NEDERLANDS I	F		1	157025E
		JANINE MARIETTA CAROLINE	107101 115101	ENGLISH I (PRE-1980) FRENCH I	3NX F	(48)	1	160168W
		~~DEBORAH ANNE~~	~~104202~~	~~SOCIAL ANTHROPOLOGY I (PRE 1UP~~		~~(50)~~	1	~~137456E~~
		KAREN JEANETTE	908101	GEOGRAPHY I	ABS		1	159478W
		~~ALAAN~~	~~102103~~	~~AFRIKAANS EN NEDERLANDS I~~	~~UP~~	~~(50)~~	1	~~156804P~~
		RIYANI	004101 105104 ~~107101~~	PSYCHOLOGY I LATIN I ~~ENGLISH I (PRE-1980)~~	F F ~~ABS~~	(43) (46)	1	130847A
		VIVIENNE NORAH	102101 908101	AFRIKAANS GEOGRAPHY I	ABS ABS		4	137330X
		GIDEON JOZUA	105103	GREEK & ROMAN LIT & PHIL	ABS		1	159321A
		JENNIFER MARY	106103	ECONOMICS IA	ABS		1	150182R
		JENNIFER ANN	004101 103202	PSYCHOLOGY I SOCIAL ANTHROPOLOGY I(PRE 1	UP UP	(52) (50)	1	155800Y
		~~ADRIAN~~	~~001101~~	~~COMMERCIAL LAW I~~	~~ABS~~		7	~~157772H~~
		~~SANDRA RACHEL~~	~~106103~~	~~ECONOMICS IA~~	~~ABS~~		1	~~156326V~~
		RICCARDO EDWARD GREGORIO	115103	ITALIAN INTENSIVE	F	(45)	1	158259W
		CECILIA AGNES	107101	ENGLISH I (PRE-1980)	3NX		1	157549Z
		~~MELISSA JANE~~	~~911101~~	~~MATHEMATICS I M102~~	~~F~~	~~(48)~~	1	~~159454U~~

UCT

Training for black traders

Post (3/3/80) 30

THE South African Retail Foundation has now opened its doors to black traders by offering them intensive management training programmes in the Witwatersrand region.

This was announced this week by the foundation's programme director, Dr M Streak. He said the offer to black traders was an opportunity to meet the challenges in the 1980s.

Dr Streak said the programme would deal specifically with problems encountered by black retailers. He said the programme will also include theoretical aspects of retail management and a "strong practical component, as we visit our members' stores when theory is put into practice".

Supermarket to open shortly

Post 13/3/80

343 30

HOP INTO A BUS, a taxi or even run — no trains, no congestion and no inconveniences — and get everything you have always wanted in town, from the Blackchain Supermarket just next to Baragwanath Hospital.

By WILLIE BOKALA

This is the message from the managing director of the store, Mr H S Majola, who announced this week that the supermarket would open in a fortnight from today. He said the exact date will be announced soon but, it would be sometime in the last week of this month.

The R2,5-million supermarket is complete with its staff of cashiers, stock control clerks, receptionists, shelf packers, departmental supervisors and promoter, who are ready to serve the thousands of expected customers as soon as the store opens.

One important service, among others, this complex is going to serve is that a lot of people will be able to save transport costs to town for their regular shopping.

"The congestion we normally witness on trains, particularly at weekends, will be eased as people will just have to walk or jump into a bus and pay less for the short distance to Baragwanath," Mr Majola said.

The 2 000 sq m supermarket has 11 checkouts.

According to Mr Majola, everything will be available, from groceries to clothing and hardware.

It has a six-metre entrance to allow a large crowd which will use another six-metre exit at the other end. Deli and fish stands, butchery, coolrooms, creams and cosmetics stands, record bar and clothing stands, stood empty inside the big store and are expected to be completely merchandised in a week's time.

The supermarket is the first such venture in the country. It is second only to the other big project, by the National African Federated Chamber of Commerce, the African Bank.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 5

13010 BACHELOR OF ARTS YEAR : 1 13010

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
159454V	MCCARTHY	MELISSA JANF	91110P	MATHEMATICS IA	3	(50)	1	159454V
				GERMAN INTENSIVE CHEMISTRY IB ANIMAL BIOLOGY (HALF COURSE)	ABS F F	(27) (39)	7	152965R
				HISTORY I	ABS		1	157093O
				SOCIOLOGY I ~~PSYCHOLOGY I~~ ENGLISH I (PRE-1980)	ABS UP SNX	(50)	1	155747Q
				CULTURAL HISTORY OF W.E. I	UP	(50)	1	158469Z
				PSYCHOLOGY I ENGLISH I (PRE-1980) ITALIAN INTENSIVE	UP SNX F	(59) (43)	1	157815N
				RELIGIOUS STUDIES I	UP	(62)	1	150180P
				HISTORY I	UP	(50)	1	150783V
				DRAMA I	ABS		1	157521U
				ENGLISH I (PRE-1980)	3NX		7	137983G
				PSYCHOLOGY I FRENCH INTENSIVE	2- F	(61) (47)	1	157560L
				~~MATHEMATICS I M102~~	UP	(55)	1	155924H
				POLITICAL SCIENCE I	UP	(52)	1	157913V
				~~RELIGIOUS STUDIES I~~	UP	(57)	1	155878H
				PSYCHOLOGY I	5	(52)	7	162116N
						(40)	1	154487V
						(50) (50)	1	154286C
						(49)	1	156134L
						(50)	1	150154E
						(40) (54)	1	133406G

25% jump heralds bumper motor year

~~192~~

30

RDM 13/3/80.

By HAROLD FRIDJHON

MOTOR-vehicle manufacturers look as if they are set for an outstanding 1980. With January car sales 9,3% higher than in the first month of last year, February has proved to be even better. With sales up to 20 349 passenger units, the total for the month is 24,9% up on last year.

And the gain in commercial-vehicle sales is even more spectacular. For the first two months of the year sales are 24,9% better at 18 821.

Most economic commentators have been forecasting that this year's boom will be led by an increased demand for consumer durables. This is discernible in car sales which are expected to continue at this rate for the rest of the year.

In addition, the sharp increase in commercial-vehicle sales suggests that the business mood is improving as contractors and other users of commercial vehicles have started to refurbish their fleets in anticipation of the work load they expect they will have to move in the months ahead.

In the February car sales stakes Sigma edged Volkswagen out of first place. In January, VW headed the list with 4 184 units.

But in February, in spite of VW's selling 4 434 cars, Sigma topped this total with 4 517, a steep climb up from the 3 974 sold in January.

In February, Sigma had a 22,2% market share, with Volkswagen close on its heels with 21 8%.

Ford trailed in third place with 2 645 units — a 13% market shares. But this was an improvement on the January performance when sales were down to 1 815, probably as a result of labour unrest at the factory.

Datsun and Toyota swopped places last month. In January, Toyota was in fourth place with 2 202 units sold and Datsun was fifth with 2 107.

But in February, Datsun sold 2 207 to edge into No 4 spot, with Toyota fifth with 2 100 passenger units.

In the commercial-vehicle field, Toyota came out top, well ahead of Datsun. Toyota sales were 2 550, 26,6% of the market. Datsun sold 2 277 units which was 23,7% of the total.

Then followed Ford with 1 491 commercial units, 15,5%, and General Motors trailing with 13% market penetration with sales of 1 253.

Pro and contra shopping hours' flexi-time

Post 14/3/80

(30)

MORE flexible shopping hours ~~could not~~ only provide more consumer convenience and improve productivity in the retail trade, but could also result in a shorter working week for shop workers.

This was said by Dr Jan Visser, director of the National Productivity Institute at a special meeting convened by the SA National Consumer Union, which brought all the interested sectors together for the first time, to discuss the implications of changing current shopping hours to allow more flexibility. The National Consumer Union through its constituent organisations represents more than two million consumers.

Mrs Betty Hirzel, chairman of the Consumer Union, said the whole question of flexible trading hours had concerned the members of the Union for many years, and the meeting had been called to enable all concerned to assess the situation and to provide them with an opportunity of appreciating opposing viewpoints.

Dr Visser pointed out that an investigation into the productivity of the retail sector had shown that retailers were unable to maximise worker efficiency during certain times of the day and during certain periods in the week.

He emphasised that a change in hours could assist them to achieve this and could assist in containing their costs. As a suggestion, Dr Visser mentioned the possibility of shops opening at 10 in the morning instead at eight and then staying open until five on Saturday afternoons.

PRODUCTIVITY

The Pretoria Chamber of Commerce supported freer trading as a means to greater productivity, and said they were currently surveying opinion of all chambers in the Transvaal.

The South African Council of Transport Workers said that extended shopping hours would be a drain on fuel supplies and would be unattractive to their members.

The major chain stores were at variance; one was totally opposed to change, a second wanted the freedom of retailers to choose what hours they would trade, a third, while agreeing on freedom to trade, emphasised that they would resist any attempt to curtail after hours trading to which they were now committed.

Finally it was unanimously decided that the Consumer Union would correlate all the views put forward and, after studying the results of various surveys, would submit its findings to the authorities.

No decision yet on supermarket

30

NO decision has yet been made by the Daveyton Community Council on the issue of Greatermans-Checkers opening a supermarket in the township.

The Community Council held a meeting yesterday with Greatermans and the East Rand Administration Board (Erab) officials at the council chambers to discuss the supermarket plan.

Mr N Stein, managing director of Greatermans, told the councillors and Erab officials that the supermarket will be opened on a partnership basis with the Daveyton community and that the community will have the majority of the shares.

He said: "All we are asking is a minority share in the whole plan. The supermarket will be run entirely by blacks and we may only act as advisers."

Mr Silumko Boya said: "My feeling would be first to consult the people we are representing."

It was decided that a meeting be called soon where traders and the community will give their views on the proposals before another meeting of the council and Greatermans is called to make a final decision.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 2

15026 B.A./LL.B. YEAR : 2 15026

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
133011C	SCHWEITZER	ANTONY GIDEON	604201	ROMAN DUTCH LAW I	2-	(61)	1	133011C
134965B	SMITH	ROBERT TRAVERS	105104	LATIN I	F	(41)	3	134965B
135195B	SMUTS	PETER WEBSTER	603202	ROMAN LAW & JURISPRUDENCE	IUP	(54)	1	135195B
100311J	SNYMAN	GRAHAM THEODORE	603202	ROMAN LAW & JURISPRUDENCE	IUP	(51)	1	100311J
132288R	SONNENBERG	GRAHAM JOHN	604201	ROMAN DUTCH LAW I	UP	(66)	1	132288R
138545T	STRAUSS	JENIFER SUSANNE	105104	LATIN I	UP	(62)	1	[illegible]
133262A	TEE	RICHARD JOHN	105104	LATIN I	[illegible]			
139650U	THOMAS	HELEN CAREN	105105	[illegible]				
101563V	WILLERS	JOHAN MARITZ						

* TOTAL NUMBER OF STUDENTS 28

DEAN

NAFCOC'S 5-YEAR PLAN

By WILLIE BOKALA

THE NATIONAL African Federated Chamber of Commerce (Nafcoc), will investigate the possibility of establishing a building society. 30

This is one of Nafcoc's major targets contained in its 1980 to 1985 five-year plan which was revealed at the chamber's third general meeting of associate members held at the Jan Smuts branch of the Holiday Inn yesterday.

The plan includes:

- Working at establishing a milling company for the benefit of the chamber's members.
- All the chambers' branches will be constantly urged to devote attention to the provision of suitable training facilities for members.
- Attention will be focused on the development of industries, commerce and agriculture in the black areas with blacks as entrepreneurs, and
- The chamber intends to continue contact and negotiation with the Government to promote the fullest participation by all sections of the South African society.

Nafcoc says stimulation of black industry is a matter of great priority. The Nafcoc Industrial Development Corporation has now been formed and in order to do its work effectively it will need the financial support of the black business community and public.

Post 14/3/80

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS

13010 BACHELOR OF ARTS YEAR : 1 AS AT 29 02 80 PAGE 4 13010

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
1551480P	JERVIS	JOSEPHINE ALEXANDRA	115103	ITALIAN INTENSIVE	F	(47)	1	1551480P
1564260	JONES	TIMOTHY ARNOT	106103	ECONOMICS IA	F	(44)	1	1564260
160764U	JONES	MARK FRANCIS	115101	FRENCH I	UP	(62)	1	160764U
162323N	JOOSTE	LINDA ADELE	114101	RELIGIOUS STUDIES I	ABS			162323N
			118101	CULTURAL HISTORY OF W.E. I	ABS		7	
~~157009M~~	~~KATZ~~	~~MARCELLE FAYE~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(54)~~		~~157009M~~
157519R	KENYON	GERDA-MARIE	009101	PSYCHOLOGY I	UP	(58)	1	157519R
			107101	ENGLISH I (PRE-1980)	3NX			
160448A	KOOY							
157025E	KOTZE							
160168W	KRAMER							
~~137458L~~	~~LANCASTER~~							
159478W	LE ROUX							
~~156804P~~	~~LOUW~~							
130847A	MAHOMED							
137330X	MALHERBE							
159321A	MALHERBE							
150182R	MARSHALL							
155800Y	MARTIN		103202	SOCIAL ANTHROPOLOGY I (PRE 1	UP	(50)	1	155800Y
~~157772R~~	~~MARX~~	~~ADRIAN~~	~~001101~~	~~COMMERCIAL LAW A~~	~~ABS~~		~~7~~	~~157772R~~
158259W	MASSARI	RICCARDO EDWARD GREGORIO	115103	ITALIAN INTENSIVE	F	(45)	1	158259W
~~156326V~~	~~MATTHEE~~	~~SANDRA RACHEL~~	~~106103~~	~~ECONOMICS IA~~	~~ABS~~		~~1~~	~~156326V~~
1575492	MC CRAE	CECILIA AGNES	107101	ENGLISH I (PRE-1980)	3NX		1	1575492
~~159454V~~	~~MCCARTHY~~	~~MELISSA JANE~~	~~911101~~	~~MATHEMATICS I M102~~	~~F~~	~~(48)~~	~~1~~	~~159454V~~

UCT

RETAIL SALES (30) FM 14/3/80

All systems go

Prospects for strong growth in retail sales this year are looking up.

Sales rose in real terms by almost 4% in February compared with the same month last year, according to the Department of Statistics. Retailers are optimistic that this rate of increase will accelerate, and manufacturers are confident that no major bottlenecks will arise.

Attie de Vries, of Stellenbosch's Bureau for Economic Research, adds that, "while we do not see retail sales growing by much more than 4,5% to 5% in real terms this year, it seems, at least, as if there are no major problem areas on the supply side."

Doug Parker, co-ordinator of the Retailers' Liaison Committee (RLC) — an independent body which generates up-to-date sales analyses for SA's top 30 retailers — concurs that private consumption expenditure should rise by around 4,6% in 1980.

Turnover by the major groups, he adds, rose by around 15% in real terms in February this year compared to the same month last year. Household appliances recorded the sharpest growth — about 28% in real terms — followed by furniture, where sales increased by some 13% at constant prices.

"White buyers," says Parker, "have been saving — or at least breaking even financially — for at least 18 months. Now, with generally higher consumer confidence being brought about by the gold price and lower tax rates, the spending upsurge has caught some suppliers by surprise."

Sales in the black sector, however, remain relatively slow.

But figures are misleading, says Parker, mainly because of the hefty increase in the number of black stores which have come on to the market in an attempt to increase penetration.

De Vries points to three other factors which should soon boost spending: the hike in railway workers' wages, the expected increase in other civil servants' salaries and the expected tax concessions for individuals in this year's Budget.

Retailers doubt that a hike in consumer

De Vries . . . no major problems on supply

demand will present supply problems arising out of production capacity bottlenecks.

One sector which could have presented problems, for instance, is the textile industry. According to Department of Statistics' figures to last November, this sector had less than 9% surplus capacity to cope with expanding demand. However, Textile Federation president Bob Ankers points out that plans have already been passed in the industry for an additional R140m in new equipment.

Assocom's Raymond Parsons adds that the economy is "on the brink of an investment phase" which will be realised if there is an assurance from government that a responsible growth policy will continue.

The BER's De Vries does not anticipate any real problem areas as far as capacity is concerned. What has to be done, he reckons, is to convince the manufacturer that the current consumer spending trend will continue long enough for additional expenditure on plant to be justified.

(30) FM 14/3/80

MOTOR INDUSTRY

Fait accompli faffing

Atlantis Diesel Engines (ADE) is unmoved by the anguish of its captive market at being left in the dark over government's proposed protection package for

1067

locally-made diesel engines.

"They should stop faffing around and join in with us, because in three years time, our engines will be cheaper than imported engines are now," says ADE logistics executive Bob Malcomess.

"Atlantis is a *fait accompli*. The total project will cost R308m and government has undertaken to give us protection. Truck and tractor manufacturers are indulging in wishful thinking if they think the duty on imports will not be too high."

But manufacturers say that duty would have to be astronomical to deter imports of certain engines, and that if this occurs, some tractors are in for massive price increases. These are large tractors powered by engines of more than 100 kw and small tractors powered by under 50 kw three-cylinder engines. Together, these two categories account for about 25% of the market.

Says Wally Rautenbach, chairman of SA Tractor Manufacturers Association and director of Ford's tractor operation: "To tool up for local assembly with Atlantis engines for these relatively small quantities will be very expensive, and it would be a bargain to import the engines even if they carried a 100% duty."

Says another manufacturer: "We must know what level of protection government is putting on certain engine types before we can decide what plant to put in. We don't want to find ourselves sitting on a white elephant if it turns out to be cheaper to import than to assemble locally."

To give manufacturers time to plan for the introduction of Atlantis diesel engines in July next year, government was to have published duty tariffs on imported tractors and tractor components last July. But there's been nothing so far.

The result is that most manufacturers will be unable to supply certain types of tractors for the first few months following D-Day. Imported machines have to be ordered well in advance — something the manufacturers are loath to do for fear of being caught by punitive import duties when the goods arrive. And they are equally reluctant to risk spending on plant for assembly of tractors with the local engines, because lower import tariffs could give a tremendous advantage to competitors who had gambled on not making the investment.

"We have to start fitting Atlantis engines during March if they are to be ready for sale on the target month of July," says Rautenbach, "and we are already three months behind schedule for this deadline. Further delay by government in publishing the rules of the game will make us fall further behind schedule."

Meanwhile, some component suppliers are complaining that delays by Atlantis to place firm orders are giving them precious little time to set up plant to meet production deadlines, but none care to be named for fear of angering ADE. So far, ADE has not yet ordered pistons, which are already being locally made, and forgings such as crankshafts, connecting rods and camshafts for which substantial plant investment would be required.

Malcomess dismisses these complaints as motivated by fear of losing business, and says that his programme is proceeding on a logical basis. "We are confident that, by the end of 1983, we will be producing a range of almost 100% local content diesel engines," he says. "The only items that may not be locally produced by then are some castings and some components of the fuel injection pumps.

"To get to this high level of local content so quickly," he says, "we have to follow a different route from the car local content programme. We are not going to sign up suppliers for a year's supply because we can't afford to deal with people who use shoddy or second hand plant. We will make sure our suppliers are using the right equipment by giving them orders big enough to justify putting it in."

To this end, ADE is inviting overseas component manufacturers into joint ventures of licensing agreements with local companies. A deal already signed up is between the British firm Concentric Pumps and a local company to manufacture oil pumps under licence for the Atlantis Perkins-type engine range. According to Malcomess, other similar deals are close to fruition.

"This programme for diesel engines will give a tremendous boost to local manufacture of components for the rest of the industry," says Malcomess. "Our component suppliers will soon be able to serve the car manufacturers who still import many of their engine components."

GOOD TRY

~~The Transvaal Rugby Union has hit on a new money-making technique to help pay for its R15m Ellis Park stadium.~~

~~For the first time SA rugby fans can invest in a "permanent" seat — they can buy single seats, or boxes with seating capacity for 20 to 40 people.~~

~~The Union hopes to make R3m from the sales to help cover building costs.~~

~~"We got the idea from the Kansas City stadium and the Cardiff Rugby Union which both have similar schemes," a spokesman for the Union says.~~

~~The stadium, which will be able to seat over 70 000, is moulded on the large Kansas City complex.~~

~~The Union is "selling" 251 boxes for R4 000 to R5 000 each for one year. The money has to be paid 3 years in advance and covers all admission costs.~~

~~"If companies invest in the boxes now, the seats will be available when the stadium opens at the beginning of the rugby season in 1982," the spokesman says.~~

~~Only 30% of the seats will be sold, at either R600 for 25 years (admission costs paid for the first ten), or R300 without admission.~~

~~With the pressure lifting on international sports ties, the spokesman says SA urgently needs a stadium to cope with the growing crowds. "All the grounds will be sold out during the Lions' tour. There's not one big enough to accommodate SA's sports fans," he says.~~

~~The grounds will be used mainly for rugby but it will be made available for other sports such as boxing, cricket and "possibly" soccer.~~

101563V 30

STU113-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80

15026 B.A./LL.B. YEAR : 2

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL
133011C	SCHWEITZER	ANTONY GIDEON	604201	ROMAN DUTCH LAW I	2- (6
134965B	SMITH	ROBERT THAVERS	105104	LATIN I	F (4
135195B	SMUTS	PETER WEHSIER	603202	ROMAN LAW & JURISPRUDENCE	IUP (5
100311J	SNYMAN	GRAHAM THEODORE	603202	ROMAN LAW & JURISPRUDENCE	IUP (5
132288R	SONNENBERG	GRAHAM JOHN	604201	ROMAN DUTCH LAW I	UP (6
138545T	STRAUSS	JENIFER SUSANNE	105104	LATIN I	UP (6
133262A	TEE	RICHARD JOHN	105104	LATIN I	F (4
139650U	THOMAS			LATIN ELEMENTARY	ABS
101563V	WILL				

RETAILING

Fighting talk

FM 14/3/80

Pick n Pay's Raymond Ackerman adopts a somewhat injured tone when he tells the *FM* how Checkers is encroaching on his terrain in PE. Pick n Pay's new R4m, 12 000m² Hyper opens this week on Cape Road, a site selected to serve at least 200 000 within a 25km radius.

What hurts, says Ackerman, and what is likely to cause the "biggest retail price war ever waged in SA," is the opening of a massive Checkers hyper-sized store last November. A brand new Grand Bazaar supermarket also opened recently. Indications are the fight for consumer support will be tough.

Ackerman: "We market researched the viability of a PE hyper for two years. The survey, based on European experiences showed there was need for one scaled down hyper."

He maintains that when Checkers got wind of Pick n Pay's plans, it swung from its original plans to build a department store into building a vast hyper store. "They started building after us, chased in and built at double time . . ."

Checkers chairman Bob Harvey tells the *FM* plans for building a hyper in PE have been under way for five to six years.

Harvey . . . we've been planning for six years

Ackerman . . . get off my pitch

However, Ackerman confidently predicts success for his venture. For starters, he claims, prices in Pick n Pay will be lower. "Because we're out of town our rental is lower, land value is lower and the cost structure is lower. These benefits will be passed on."

But these matters are small compared to the nub of the PE problem. Instead of calling its new development a Multimarket, as is the case in all other similar developments, Checkers calls its PE store a hypermarket.

Ackerman has taken the matter to court in a bid to stop Checkers using the word hypermarket which is "traditionally associated with P n P." Judgment has been reserved for three to four weeks at present.

Whatever the outcome of the case, Ackerman is happy about the outlook for hyper development. The PE development, the sixth in the group, will be followed by two more hypers this year — one in Southern Johannesburg and one located either in the Cape or the Western Transvaal.

He assures the *FM* all hypers operated profitably last year. "Usually our hypers swing right after only six months. The European experience is that it takes two years."

Ackerman looks for, and gets, he says, 4% net returns on sales. The average return in supermarkets is 3%. Ultimately he will look, he says, for equal contributions from supers and hypers. "But it's likely supers' growth will outstrip hypers' ultimately. There are more opportunities for building supers."

With world sales in excess of $2 billion a year, Univac's parent company, Sperry Rand, is one of the leading computer companies after IBM. No figures are disclosed of its SA revenue, but market sources put it at something over R15m.

Mahoney says the company is reaching the end of one of its most successful years in this market, with orders 94% ahead of last year (the financial year ends on March 31). He predicts another year of "significant competitive penetration," primarily in the large mainframe computer market.

The future marketing of Univac's small computer, the V77 (formerly called Varian), is still unclear. When Sperry Rand acquired Varian a couple of years ago, the local distributorship was held by the Anglo American Corporation subsidiary, Computer Sciences.

CS has continued to market the V77, but the arrangement expires in June.

"Within the next months we will have reached a final agreement on this," says Mahoney.

30

MOTOR INDUSTRY

Local discontent

FM 14/3/80

Datsun-Nissan has been badly hit by the late change in the Phase V local content regulations for the motor industry at the end of last year. Because of its higher local content, it is carrying a cost premium on its light commercial vehicles of R250-R350.

"We feel considerably let down by the late change in direction of the local content programme," says MD Peter Whitfield. "On the assurances of the Department of Industries we went ahead and committed ourselves to achieving 66% local content on cars and light trucks, and 50% on minibuses by the beginning of this year. This involved an investment of R14m, which we are now just carrying.

"Then they relaxed the rules (66% will not be necessary on light trucks until 1982). We still have an application in for some adjustment of our position. We don't want them to penalise other manufacturers who have only achieved 50%, but we want a remission of duties above 50% to compensate us."

Some of the trouble stems from currency fluctuations. When the yen was strong last year, says Whitfield, local content involved no cost premium. But with the strengthening of the rand and weakening of the yen, there is now a premium, particularly above the 50% local content level.

"This is a penalty we would not be paying if we had stayed at 50%," says Whitfield.

In November 1978, the yen was trading at around 200 to the rand; now it's over 300. In the 50%-58% local content range, says Whitfield, there is little premium, but the premium rises to 20%-25% as local content approaches 66%.

Above 66%, however, because of the excise duty rebate given by government for each additional 1%, the premium falls away again.

The premium varies according to the size of the car. Small vehicles are produced by capital intensive methods, but bigger cars have a greater labour content which reduces the premium quite dramatically.

One result of Datsun's R14m investment is that the 140 SDX Y small car, which has been on the SA market for five years, has now achieved a local content of 78,2%, at which no excise duty is paid. This follows the introduction of the new A series engine, which is being locally produced primarily for use in Datsun's light half-ton truck.

With the rest of the tooling for the car now completely amortised, says Whitfield, the car can be produced economically at this level.

Whitfield points out that the local content programme, even though it is based on vehicle mass, encourages weight saving because the lighter the vehicle, the lower the rate of excise duty: duty rises at a rate of 1% per 50 kg of vehicle mass up to a top limit of 13%.

At 600 kg there is no duty payable, while the upper limit is reached at 1 100 kg. The 140 SDX Y, with a mass of 830 kg, is subject to a duty of about 5% (adding about R250 to the cost of the vehicle).

Whitfield says that source plants never make major changes to a model during its market life. The changes are stored up to be introduced as a package in the next model.

Whitfield . . . that let-down feeling

"The Datsun J series, for example, was 150 kg lighter per vehicle than the Y series."

The imposition of an upper limit on excise duty means, however, that even at 100% local content heavy vehicles never earn a full rebate of duty.

EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 2

YEAR : 1

SURNAME FIRST NAMES COURSE DESCRIPTION SYMBOL

VIVIEN ELIZABETH 117101 POLITICAL SCIENCE I UP (50) 1 156529G

UP AND AWAY

FM 14/3/80 (30)

Car sales are booming! At 20 349, February 1980 sales are 24,96% up on last year and 13,21% up on January this year. Not only that, they're up 14,9% on the best ever sales returns recorded for February — 17 713 in 1973.

Commercial vehicle sales of 9 636 also show the improving state of the economy. This is an increase of 26,59% on last February.

And as a further indication of growing confidence in the automotive business, share prices of companies listed on the JSE have shown an average growth of around 30% in recent weeks.

Sigma, with 22,2% of the market, resumes its place at the top of the car sales league, having displaced VW. Toyota has also slipped, losing 1,88% market penetration on last month, and dropped from third to fifth berth. Ford has moved up from fifth to third.

Leyland, despite now claiming its Range Rover sales in the passenger car category (they were previously commercials), still only accounts for 1,57% of the market.

There have been few major changes on the commercial vehicle scene. Ford has ousted GM from third position, while UCDD has crept into sixth position from eighth.

FEBRUARY CAR SALES

	1980 Feb	% of Market	1980 Jan	% of Market	1979 Feb	% of Market
Sigma	4 517	22,20	3 974	22,11	3 297	20,24
VW	4 434	21,78	4 184	23,28	3 414	20,98
Ford	2,645	13,00	1 815	10,10	2 365	14,52
Datsun	2 207	10,85	2 107	11,72	1 691	10,38
Toyota/Renault	2 110	10,37	2 202	12,25	1 222	7,50
GM	1 270	6,24	1 079	6,00	1 601	9,83
BMW	902	4,43	753	4,19	686	4,21
UCDD (Mercedes Benz)	806	3,96	508	2,83	700	4,30
Fiat	636	3,13	535	2,98	540	3,32
Alfa Romeo	502	2,47	500	2,78	330	2,03
Leyland	320	1,57	317	1,76	430	2,64
Other	—	—	—	—	8	0,05

February total .... 20 349 (24,96% up on 16 284 last year)
January total .... 17 974 (February 13,21% up)

COMMERCIALS

	1980 Feb	% of Market	1980 Jan	% of Market	1979 Feb	% of Market
Toyota	2 550	26,46	2 574	28,10	1 517	19,92
Datsun	2 277	23,64	2 080	22,71	1 637	21,51
Ford	1 491	15,47	983	10,73	1 163	15,28
GM	1 253	13,01	1 301	14,20	1 121	14,73
Sigma	758	7,87	896	9,78	1 110	14,58
UCDD	434	4,50	215	2,34	303	3,98
Leyland	288	2,99	421	4,60	75	1,00
VW	271	2,81	447	4,89	355	4,66
Fiat	153	1,59	107	1,17	155	2,03
Man	45	0,47	25	0,27	51	0,67
Oshkosh	35	0,36	18	0,20	7	0,09
Int Harvester	31	0,32	55	0,60	42	0,55
Malcomes-Scandia	15	0,16	6	0,07	9	0,12
Fodens	11	0,11	7	0,08	14	0,18
ERF	8	0,08	7	0,08	13	0,17
Vetsak	6	0,06	5	0,05	15	0,20
VSA	6	0,06	1	0,01	2	0,03
Magirus Deutz	4	0,04	11	0,12	23	0,30

February total .... 9 636 (26,59% up on 7 612 last year)
January .... 9 159 (February 5,21% up)

Financial Mail March 14 1980

Massive demands

NM 14/8/80 provincial, Natal (30) ~~26~~

BUSINESS licence fees will take a staggering leap if draft provincial legislation is approved, and the overall effect could push up prices of a wide range of goods and services.

Deputy Financial Editor

Yesterday the Durban Chamber of Commerce delivered a 22-page strongly-worded protest to the provincial authorities in an effort to have the draft legislation watered down.

The protest quoted some examples of the effect of the proposed increases and pointed out that a caravan park owner with 160 sites would have his licence fee increased from R30 to R780 — a leap of 2 600 percent.

At the same time, the chamber points out, an hotel with 160 rooms would pay only R160.

A hairdressing salon with 14 chairs and two qualified hairdressers would have to pay a fee of R600 instead of the present R30 — a rise of 3 900 percent.

Warehousemen are even worse off under the draft legislation. One with 11 separate buildings currently paying R30 would have to find R22 000 instead — an increase of 73 233 percent.

A medium-sized warehouseman would face an increase of more than 26 000 percent and a small one a rise of 6 566 percent.

The chamber said licence fees could be increased and agreed that a built-in growth factor was acceptable, but complained 'this principle has been applied in the draft law to an extreme, unprecedented, punitive and seemingly arbitrary degree in one massive leap'.

The chamber points out that licence fees would be higher than those for similar activities in other provinces 'which could lead to outside concerns being invited to do business in this province'.

The proposed increases in the view of the chamber were 'patently inflationary and a threat to the economy of Natal and the wellbeing of its people'.

The expanding escort agency business has caught the eye of the licence authorities.

The proposals on licence fees stipulate that 'every person who carries on the business of providing companions, whether male or female, for other persons', will need a licence, which would cost R100.

Deadline

A provincial spokesman said yesterday the deadline for representations about proposed changes and increased tariffs in the draft notice expired on Wednesday.

Durban dating clubs and escort agencies said yesterday they had been unaware of the proposed changes, but generally welcomed them.

Mr Jacques Bovillon

Licence fee on traders

CT. 15/3/80 (3C)

Checkers massive thrust to tap black spending power

Mr Bob Harvey

By PAUL DOLD
Financial Editor

IN one of the biggest expansions in its history, Checkers is gearing for a R70m growth phase over the next five years which will not only enhance its market position as the largest supermarket chain in the country but more significantly, give it a vast share of black consumer spending.

Mr Bob Harvey, chairman of Checkers, told me this week that the group is moving heavily into the black consumer market. Checkers can already boast tripartite agreements with Kwazulu and Bophuthatswana with major growth envisaged in these homelands, and its recent deal locally which led to a Checkers and private Coloured business men linking has given the group powerful access to the Coloured areas.

Clearly, Checkers is ready for further steps in this direction but Harvey is tight-lipped on details. There is little doubt that Harvey has adroitly guided Checkers into what may well turn out to be a pre-eminent position in tapping what must be a fast growing black consumer spending on foods.

Many of his competitors have not been as aggressive or possibly as lucky.

Harvey would like to see white business areas opened up to all but he quickly adds that before this takes place black business men must have some experience of modern supermarket techniques and the Checkers partnership agreements are an ideal vehicle.

"We do not want them to stumble when they eventually on their own, enter the tough market in white areas".

Later, possibly the partnership agreements could give way to even broader links between Checkers and the black business community. Apart from sheer business prowness, Harvey clearly wants Checkers to make a contribution towards black training and general advancement.

His philosophy is to give the black business men a stake in the country and as one who probably put the first black cashier behind a till way back in 1960 he is enthusiastic about the progress which has been made over the past 18 months under PW Botha's government.

The R70m capital investment over the next five years looks a conservative estimate indeed but the amount of cash which will be ploughed into new stores will no doubt hinge on the market. The swing could well turn towards the smaller and less costly convenience stores and away from superstores or even hypers.

Which ever way the trend moves, Checkers aims to be at the forefront and this outlook reflects a new determination among this chain which has been reflected for some months now both in pricing, merchandising and keeness.

This new determination which occured before the take-over of Greatermans by the Kaye consortium, has no doubt been further reinforced by the zeal of the new team in the parent. And with Checkers now ostensibly freed from supporting the then ailing Greaterman's department stores cash is available for an unfettered Checkers own needs.

Checkers was first to open a hyper in Port Elizabeth and, according to some retail sources has the best site but its new style of pricing which seems to flow from more authority vested at regional level is the most striking reflection of the renewed aggression.

As Harvey draws his battle lines for the eighties he has been conscious of the need to boost training tremendously and have an adequate manpower pool to staff the host of new stores. After some considerable effort he now feels the staff situation (always a crucial factor for firms expanding) is being solved and the recruiting campaigns have been successful.

Further down the line Harvey is placing considerable emphasis on improving the fruit and veg operation which has a huge turnover. Companies are being formed jointly with farmers which will ensure a good deal for both farmer and customer and he intends putting real meaning into farm fresh produce.

With net profits leaping 30 percent last year, Checkers is moving into the eighties with unparalleled confidence and resolve.

Ottery hyper plan rejected

C.T. 15/3/80

~~81~~

~~271~~

30

By TONY ROBINSON

THE APPLICATION to rezone a portion of Ottery so that a hypermarket could be developed on the site has been rejected by the Administrator in Executive Committee.

This was confirmed yesterday by Mr Willem Bouwer, MEC in charge of local government.

Mr Bouwer said that the rezoning was refused mainly as a result of objections from the Cape Flats traders, and because of concern that the development would have an adverse effect on the new town centre planned for Mitchell's Plain and the redevelopment of Athlone.

The City Council also objected to the development and the MPC for False Bay, Mr A L Jordaan, spoke against it in the Provincial Council last month.

Mr Raymond Ackerman, head of Pick 'n Pay, the hypermarket pioneers in South

Mr Willem Bouwer

Africa, said yesterday that he was disappointed as he had always believed that zonings should be more freely granted if prices were to be kept down.

He had always been worried about "camping" on the borders of a black area, but would have considered the Ottery site if the hypermarket planned for Constantia was turned down.

The Western Cape Traders' Association has argued vigorously against the Ottery hypermarket, saying that it could turn the huge Mitchell's Plain shopping complex and town centre into a white elephant.

The Divisional Council of the Cape, in whose area the site falls, approved the rezoning but the province referred the matter to the Metropolitan Planning Committee for comment.

The City Council was consulted and it advised against the development. The technical committee of Metropolitan Planning supported the council's objections, but the main Metropolitan Planning Committee favoured the rezoning and the matter returned to the province for this week's final decision.

Store workers steal millions says report

30

STAR 15/3/80

Crime — mostly involving employees — cost retailers about R75-million in 1979, according to a financial analyst. A further R25-million was lost through wastage and damage.

Ben Temkin, writing in the Robert Enthoven Nebicon publication, Portfolio, said these figures were estimates and were calculated at 2 percent of turnover.

In some businesses losses might run at 4 or more percent. The systems in these businesses, however, were so deficient that the true figures might never be known, Mr Temkin wrote.

The most serious aspect of retail shrinkage was that most of it took place from within companies. Employee theft accounted for more than 70 percent of total losses through theft.

Security was being improved all the time and better systems were being used to control and prevent losses through shrinkage but the problem could not be entirely solved because of the vast turnovers and large numbers of personnel involved.

Most shoppers were familiar with methods used by stores to counter shoplifting — mirrors, television cameras and floorwalkers.

Stores also had difficulty in directly accusing a theft suspect.

But shoplifting was a relatively small percentage of the shrinkage problem — the main area was internal pilfering.

The reduction or elimination of internal pilferage was the business of management, wrote Mr Temkin. The company could choose to handle this function independently or it could call in consultants.

One of the major points in loss-prevention said Mr Temkin, was the selection of good personnel.

Not only did the person delegated to check the receipt of goods have to be reliable, conscientious and honest.

If the worker was too harassed to do his job properly the system would fail.

Mr Al Tainton, deputy managing director of Securitas, told Mr Temkin that overt security work was difficult to assess in

Hyper victory for traders

W/argus 15/3/80

(30)

THE Western Cape Traders' Association has labelled the Provincial Administration rejection of the application to rezone part of Ottery for a hypermarket as 'another victory'.

The MEC in charge of local government, Mr Willem Bouwer, confirmed yesterday that the Administrator in Executive Committee had rejected the plan largely because of objections by Cape Flats traders.

Another factor was the adverse effect the hypermarket may have had on the new town centre planned for Mitchell's Plain and the redevelopment of Athlone.

WELCOMED

In a statement today, a representative of the Traders' Association, Mr Dawood Khan, welcomed the decision and said that as early as 1948 the Divisional Council had approved Ottery land for a hypermarket.

At the time, the approval was supported by the Metropolitan town planners. The Traders' Association held protest meetings against the decision and last year when the Divisional Council submitted their approval of Ottery land to the Provincial Administration the association listed its objections.

Mr Raymond Ackerman, head of Pick 'n Pay has voiced his disappointment at the decision. His company was considering the site as an alternative to the Constantia hypermarket.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 2

13030 BACHELOR OF ARTS YEAR : 3 13030

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
1331002	VILJOEN	ADELE	116317	DRAMA III	2-	(63)	4	1331002
1131116C	[illegible]	MOIRA MARIA	908307	GEOGRAPHY IIIB (HALF COURSE)UP		(51)	4	1131116C
0961466	[illegible]	CAROL TESSA	110301	HISTORY III	F	(45)	5	0961466
0965606	WILLIS-SMITH	GRANT	906205	GEOGRAPHY IIB (HALF COURSE)AB8			4	0965606
1032780	[illegible]	GAIL ESTELLE	110301	HISTORY III	F	(43)	4	103278J
114463R	ZOELLER	CHRISTOPHER HANS	102101	AFRIKAANS	ABS		5	114463R

TOTAL NUMBER OF STUDENTS 29

DEAN

REGISTRAR (ACADEMIC)

UCT

Bus. Argus 15/3/80

(30)

~~257~~

~~263~~

COLOURED TO GET SHARES IN NEW STORE

THE coloured community is to be offered shares in the supermarket which Pick 'n Pay is building at Mitchell's Plain. This was announced in Cape Town by Pick 'n Pay's go-ahead chairman, Mr Raymond Ackerman.

By the Financial Editor

It will be Pick 'n Pay's second public offer of shares, the first being when the company obtained its Johannesburg Stock Exchange listing in the late 1960s.

Mr Ackerman said full details of the share offer were not yet complete. But he expected the company would have an ordinary issued shares capital of about R1-million, of which just over half would be subscribed by coloured people.

The supermarket, now being built at Mitchell's Plain, is expected to start trading in November or December.

It will have a floor area of 4 000 sq m, making it Pick 'n Pay's second biggest supermarket in the Peninsula. Only the one at Kenilworth Centre is larger.

Mr Ackerman said that shareholders should not have to wait too long before they received a dividend. All Pick 'n Pay's stores had made profits within six months of their opening and the Mitchell's Plain store was expected to follow this pattern.

It could aim to pay a 10 percent dividend.

The share offer would be restricted to coloured people, with preference possibly given to Pick 'n Pay's coloured employees and to residents of Mitchell's Plain.

Although the share would not be listed on the Johannesburg Stock Exchange it was planned to create facilities for the shares to be easily bought and sold.

Pick 'n Pay stu[...] own manufactu[...]

PICK 'N PAY does not want to manufacture its own goods. But it will do so if its powers to negotiate with manufacturers are curbed, the company's chairman, Mr Raymond Ackerman, says.

The Government is inquiring into the negotiating practices of the big chains.

Mr Ackerman said in an interview the board of Pick 'n Pay had decided to investigate what would be involved if the company decided to manufacture its own goods.

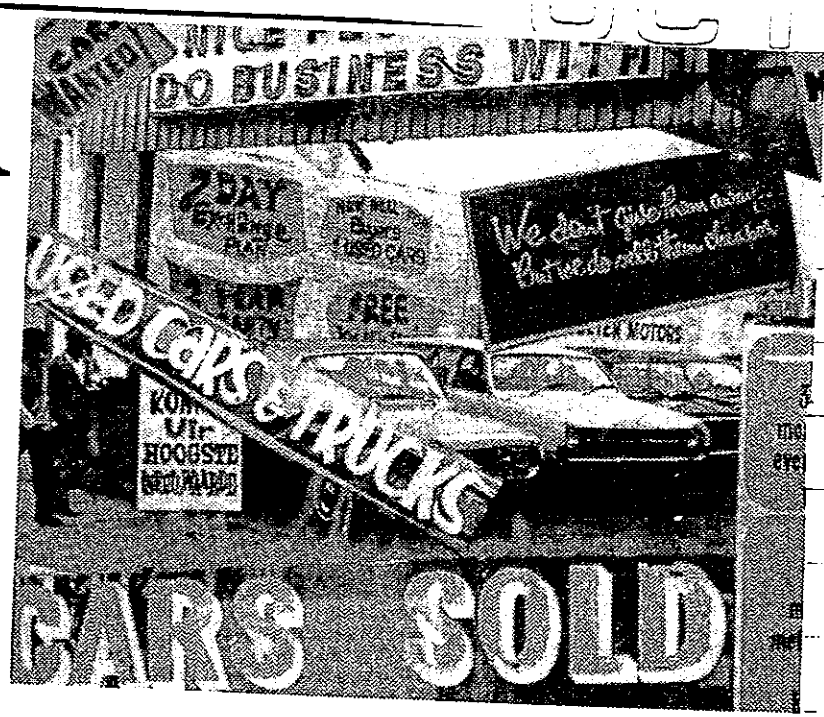
T[...] woul[...] State[...] tion [...] and [...] out [...] Euro[...]

Pic[...] over[...] which [...] to ma[...] ture [...] sition[...]

Sales zoom in the used car market

S Times 16/3/80

30



By VERA BELJAKOVA

A R1 500-MILLION explosion in the used vehicle market has rocketed sales from less than 400 000 units in 1970 to more than 800 000 units expected for 1980.

The growth has far outstripped that for new vehicles. Sales of new cars and commercials were just under 300 000 in 1971 and hardly moved in the following 8 years as a whole, reaching 314 000 last year.

Figures released by the National Association of Automobile Manufacturers this week reveal an exciting leap of more than 20% in new vehicle sales last month — the largest jump for years.

This bettered the growth in sales of used vehicles for the month. But there is always a time lag between movements in new and used vehicle sales, which suggests the used vehicle market will perform still more dramatically later this year.

The figures for the used vehicle market were unveiled for Business Times this week by a key sample of leading vehicle marketers.

Main reasons

Main reasons cited by the experts for the outstanding overall performance of the used vehicle industry include:

- High prices for new vehicles, which have in many cases climbed more steeply than prices for other big-ticket consumer goods. A new car which retailed at R2 900 in 1970 costs R9 000 today.
- The relatively fast rise in black incomes, which has enabled them to lift their share of total sales of used vehicles from some 2% in 1972 to around 30% today. Their share is expected to reach a whopping 50% by 1985.

Annual turnover has doubled in the last 10 years

- The wave of liquidity which has built up in the hands of consumers in the past 18 months. This has enabled many middle-income white families to buy a second car, but not a new one, which is still beyond their means.

Dealers reckon sales would have risen even more steeply but for the shortage of "good" used cars in the R2 000-plus bracket — a result of stagnant new car sales in recent years.

For instance, Hypercar, a subsidiary of Lindsay Sakers, the largest Volkswagen dealer, complains that: "There is just not enough used stock available. Our sales could otherwise have been much higher. Clients seeking higher-priced used cars are being lost to the new vehicle market."

Fastest moving makes at Hypercar are Audis and other Volkswagens, followed by Toyotas and Datsuns.

Despite some evidence to the contrary, certain dealers remain adamant that prices for both new and used vehicles have been trailing behind the rise in the Consumer Price Index.

The McCarthy group has now moved in on the used vehicle market with "Car Bar", offering cars at both retail and wholesale level.

McCarthy, with an annual turnover above R400-million, is 35%-owned by Anglo American Corporation.

The company is expanding its empire, and in the Transvaal alone already controls Clows, Clarke-Datsun, City Sigma, McCarthy Mercedes, Grosvenor Motors, Capital Motors and Cartoria Motors.

'Car Bar'

Until late last year, McCarthy bought in units as trade-ins for re-sale, but profits were disappointing.

Then last October, McCarthy ventured into its first independent used-units division, and based it at a previously slow-moving site, which saw some 15 unit sales a month.

Since Car Bar was launched, it has retailed 45 units a month, at an average of R5 000 apiece, grossing R250 000 a month.

Meanwhile its wholesale division is selling a further 90 units a month, thereby grossing a further R200 000.

Transvaal dealers' figures show that in the past six months higher-priced used cars (average cost R5 000) have been bought as follows: from Johannesburg (29%), the East Rand (21%), Randburg and Sandton (11%), the West Rand (9%), Pretoria (3%), and outlying Transvaal areas (6%).

Obviously, the cheaper end of the used units market has a higher black consumership.

Best-sellers in the higher-priced used car sector as a whole appear to be Fords (Cortina station wagons, 30s, Escort Sports), followed by Volkswagen's Golfs and Audis. Tying for third place are Toyotas, Sigmas and Datsuns.

Fourth on the list, per unit, (higher in overall value) are Mercedes and BMWs.

Dealers say there has been a definite increase in the call for these and other executive cars since October, because they can sell large cars in prime condition for the same price as the new medium-sized models.

Planning delays will put squeeze on motor industry

Tribune 16/3/80

(38)

By Frank Jeans

DELAYS by the motor industry in re-engineering vehicles to accept the Atlantis Diesel Engine range, which is due to come on stream in July next year, could lead to some manufacturers facing unnecessarily tight introduction deadlines.

A spokesman for ADE said the scheme was first announced by the Cabinet in November 1978, giving industry more than two years to re-engineer vehicles to accept ADE engines.

At the time the Minister of Economic Affairs, Mr Chris Heunis, said ADE would become the only official diesel engine manufacturing scheme in South Africa.

He said any other project of a similar nature would be "actively discouraged", and also announced that the necessary protection would be created to ensure viability of the scheme.

"Industry apparently has chosen to regard the announcement by the Board of Trade of the protection package as the official confirmation of the scheme, instead of reacting promptly to the Minister's initial announcement," said an ADE spokesman.

As a result, he said, some manufacturers now faced introduction deadlines that had become unnecessarily tight.

The Atlantis Diesel Engine, which has been established in the Western Cape to meet the country's truck and tractor diesel engine requirement, has won its first major order valued at R350 000.

The order, placed by International Harvester, is for 71 six-cylinder turbo-charged diesel engines to be used by the South African Railways in truck-tractor applications.

The Atlantis engines will be supplied from Germany with delivery in May and June this year.

The factory for the ADE project, about 50 km from Cape Town, is on schedule to meet operations in July.

ADE projects a turnover of R300m by 1983, growing to R440m by 1985.

This will represent a saving in foreign exchange amounting to R260m by 1985.

ARTS 1 AS AT 29 02 80 PAGE 3 13010

COURSE	DESCRIPTION	SYMBOL			
~~143102~~	~~SOCIAL ANTHROPOLOGY I (PRE-1~~		~~(51)~~	~~1~~	~~160942M~~
107101	ENGLISH I (PRE-1980)	3NX		1	157568V
~~115102~~	~~FRENCH INTENSIVE~~	~~F~~	~~(43)~~	~~1~~	~~150296D~~
905101 911101	CHEMISTRY IA CH. 102 MATHEMATICS I M102	ABS ABS		1	158290E
109102	HEBREW INTENSIVE	F		1	154026V
115101	FRENCH I	UP	(55)	1	154362K
117101	POLITICAL SCIENCE I	UP	(55)	1	153981W
107101	ENGLISH I (PRE-1980)	3NX		1	155173R
115101	FRENCH I	UP	(55)	1	159186D
004101	PSYCHOLOGY I	UP	(60)	1	158211U
ERDA 106102	ECONOMIC HISTORY I	ABS		7	*153855J
106103	ECONOMICS IA	UP	(50)	1	162285X
107101	ENGLISH I (PRE-1980)	3NX		1	161662V
114101 ~~116120~~	RELIGIOUS STUDIES I ~~DRAMA I~~	F ~~UP~~	(49) ~~(50)~~	1	162109F
M 004101 107101	PSYCHOLOGY I ENGLISH I (PRE-1980)	2- 3NX	(65)	1	155641A
911101	MATHEMATICS I M102	ABS		1	115954M
102101 ~~114101~~	AFRIKAANS ~~RELIGIOUS STUDIES I~~	UP ~~UP~~	(50) ~~(67)~~	1	159604H
117101	POLITICAL SCIENCE I	F	(48)	1	161491J
~~115101~~	~~FRENCH I~~	~~F~~	~~(37)~~	~~7~~	~~152126E~~
115101	FRENCH I	ABS		1	155720L
~~116120~~	~~DRAMA I~~	~~ABS~~		~~7~~	~~152089D~~
004101 107101 ~~115101~~	PSYCHOLOGY I ENGLISH I (PRE-1980) ~~FRENCH I~~	3 3 ~~3~~	(57) (59) ~~(56)~~	1	155148P

Call for suburbs clean-up

Argus 17/3/80

(30) (~~31~~ (~~27~~

Municipal Reporter

A NEW ratepayers' and tenants' association has been formed in Woodstock and Salt River to campaign for the upliftment of the area.

Its acting chairman, Mr Mike Hanslo, said in an interview that members wanted industry moved out, making the area purely residential.

They also wanted unsightly yards and rubbish-filled lanes cleaned up.

Mr Hanslo said about 90 percent of residential properties in the new coloured areas of Woodstock and Salt River and a mainly industrial section of Salt River where both white and coloured people were allowed to live, were now owner-occupied.

'We pay high rates,' he said, 'and we feel the City Council should do more for us than merely collect our refuse.'

He said the new Salt River and Woodstock Ratepayers' and Tenants' Association, formed three weeks ago, had 142 members and hoped to have 200 soon.

PUBLIC MEETING

A public meeting would be held in three weeks' time in the Railway Institute at which a committee would be elected.

Meanwhile, there was an acting committee with Sheikh M G Booley as chairman and Mr E Isaacs as secretary.

Mr Hanslo said the proclamation of parts of Salt River and Woodsotck as coloured residential areas last year had made the area one of the few places near the city centre where coloured people could buy houses.

'But Salt River is a slum,' he said. 'It is full of alleyways strewn with filth and unsightly, sagging fences. Yards are left full of litter with the City Council apparently taking no action to make the owners clean them.'

'Press on for scrapping of race bar'

30 (343) Post 17/3/80

By MALOSE MATSEMELA

THE president of the National Federated African Chamber of Commerce, Mr Sam Motsuenyane, urged the Urban Council Association of South Africa (Ucasa), to pressurise the Government to scrap all discriminatory laws in South Africa.

Mr Motsuenyane was addressing the first annual conference of Ucasa held at the Vlakfontein Technical High School in Mamelodi, Pretoria, yesterday.

About 300 people attended. He said the laws are busy bedevilling race relations in the country. "It is for Ucasa to negotiate with the Government, to abolish all these laws," he said.

Black urban townships must be replanned and rezoned but they could have portions reserved for business, industry and residential areas.

All existing backyard and cottage industries should be legalised and appropriately licensed. "Blacks in South Africa are never given a chance to start projects without them being told that it is illegal," he said.

Councils must agitate vigorously for a change in the present system of land tenure in the urban areas. He said even the 99-year lease arrangement was not satisfactory.

Blacks should be given free-hold rights in order to enable them to obtain more easily adequate security to raise loans for home improvements, business development and to meet educational expenses of their children," he said.

FUNDS

He pointed out that the infrastructure in black townships had electricity, roads, water but leaves a great deal to be desired and must be made more attractive especially for business development purposes.

Funds generated from the townships should, whenever, possible, be invested in a manner that enables the funds to benefit residents or projects within a community.

"Urban councils should in consultation with the Chambers of Commerce and industry, and other community leaders in general plan how to deal with the danger of white business infiltration into the black township," Mr Motsuenyane added.

STU15-4 EXAMINATION RESULTS IN FACULTY ARTS PAGE 1

13020 BACHELOR OF ARTS YEAR : 2 AS AT 29 02 80 13020

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
~~1342047~~	~~[illegible]~~	~~[illegible]~~	~~111202~~	~~HISTORY II~~	~~3-~~	~~(52)~~	~~3~~	~~1342047~~
1374528	ALLIX	MARK LORAINE	104101	ARCHAEOLOGY I	ABS		7	1374528
~~1407466K~~	~~[illegible]~~	~~[illegible] MICHAEL~~	~~107344~~	~~ENGLISH II~~	~~ABS~~			~~1407466K~~
120414K	CONRADIE	ELSABE-MARIE	003301	SOCIOLOGY III	ABS		7	120414K
			117201	POLITICAL SCIENCE II	ABS			
1384970	DE VILLIERS	JEANINE KAREN	115104	PHILOSOPHY I	2-	(67)	1	1384970
136110N	ESAU	FAJKA	105302	SOCIAL ANTHROPOLOGY II(PRE	F	(48)	7	136110N
136962X	ESSMANN	SONJA BRIGITTE	101195	AFR LANG INTENSIVE (XHOSA)	2-	(60)	1	136962X
			115105	ITALIAN INTENSIVE	3	(51)		
~~1142076~~	~~[illegible]~~	~~ELIZABETH ANN~~	~~114216~~	~~DRAMA II~~	~~F~~	~~(46)~~	~~1~~	~~1142076~~
113763F	FIELD	MAUREEN DAWN	113101	CULTURAL HISTORY OF W.E. I	ABS		1	113763F
			502107	HISTORY & THEORY OF ART I	ABS			
137811V	GARSON	CATHERINE MARY	105202	SOCIAL ANTHROPOLOGY I(PRE	2-	(60)	1	137811V
							~~1~~	~~113790K~~
							1	115526Y
							1	134419H
							1	098717D
							1	134706E
							1	133266E
							1	114692D
							1	139615F
							1	133262D
							1	133615J
							1	133140T

UCT

Pick 'n Pay's R120m growth plans

BY PAUL DOLD
Financial Editor

PICK 'N PAY is primed for a R120m expansion over the next 2½ years which will expand the trading area by some 40 — 50 percent and add almost a score of new stores to its chain across the country.

This new growth phase, the biggest in the group's history, will lead to the total trading area soaring by 50 percent from the 1979's 97 000 sq m.

The stores will consist of hypermarkets, super stores and conventional supermarkets and are to be sited in areas new to Pick 'n Pay.

Privately, Pick 'n Pay executives are already boasting that their group, in sales terms, is larger than Checkers, always considered thus far to be the largest supermarket chain, and are looking forward to Greaterman's group chairman Mr I Kaye giving a breakdown of the turnovers of the various group divisions in the next annual report.

And they are confident that Pick 'n Pay's increase in trading area will produce a comensurate rise in sales and profits.

Towards clash

Turnover is crucial to the struggle for surpemacy — the group with the largest sales will be able to negotiate far better deals with manufactur- and hungry as in the early days.

No doubt the group benefitted from the heavy advertising and promotional expenditure which seems to have paid off handsomely.

Only the start

Retail industry sources suggest Pick' n Pay's Port Elizabeth campaign must have cost some R200 000 and clearly this is only the start.

Pick 'n Pay's strategy is to develop and build new stores now before rentals and general building costs escalate. The group has always adhered to the policy that it is in retailing and not property and while this will be maintained there is little doubt that pick 'n Pay will end up owning many of the new developments.

Among the galaxy of new stores are a superstore at Carltonville of 8 000 sq m which looks as if it will contain many merchandising innovations and is probably destined to fill a gap between the hypermarket and supermarket.

This could be useful if pro- pansion into new and allied fields but no decision has been reached as yet.

Ackerman is being cautious and is well aware of the track records of others who have diversified and failed.

Full time executives have been allocated into assessing expansion plans and a third or even fourth retail chain cannot be discounted.

Ackermans has always maintained over the years that there is currently only room for 15 hypermarkets in South Africa. This total is fast approaching and the time is approaching for new bold moves.

Crowds of shoppers are continuing to pack Pick 'n Pay's new Port Elizabeth hypermarket dubbed th "friendly hyper" which achieved a opening turnover of close to R1m over four days.

and it is a battle which neither of the two big chains can afford to be vanquished. There is little doubt that the vast food chains are moving towards a head-on clash and that the Port Elizabeth blood letting is but the beginning of tremendous test of strength in the market place.

Checkers has already announced several new stores for Cape Town and there are indications that the battleground will spread to this city as well. Retail sources believe Checkers may substantially expand its multi-market in Cape Town soon and many more supermarkets could be opened in coming months.

Raymond Ackerman is encouraged by the success of his hypermarket at Port Elizabeth which opened three months after Checkers on a site further from the city centre.

In the first four days' trading the hyper had a turnover of close to R1m exceeding all group budgets. And Ackerman feels that the result has shown that the group is still as lean

hypers continue to mount. Although smaller in size than a hyper (a hyper is normally a store of more than 10 000 sq m) it is designed to offer many of the trading advantages of the larger stores. A similar store is planned for Witbank.

A new hyper

A new hyper is scheduled for Steeldale, Johannesburg which will be as large as the pioneering store at Boksburg, Transvaal and a second hyper will be built elsewhere. Other stores are to be sited at Durban, the West Rand, East Rand, Pretoria, W Cape and even the Vaal Triangle. This will be in addition to the normal expansion and renovation of existing branches.

The first round of the group development was the supermarket chain followed by hypermarkets and now the first phase of the hyper programme is being completed.

The board is already studying various programmes for ex-

STU13-0 EXAMINATION RESULTS IN FACULTY ARTS

13020 BACHELOR OF ARTS AS AT 29 02 80 PAGE 1

YEAR : 2

13020

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
~~1342042~~	~~ADAMS~~	~~FAULUNESSA~~	~~1102.2~~	~~HISTORY II~~	~~3~~	~~(52)~~	~~3~~	~~1342042~~
137452E	ALLIX	MARK LORAINE	104101	ARCHAEOLOGY I	ABS		7	137452E
~~140746K~~	~~GOVAIRE~~	~~ANDREW MICHAEL~~	~~107201~~	~~ENGLISH II~~	~~ABS~~		~~1~~	~~140746K~~
120414K	CONRADIE	ELSABE-MARIE	103301 117201	SOCIOLOGY III POLITICAL SCIENCE II	ABS ABS		7	120414K
1384970	DE VILLIERS	JEANINE KAREN	113104	PHILOSOPHY I	D-	(67)	1	1384970
136110W	ESAU	FAIKA	103302	SOCIAL ANTHROPOLOGY II(PRE	F	(48)	7	136110W
136962X	ESSMANN	SONJA BRIGITTE	101103 115103	AFR LANG INTENSIVE (XHOSA) ITALIAN INTENSIVE	2- 3	(60) (51)	1	136962X
~~112070~~	~~FELLOWS-SMITH~~	~~ELIZABETH ANN~~	~~114218~~	~~DRAMA II~~	~~F~~	~~(46)~~	~~1~~	~~112070~~
113763F	FIELD	MAUREEN DAAN	116101 592107	CULTURAL HISTORY OF W.E. I HISTORY & THEORY OF ART I	ABS ABS		1	113763F
137811V	GARSON	CATHERINE MARY	103202 107201	SOCIAL ANTHROPOLOGY I(PRE 1 ENGLISH II	2- 2-	(60) (60)	1	137811V
~~113786K~~	~~GRAZIANI~~	~~MARIO GUIDO~~	~~105105~~	~~LATIN ELEM~~		~~(54)~~	~~1~~	~~11370~~
113526Y	HARPUR	COLIN ANDREW LINDSAY	084101 113104	PSYCHOLOGY PHILOSOPHY				
134419H	HAY-WHITTON	ALEXANDER MARK	105202	LATIN II				
094717A	HORWITZ	ROXANNE ALETHEA	115201	RELIGIOUS S				
139706E	HOUGH	COLLEEN DESIREE	911201	MATHEMATICS				
133266E	KOSCIUCH	KAROL FRANCISZEK	107201	ENGLISH II				
114692S	MAVROS	SUZANNE DOROTHY	107201 114201 115201	ENGLISH II RELIGIOUS S FRENCH II				
139615F	NAZEL	ABRAHAM	117101	POLITICAL SC				
1326280	MEYER	LEONARD HENRY	106202	ECONOMICS II				
133615J	MILLER	CARLENE RUTH	101103	AFR LANG INT				
133140T	OLIVA DAY	DIANA EMMA	107101	ENGLISH I (F				
133546J	OMAR	ABDUL RASHIED	106202	ECONOMICS II				

RAND DAILY MAIL, Wednesday, March 19, 1980

Yet another recognition for Sanlam

(30)

RDM 19/3/80

INTERNATIONAL recognition as one of the major developers of shopping centres outside the United States has again been accorded Sanlam by the authoritative American journal, the National Mall Monitor.

The journal, which circulates internationally and specialises in shopping centre information, places Sanlam eighth in its latest annual listing in respect of gross lettable shopping areas controlled by companies, excluding those in the United States.

With an area of 2 529 907 square feet (235 028 square metres) under its control Sanlam is shown as being ahead of the Ayala Corporation of Metro Manila in the Phillipines (1 838 580 square feet), ninth, a position occupied by Sanlam in a previous listing. The list is headed by the Cadillac Fairview Corporation Ltd, located in Toronto in Canada, which controls more than 16,4 million square feet of lettable shopping area. Sanlam is the only South African company listed.

Commenting on Sanlam's listing, Mr Etienne le Roux, assistant general manager of Sanlam, said that the addition of two new large shopping centres, Sanlamsentrum Middestad in Pretoria (12 000m²) and the Sanlam Golden Acre (15 000m²) in Cape Town, which are both now operating successfully, had contributed to the prominent position held by Sanlam in world shopping centre development.

"A feature of our property portfolio has long been the development of shopping centres at growth points in the Republic and we have been able to build up a great deal of specialist knowledge over the years in this field," he said.

Mr Le Roux broadly endorsed the views of the National Mall Monitor in the article accompanying its listings in which it made reference to the worldwide trend towards smaller shopping centres in place of large regional centres and to the redevelopment of prime central business district sites.

"Apart from some exceptions I think that the demand for large regional shopping centres in South Africa has now been largely fulfilled at present but a massive upsurge in the economy could change the picture in later years," said Mr Le Roux.

TRUCKING '80

Oshkosh make first all SA truck

WHAT IS CLAIMED to be the first truly South African truck — the S-Series from Oshkosh — was launched in Cape Town this month and is a further decisive step towards breaking South Africa's dependence on imported heavy trucks.

While Oshkosh has established a reputation for high local content in the manufacture of its R and E-Series, the new S Series takes the concept of a major step further.

Engineered to meet local conditions (rather than American and European) the S-Series has been designed by South African engineers at Oshkosh Africa in Paarl.

Frank Bartos, managing director of Oshkosh (Africa) said: "The S-Series represents over five veras of study of the local big truck market by Barlow's engineers. During that time we have been building up the local content of our R and E Series trucks and analyzing the changes that have taken place in the South African truck market."

"These include the increasing emphasis on driver comfort, fuel economy and application flexibility for long distance, heavy duty and off-road service."

The S has also been designed to take bigger engines than those currently doing duty in SA.

"We believe that the bigger capacity engineers will come into their own with the increasing need to maintain speeds on inclines," says Mr Bartos. "More kilowatts don't have to mean increased fuel consumption — the greater power making for steadier and faster hauling."

In fact, the Oshkosh managing director also points out that bigger engines mean that the units can operate in the better part of the fuel consumption curve. This has a further pay-off in that more power means longer component life, slower prop-shaft speeds and less noise.

Maximum economy has been built into the S-Series as an integral part of the design and development done at Oshkosh Africa.

- A high-speed rear axle ratio allows bigger and stronger gearing, which reduces gear tooth loading by up to 60 percent, thereby extending rear axle life and increasing reliability.
- Low propshaft speeds reduce drive-line shocks and noise and extend the component life.
- A Horton fan clutch which reduces fuel consumption by up to seven percent, cuts noise levels and provides more available power at the drive wheels as it operates for only about five percent of total running time.
- The direct-drive Fuller Roadranger transmission features the proven twin countershaft design. This makes for a high capacity, long-life transmission with compact dimensions.

From a design point of view, the first of four S-Series — running in the SAB Livery on the Witwatersrand — has already caused considerable excitement in trucking circles.

"The semi-forward control or the short BBC concept is the trend now in the US and SA. Europe has always favoured this design," said Mr Bartos.

"The reduction in wind resistance achieved by the short BBC design — combining the best features of the long-bonnet R and E — means that the fuel consumption figures being achieved with the Caterpillar 3406 economy six-in-line diesel engine with a net power of 205 kW at 1 900 rpm and a 25 percent torque-rise in the low, low forties."

The S is also available powered by the Cummins Formula E 290 engine.

An economically designed cab and its improved suspension make for driver comfort and safety not seen in this country before.

"We have found that with the increasing emphasis on the investment in driver training and the difference a good driver makes to containing fuel costs, operators are looking to improving driver conditions in an effort to keep them in their employment and working at optimum levels.

"The days of skimping on driver comfort are over in this country. The 'climate in the cab' is going to be a key consideration on long-haul in the 1980's."

For fleet operators the high degree of parts interchangeability with other series Oshkosh trucks is an added benefit.

Mr Bartos said: "At the design stage we had extensive consultations with component manufacturers to make certain of supplies and, most important, that we were getting the most out of their engineering expertise."

The locally made and proved Rockwell standard "Six Rod" suspension which has met with wide acceptance by hauliers in the US and Australia as well as SA, and a Jacobs engine brake completes the package.

"We have just completed major re-structuring operations on our marketing and servicing side with the Oshkosh truck supply company in the Transvaal and being brought under the control of the operation at Paarl," said Mr Bartos.

"This will make for a faster information flow between the sales and engineering side and that can only be to the customers' advantage."

The manufacturing side of Oshkosh has had a remarkably successful year.

● Details of the Oshkosh S-Series on page 19

● First buyers of the new Oshkosh S-Series were Mr and Mrs G J van der Merwe (left) and Mr and Mrs Naas van der Merwe, the farming brothers from the Houdenbek fruit and vegetable farms at Kouebokkeveld, near Ceres, and their driver Jan Rooi, all of whom attended the launch of the new truck as guests of the manufacturer.

Trucking '80 Feature written and produced by Brian Grobbler, Motoring Editor

Avis try harder in the truck rental business

TRYING harder to get a larger slice of the truck rental market Trucks are poised for a national push in 1980.

The company has bought a further two drop-side Boxer 1300 trucks from Leyland.

Long associated with car rental, Avis established its independent truck company at Isando headquarters in 1972, restructuring the company last year for anticipated market growth. Plans on the drawing board at present include a national chain of sales and servicing outlets.

Rising costs

The rising cost of heavy vehicle purchase and maintenance has contributed to increasing customer use of the rental concept says general manager, Mr Tom McGhee.

"Acceptance has reached the point where we now have regular customers who plan for peak periods each year and use our service to augment their own fleets during this time," he said.

Planning

Meticulous planning is required to optimise the use of expensive vehicles, and McGhee maintains that company policy stands Avis in good stead in this respect.

"The Avis marketing policy has long been to offer the best service and best vehicles ont he road. This requires planned, regular, maintenance programmes. Servicing and maintenance facilities are a vital part of all our operations."

"In addition, we pride ourselves in being able to offer the right truck for the job."

That's not easy when an endless variety of applications can call for anything from lightweight 'bakkies' to an 8-ton, crane-mounted truck. But truck purchases are much motivated by customer demand and acceptance.

"We prefer to test a particular truck before purchase in order to determine customer reaction and have in this way selected a group of vehicles which meet a wide range of requirments."

The biggest trucks in the Avis fleet are the 8-ton Leyland enclosed vans and dropside trucks with crane which hae been purchased during the past 18 months.

"In supplying trucks to be driven by anyone from the householder moving home, to large concerns with trained drivers, simplicity of operation is important. The Leyland trucks with their 'no-frills' instrumentation and handling meet these requirements.

"Another positive reaciton we received is that with the increased cubic capacity of the Boxer 1300 volume van, customers are able to maximize lightmass loads and costs.

"Maintenance and [illegible] aspects are also a det[illegible] factor. We can't affor[illegible] downs while the truck[illegible] use, but if it becomes t[illegible] to maintain the truck i[illegible] condition, we would b[illegible] to offer competitive charges."

For the wide range [illegible] tomer applications, Av[illegible] a wide range of ser[illegible] full-maintenance truck[illegible] plan releases client ca[illegible] more profitable use el[illegible] while improving pro[illegible] through the use of ne[illegible] maintained vehicles. C[illegible] responsibilities are re[illegible] driver, fuel, insurance [illegible] erations licence — [illegible] derwriting depreciat[illegible] pairs and service. Avis [illegible] are also available wh[illegible] periods demand not on[illegible] vehicles, but more pe[illegible] drive them.

In other words, tryin[illegible] is interpreted as an al[illegible] fort to capture more [illegible] share by offering supe[illegible] vices and vehicles.

In fact, the Oshkosh managing director also points out that bigger engines mean that the units can operate ...

the 1980's."

For fleet operators the high degree of parts ... other series, Oshkosh

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 2

13030 BACHELOR OF ARTS YEAR : 3 13030

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
133100Z	VILJOEN	ADELE	116317	DRAMA III	2-	(.63)	.4	133100Z
113116C	WANNENBURG	MOIRA MARIA	906307	GEOGRAPHY IIIB (HALF COURSE	UP	(.51)	4	113116C
096146G	WELGROVE	CAROL TESSA	110301	HISTORY III	F	(45)	5	096146G
096560G	WILLIS-SMITH	GRANT	906205	GEOGRAPHY IIB (HALF COURSE)	ABS		4	096560G
103278J	WYNGAARD	GAIL ESTELLE	110301	HISTORY III	F	(43)	4	103278J
114463R	ZOELLER	CHRISTOPHER HANS	102101	AFRIKAANS	ABS		5	114463R

~~* TOTAL NUMBER OF STUDENTS 29~~

DEAN

REGISTRAR (ACADEMIC)

UCT

New Datsun *bakkie*

DATSUN light commercial vehicle or bakkie fans in South Africa already number more than 200 000 and they should increase substantially with the introduction of the latest from Datsun-Nissan — the Datsun 1400 bakkie.

At the same time, the company has announced a new Datsun 1400 panel van.

Both these vehicles replace their equivalent in the 120Y series, while retaining many of the features that have made the 120Y bakkie and panel van so successful.

Very similar in outward appearance to its predecessor, the new Datsun 1400 bakkie has a 1 400 cm^3 engine, a big capacity and improved torque.

Power output has been increased by 24 percent to 52 kW at 6 000/rpm and the torque has also been substantially improved from 88 Nm to 100 Nm, at 4 000/rpm ... new Datsun ... erful bakkie ... market. Loc... the A14 engi... more fuel-e... mass comb... conditions.

This engin...

30 192 2

and panel van

TRUCKING '80

...s makes the ...he most pow... class on the ...velopment on ...s produced a ...ent/power-to-...n under all ...ch is fitted to both the 1400 bakkie and the 1400 panel van, is the same as that of the 140Y-SDX sedan which did so well in the recent Total Economy Run, winning Class B with a consumption of 6,41 ℓ/100 km.

Inside the 1400 bakkie, the driver finds much to aid his comfort with a re-designed bench seat with new perforated vinyl inserts, loop-pile moulded floor carpeting and a heater-/demister option.

New features outside the vehicle include: a "Datsun" badge on the left-hand side of the grille, a "Datsun" decal in reflective material fitted to the tailgate, and "Datsun 1400" badges on the front fenders. The Datsun 1400 bakkie comes equipped with radial ply 155 SR x 12 tyres as a standard feature.

The new Datsun 1400 panel van has been fitted with a new front end which is the same as that fetured in the "Y" sedans and has a semi-matt painted grille with a "Datsun" and a "Y" badge.

The new "Datsun 1400" badges also appear on the rear fender panels and on the right-hand side of the tailgate panel. The styled 13" x 5J press steel wheels have chrome wheel nuts and a small wheel centre cap, a heater/demister and radial ply tyres as standard equipment.

A more powerful engine than the 120Y version, a big load area and a low loading sill make the Datsun 1400 panel van an attractive proposition for those requiring power combined with an accessible loading area and outstanding good looks.

Datsun Nissan is generally recognized as the manufacturer which paved the way for successful bakkies in this country, and these two latest models in the new 1400 range should do much to enhance this reputation even further.

● The new Datsun 1400 de luxe bakkie which among its many features has alloy wheels, specially designed by Tiger Wheels of Johannesburg.

BELOW: The two new Datsun models, the 1400 bakkie and the panel van.

Three new Trax models for SA

THREE new models are planned for release in 1980 by Interstate Motor Vehicle Company, builders of the custom designed "Trax" luxury off-road vehicles. The new models are aimed at both the export and local markets.

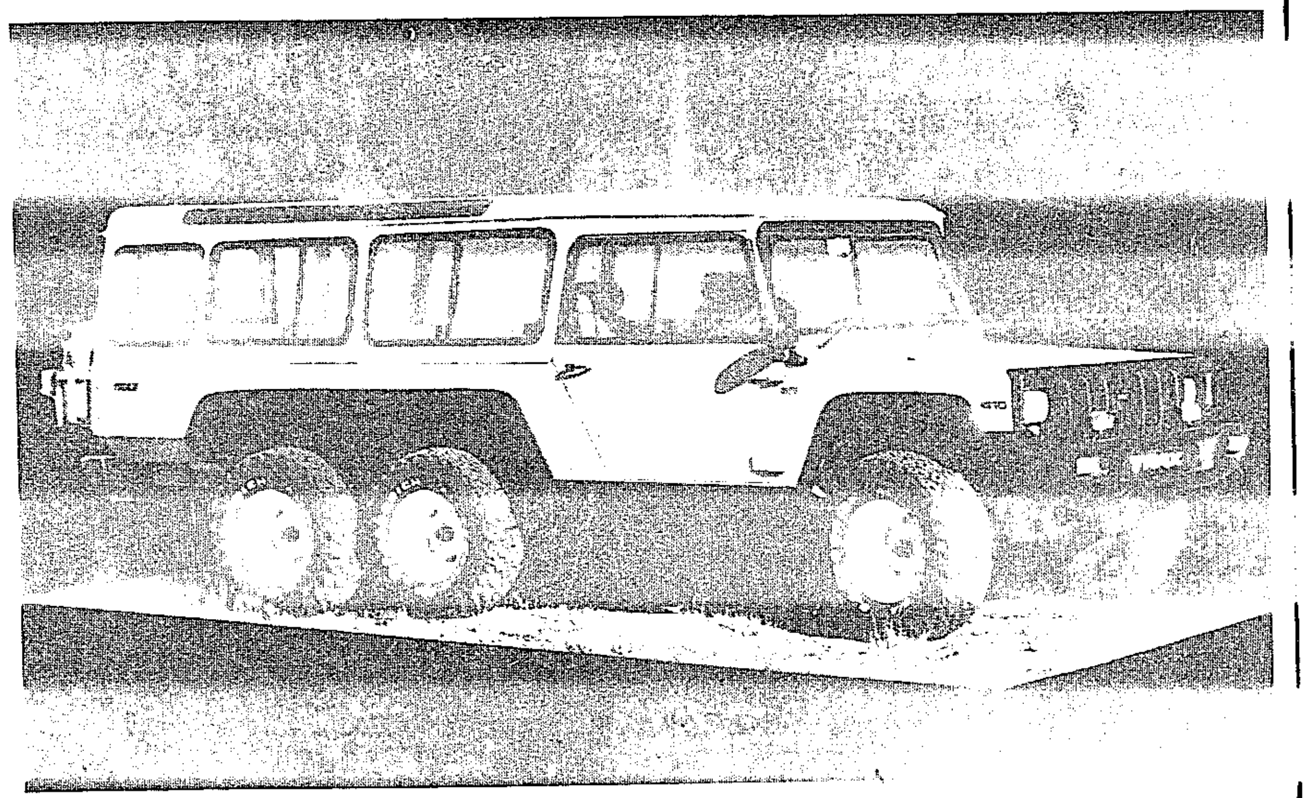
Interstate's approach to vehicle design is that its basic Trax configuration is readily adaptable to numerous applications. The company combined its own designs and manufacture with a variety of locally sourced components to achieve a local content percentage claimed to be in excess of 90 percent.

The new designs, the Turnpike Cruiser, Voyager and the Tourista, are prime examples of this approach.

The Voyager and the Turnpike Cruiser are the first six wheel Trax models to come onto the market. These are essentially a Trax with an extended chassis and a "dead" axle carrying another set of wheels.

Both six wheelers are two wheel drive with optional robust automatic transmissions and a choice of engines having sufficient power for the configuration.

● **The Turnpike Cruiser, seen below, has a similar configuration to the Voyager but has air-conditioning, plush upholstery and other luxury fittings for touring or camping parties. It is expected there will be considerable interest in this unique, high-speed, luxury personnel carrier.**



Lectures on vehicle fuel saving

A NEW fuel saving programme, which applies to every person involved with vehicles in an organization, is now being offered by H C Eggers and Hellberg (Pty) Ltd, consultants in transport, vehicles and equipment.

The programme, offered as a complete course or in individual sections, is designed so that each individual is taught as much about the subject as he needs to know for his daily activities. This has resulted in the programme being broken down into the following sections:

1 **Vehicle selection and fuel economy:** basic principles involving driveline choices, power-to-mass ratio, vehicle size, fuel use and tyre equipment, add-on items such as wind deflectors etc.

2 **Fleet management and fuel economy:** description of management control systems that are necessary to maintain good fuel use.

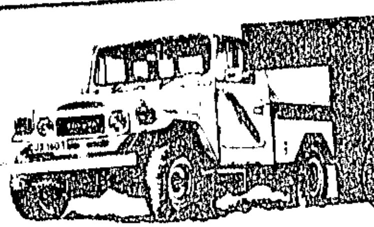
3 **The driver and fuel economy:** driving techniques that make optimum use of fuel; basic maintenance checks the driver should make; types of faults that must be reported.

4 **Vehicle maintenance and fuel economy:** fauls causing incomplete combustion; faults causing excessive power consumption; diagnosis and rectification of these faults.

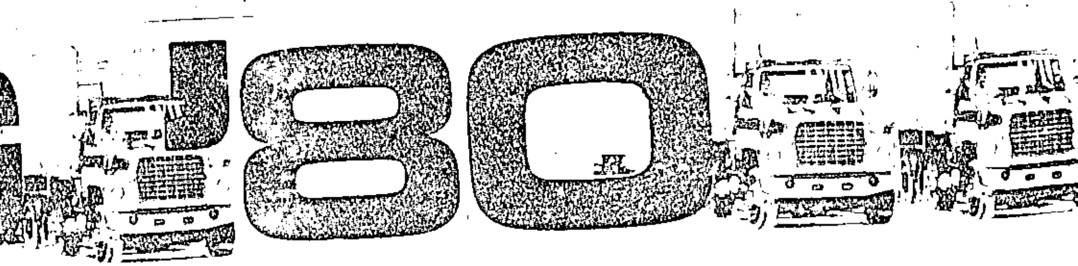
"The programme will only be offered to clients if we are satisfied that they can save much more than it cost them," said Dr Helmuth Eggers, managing director of H C Eggers and Hellberg.

"It will be tailored to meet the client's individual circumstances to ensure that personnel can directly apply the course content to their day-to-day activities," he added.

Courses are presently being offered in English, Afrikaans and Zulu and can be held at venues and times suitable to the client. Each section takes about one hour, depending on delegate participation.



TRUCKING '80



30

Leyland SA drives ahead

THE WORST is over for Leyland South Africa, according to Mr Arne Pitlo, director of public affairs.

"We have already stated categorically that we are in South Africa to stay and now Leyland is driving ahead and going ahead as before."

FOR Leyland South Africa, 1979 represented a year of considerable change. Initially, in partnership with Sigma Motor Corporation, the British-sourced manufacturer entered the year as Sigma Leyland.

The never-to-be merger of Leyland's powerful truck, bus, tractor, special products and 4-wheel-drive division with the smaller Sigma Earthmoving and Truck Division had the formula for success because of Leyland's strength in the heavy commercial vehicle and 4 x 4 specialist equipment markets.

On the car side, Sigma needed a luxury car range and the Jaguar and the Rover were found to be the ideal top-of-the-line products to supplement Sigma's small and medium car range.

With the termination of the merger Leyland emerged in much the same situation as when it entered into the merger.

Leyland has an extremely powerful product range and distribution network for its trucks, buses, tractors and special equipment.

As the major strength of the company, Leyland has built on this strength since May, 1979, and market penetration has gone up from 6,9 percent to nearly 13 percent. No small achievement in less than six months.

The company has appointed more than 80 new car and light commercial vehicle dealers. Again a considerable achievement in a period of four months.

In terms of passenger car product, Leyland still has the Jaguar, the Rover, the Mini and the Land Rover — the product range which Sigma so badly wanted to bolster its own product range. And if Sigma saw a future for those products Leyland knows there is a future for them too.

For a company like Leyland to have successfully endured the trials and tribulations which it has in 1979 and to still be confident that it has a future in South African Motor Industry it must be made of pretty strong stuff. Leyland is quite adamant about its ability to not only stay in the overall industry market place but even to secure for itself an ever increasing market share.

Leyland's new management team is dedicated to achieving this goal and with the declared backing of massive British Leyland the company can look to a successful future.

Truck and bus

With an annual turnover of in excess of R100 million, assets at well over R75 million, a current order book for trucks, buses, tractors and specialised equipment comfortably worth more than R50 m and the one hundred percent support from British Leyland, which is investing more than R1 000 m in the development of massive new manufacturing complexes to build a whole new generation of cars, light and heavy commercial vehicles for the next two decades, Leyland South Africa has all the fundamental reasons for remaining in this country as a major contender in the stakes of the top South African motor manufacturers.

While earlier speculations about Leyland's doubtful future in South Africa was rife, the company made a major policy announcement of its firm and total committment to remain in South Africa in all the vehicle sectors which include cars, light and heavy commercials, tractors and specialised earthmoving and mining equipment.

Obviously Leyland's strength has always been in its heavy vehicle bus, tractor and special equipment markets and it was this section of the company which was left completely unaffected by the termination of the merger negotiations with Sigma.

For that it can be gathered why this divison of Leyland now finds itself in such a good shape.

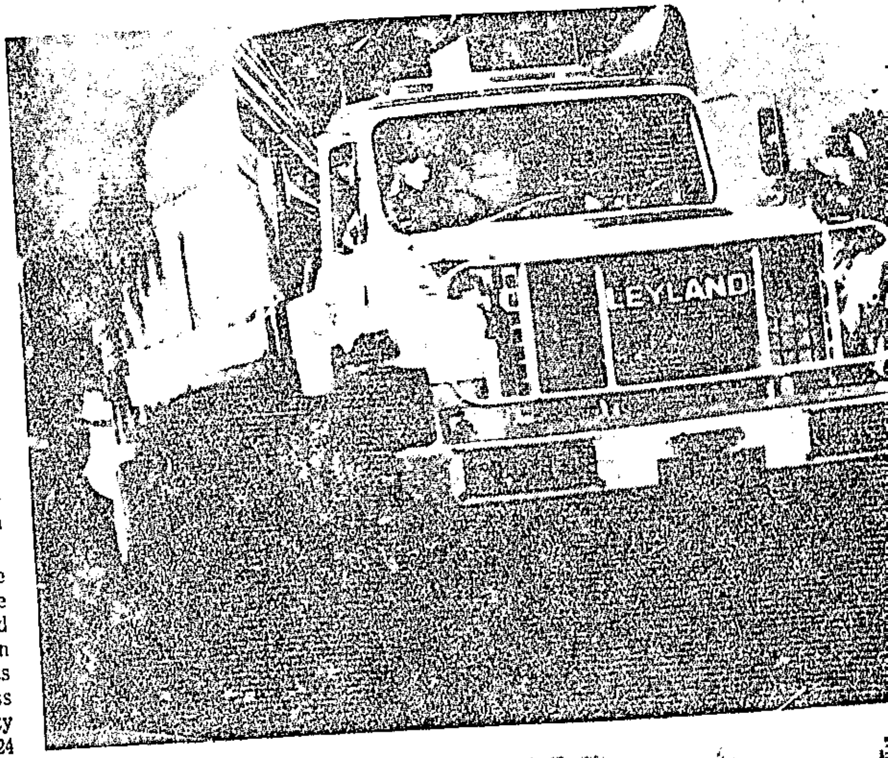
Leyland commands a massive nation-wide dealer network for its trucks, buses and other equipment of more than 70 dealers, 20 of which are branches wholly owned by Leyland.

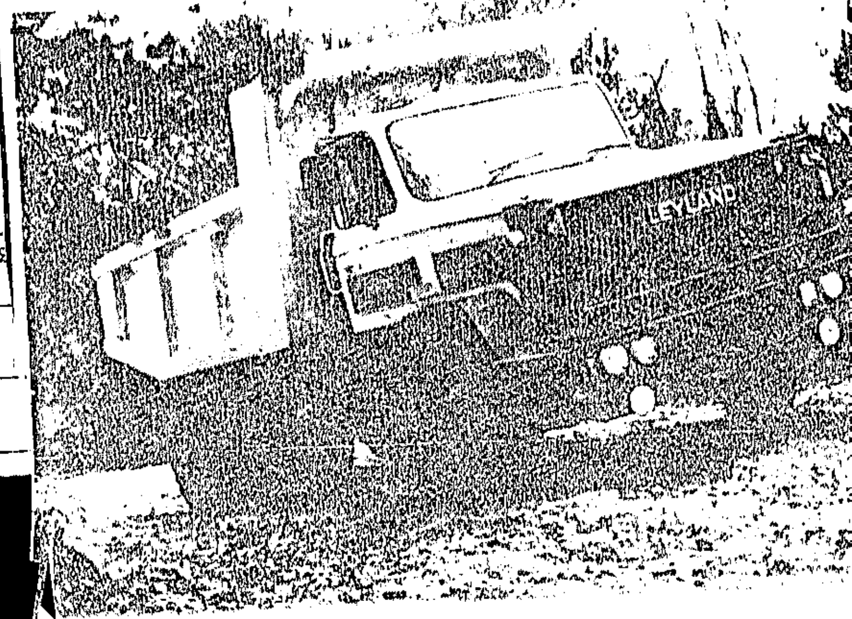
Quite apart from its future product strength Leyland has also appointed a new chairman, Mr Frank Andrew, and a new managing director, Mr Leslie Wharton, both of whom must add further emphasis of Leyland's intent to stay in this country.

In the car and light commercial vehicle division Leyland has achieved a remarkable record of appointing more than 50 dealers since the termination of the merger negotiations.

This has given Leyland a country-wide dealer network of cars and light commercial vehicles within only four weeks and dealers were being appointed at the rate of almost three a day.

As far as heavy vehicles are concerned, Leyland has more than 50 000 vehicles on the road in this country, supported by an investment of R35 m in assets and a parts inventory in excess of R15 m and an availability factor of 95 percent within 24 hours.





STU13-9 EXAMINATION RESULTS IN FACULTY ARTS

14149 B.A./~~[illegible]~~ YEAR : 4

STUD NO	SURNAME	FIRST NAMES	COURSE	DES
~~102531~~	~~[illegible]~~	~~ROSEMARY KATHERINE~~	~~102101~~	~~AFRIK~~

* TOTAL NUMBER OF STUDENTS 1

DEAN

Landtrains for export

LEYLAND VEHICLES Ltd (LVL) have announced a new range of rugged bonneted truck models designed for Middle East, African, Latin American and Far East markets.

Called Landtrain, the new range is the only one from any European manufacturer to be designed specifically for these markets. It will be built at the Leyland Plant at Wolverhampton, and models will be exported either as complete vehicles or as components sub assemblies for subsequent local assembly.

As South Africa is one of the countries to which BL exports trucks, the Landtrain should be seen here in the near future.

Offering 'European' standards of driver comfort and driver ease coupled with the essential features of high reliability and durability and ease of servicing and maintenance, Landtrain covers eight basic models with gross mass ranging from 19 to 65 tons. The eight models include both two and three axle derivatives for rigid vehicle (haulage tipper), drawbar and articulated vehicle applications.

Five wheelbases cover the full Landtrain model range:

4 x 2 models for drawbar and solo haulage	5 680 mm
4 x 2 models for tipper operations	4 750 mm
4 x 2 models for Arctic operations	4 130 mm/4 750 mm
[illegible] for drawbar and solo haulage	5 [illegible]80 mm
6 x 4 models for tipper operations	4 270 mm
6 x 4 models for Arctic operations	4 270 mm

Landtrain models supersede the Leyland Super Hippo and Super Beaver, and they supplement the Marathon, Scammell LD55 and Scammell Crusader model in appropriate markets.

To ease model identifications in all markets, Landtrain trucks are distinguished by a four number code displayed on the cab door.

The first two digits in the code refer to the vehicle's solo gross mass and the last two digits to the first two figures of the gross power rating of the engine fitted to that vehicle.

The high comfort bonneted cab fitted to Landtrain is derived from that fitted to the successful Leyland 'G' cab truck range.

Available in either left or right hand drive forms, the cab is tastefully trimmed and it is equipped to the high standards expected for a 'European' truck.

Depending on model and market, Landtrain models are offered with either Leyland or Cummins naturally aspirated or turbocharged engines with outputs up to 216 kW (290 bhp). These engines are carefully matched to either Eaton or ZR gearboxes or, in the case of the higher output engines, to Fuller multi-speed gearboxes.

Drive line specification is topped-off by the Leyland hub reduction axle, which is specified across the board, with a choice of ratios to provide the desired performance.

Other notable features of Landtrain include: the frame which is based on that fitted to the highly successful Scammell Contractor; a full paint finish specification to minimize cab corrosion; and the fitting of many additional items such as radiator stone guard, wing mounted oil bath cleaner and full width brush guard as standard.

Market potential

Landtrain production facilities have been planned to support an output of 4 000 trucks a year in a combination of fully built up units and component-sub assembly kits.

Built-up units will be exported to countries such as Egypt, Jordan, Kuwait and Saudi Arabia with countries such as Nigeria, Sudan and Kenya using their own local facilities to assembly vehicles from kits.

Export sales revenue is expected to hit around R75-million a year with the highest sales potential being in Nigeria, Saudi Arabia, Sudan and the Arab Gulf States.

Leyland means trucks, buses and tractors only

LEYLAND has for more than 80 years been a name associated with some of the world's finest trucks, buses and agricultural tractors.

Now, after a brief period during which the name was also applied to cars, Leyland means only trucks, buses and tractors.

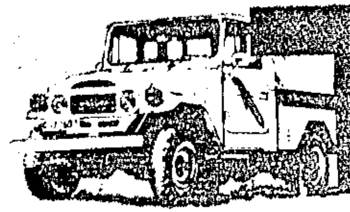
These three product ranges are manufactured and sold by Leyland Vehicles Ltd, an autonomous subsidiary of BL Limited, which this year will achieve sales worth almost R1 000-million world wide.

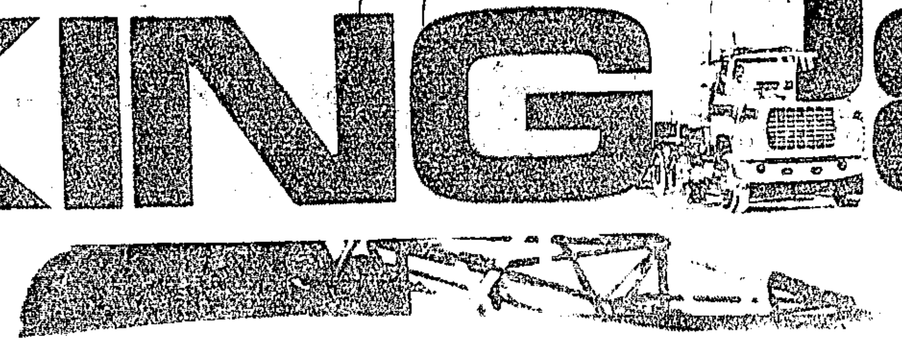
Leyland Vehicles is engaged on an unrivalled investment programme which will mean the expenditure of more than R500-million over the next five years, at a rate equalling 10 percent of annual sales revenue. This heavy expenditure on new facilities and new products will result in the most modern company in the commercial vehicle business in the world.

LV employs more than 40 000 people and makes 80 000 units a year.

CT 20/3/80 30

TRUCKING '80





Huge vehicle cost R350 000

ONE of the most expensive augered pile rigs in the country has just been completed by Candac Construction in Cape Town for pile sinking in the Northern Cape, Free State and Transvaal.

Valued at R350 000, the Hughes Auger LLDH 120 T piling rig was re-built by Candac on a Foden model 10RC29/50 chassis.

This huge vehicle was specially designed and constructed as a single purpose chassis on which to mount the self contained drilling rig.

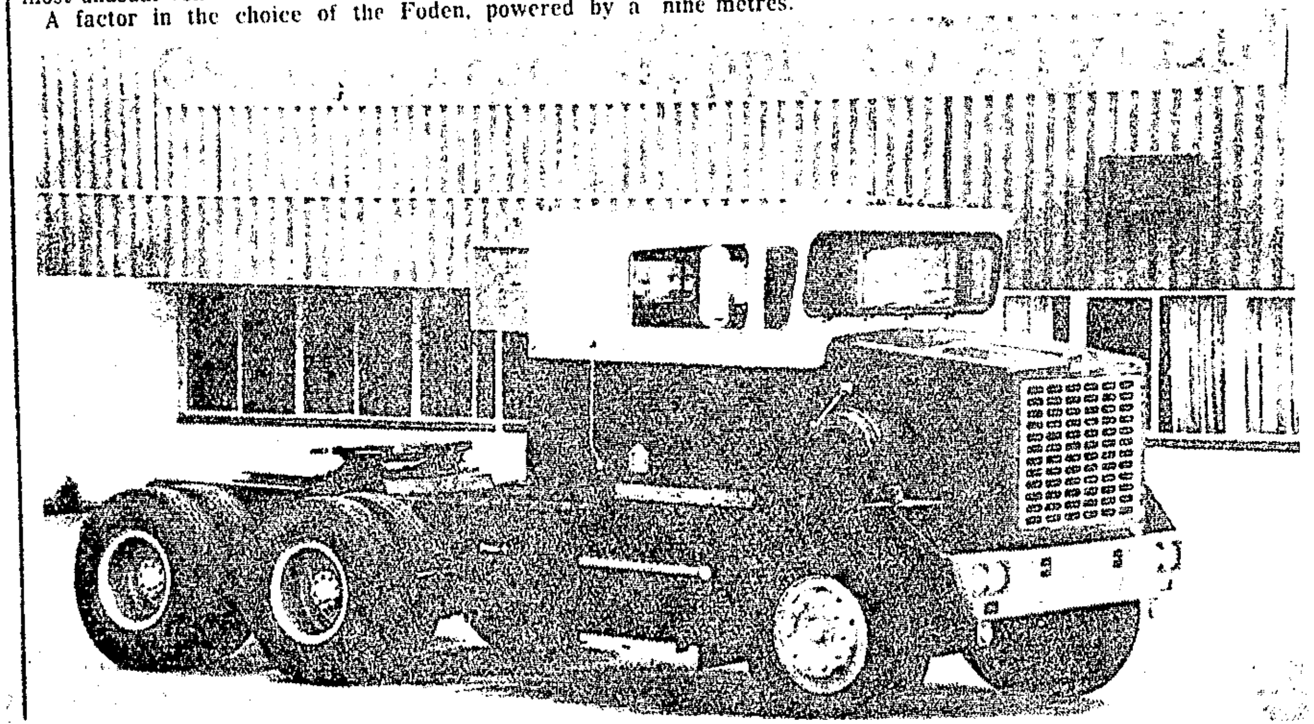
It is believed that Fodens are probably the only South African truck manufacturer which had the expertise and availability of suitable components locally to build this most unusual vehicle.

A factor in the choice of the Foden, powered by a Cummins NTE 290 engine, for this application was that all the components are regular items from the heavy range of vehicles manufactured by Foden in South Africa which ensures immediate availability of parts.

The alternative would have been a fully imported truck which would have put the costs up even futher. Foden's used about 70 percent local content in the chassis which meant a considerable saving in foreign exchange.

The unit was built to the order of Candac Construction who re-built and mounted the Hughes Auger pile rig themselves. The unit has a mass of 30 750 kg and has a drilling capacity of 1,8 m in diameter and a depth of up to 36 m.

The overhang of the rig exceeds the front of the cab by nine metres.



The magnificent Oshkosh 'S'

POWER, performance, economy, safety — those are the main features of the new Oshkosh S-Series.

Barlow Rand first introduced the "R" series, then the "E" series and are now introducing the magnificent "S" series 6 x 4 truck tractor with 290 or 350 caterpillar economic power with a Cummins engine optional.

The "S" has been designed and built in Paarl and is the result of three years' research and development. Prototpyes have been on the road for over a year. During this time they were thoroughly tested in various applications and conditions to produce a product of a high standard, economy, safety and versatility for the industry to be backed by the finest parts and service organization available in the Republic and SWA/Namibia.

The "S" has a new shape with the latest cab refinements. Luxury trim is particularly impressive. The cab is comfortable with the emphasis on safety and good all round driver visibility. It is cool in summer and silent for driver acceptance and efficiency. Cab heating is excellent for winter driving. Easy all round accessibility to the engine has been a "must" for Oshkosh engineers. The latest safety devices have been incorporated for driver and owner benefit. A Kienzle tachograph model of customer choice is standard. Sleeper cab models are available on a regular delivery basis.

The Oshkosh "S" features a premium driveline configuration of the Fuller RT12509 transmission and Rockwell SSHD tandem final drive with a standard differential ratio of 4 111:1.

Allison heavy duty automatic model transmissions will be available as optional in both power ranges and diesel engines offered.

Particular attention was given by Oshkosh engineers to the design and incorporation of a smooth, resilient comfortable ride by the fitting of the Rockwell reactive two spring six torque rod bogie suspension and various other refinements developed during the research and testing period.

The power plant offered is the Caterpillar Model D3406 14,6 ℓ direct injection, turbocharged, economy diesel engine which produces 216 kW at 1 900 rpm and 1 356 Nm of torque at 1 200 rpm, has a torque rise of 25 percent and an excellent fuel consumption curve. Test figures per 100 km were impressive under varying conditions, loads and different routes involving a certain amount of hilly and mountainous country. Optional power is the Cummins big camshaft economy 350 or 290 model diesel engines.

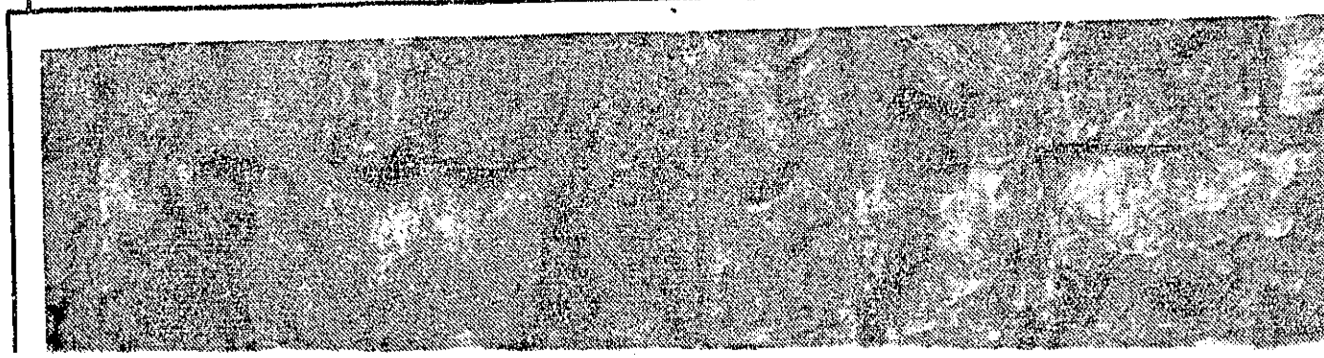
Choice of two rear axles:

(a) 20 000 kg capacity with a gross combination mass of 66 240 kg.

(b) 21 000 kg capacity with a gross combination mass of 68 000 kg which will give a payload of 45 tons under permit.

The magnificent "S" is versatile and ideal for most five or seven axle rigs such as: tankers with all products, reefers, 12,5 m flat decks, cattle trucks, trailers, bulk feeders and heavy earthmoving machine lowbed trailers.

The "S" is built in Paarl by Oshkosh Africa (Pty) Ltd and distributed and serviced by the Barlow Rand comprehensive network of dealerships throughout the Republic and SWA on a 24-hour basis.



30 / 24

Business Property

Recovery in commercial property letting sector

RETAIL lettings of Cape commercial property have recovered strongly in the Peninsula in line with improved consumer confidence and distributable income, according to SRE Real Estate. Landlords now prefer shorter leases and are taking the view that rentals for retail and office accommodation have not kept pace with the general increase in prices. This view, they say, has been confirmed by rentals required to make new developments economically viable.

"Taking this argument to its logical conclusion, properties sold on nine percent returns, as compared with 12 percent a year ago, should on rent review give a far higher return. We would recommend to clients that they invest in well-located retail and office premises."

● Mr Koos Jonker, property economist at SRE Real Estate, has been appointed a part-time lecturer in property valuations at the Cape Technikon.

Industrial market

The general upswing in the industrial property market is continuing with greater emphasis on buying vacant land for development. The few remaining plots in Paarden Eiland are in demand and SRE have recently negotiated sales at R 36 a square metre. Recently the company was involved in a deal where the sale was negotiated at a figure considerably in excess of the asking price because several keen buyers were after the property.

Good industrial stock is very limited and the time of new building has arrived with the consequent dramatic increase in rentals.

Established premises in prime areas and in good order are now fetching rentals of R 1.30 a square metre with new buildings coming on stream at R 1.80 a square metre.

A spokesman for the company said that the notable gap between average yields of flats on the one hand and office blocks and industrial and commercial property on the other, would narrow appreciably during the year.

Prices rising.

"This means that there will be marked increases in prices paid for office blocks and industrial and commercial property. As a result of price increases, returns on blocks of flats have decreased sharply from some 13 percent to eight percent in the past two years. This represents an average price increase of 70 percent or more in the prices paid for blocks of flats.

"Returns on industrial investment can still be obtained at between 10 and 11 percent while it can vary between 10 percent and 13 percent for office blocks, depending on quality and age.

Healthy growth

"The same factors that led to the sky-high prices of flats will come into effect now as far as office blocks and industrial property are concerned. With the healthy growth of the economy the demand for office and industrial space is growing fast. The returns here may drop as low as eight percent."

There has been virtually no new building in recent years. It would take up to four years to finish new buildings like the Golden Acre. As a result restoration has come to the fore and in Cape Town office space in older buildings can still be bought at R1.50 a square metre and resold at R3.50 after restoration.

Motors from Atlantis

29/3/80

By BRIAN GROBBLER, Motoring Editor

SOUTH AFRICA needs about 50 000 diesel engines in trucks and tractors a year to keep its transportation and agricultural systems operating.

Without these engines most vital road services would grind to a halt and there are also strategic reasons why there should always be a ready and plentiful supply of big diesel engines.

Till now almost all diesel engines were imported into the country, but, like the motor industry, the government has decided to embark on a local content diesel engine manufacturing plant which should make South Africa self-sufficient during the 1980s.

The Western Cape was chosen for this massive, more than R300-million project which will be sited at the new city of Atlantis, provide thousands of new jobs — mostly for coloured workers — and save the country millions of rands a year in foreign exchange. By 1983 the plant should have a turnover of R300-million and this should rise to R440-million by 1985 by which time foreign exchange savings should be R260-million annually.

Rising from the sands

Last week I visited the site, 50 km north of Cape Town, where the Atlantis Diesel Engines (ADE), as it is called, is rising out of the sands formerly covered by the Atlantic Ocean. And I met some of the top officials like Mr Bob Malcomess, chief executive logistics, and Mr Koos de Wet, marketing manager, who are putting it all together well ahead of schedule and hope to produce their first locally-made diesel engine by April next year.

The history of the ADE project goes back to 1964 when the Industrial Development Corporation first mooted a local content programme of at least 66 percent by mass for passenger cars — Phase V of the LCP came into operation on January 1 this year. The IDC did not, at that stage, recommend an investment in tractor or truck engines. So while motor manufacturers had to establish engine, component and metal stamping plants to make the parts that go into their cars, they could freely import diesel engines to go in their trucks and/or tractors.

It was only in April, 1978, that the then Minister of Economic Affairs, Mr Chris Heunis, approached the IDC to establish a diesel engine manufacturing plant as a matter of extreme urgency. The minister cited the need for rationalization as being the greatest concern to him in an industry which until then had attempted no rationalization programme at all after 60 years of marketing diesel engines in South Africa.

The scheme was approved by the Cabinet in November, 1978, and in the official announcement, July 1981 was given as the on-stream deadline — ADE officials now say they will produce the first engine by next April.

Such a scheme needs a vast amount of assests and ADE has them totalling R308-million. When it came into being, invitations were sent to the motor industry for proposals for the founding of the project. There were many takers and one major motor company is reputed to have offered to put in R200-million — if their chairman could be on the board and they held the controlling interest. So far ADE has resisted the offer of capital and is using its own South African financial resources.

Two partners, Perkins, of Britain, and Daimler-Benz, of West Germany, were chosen to assist in the manufacture of the diesel engines. Perkins is particularly strong in the tractor engine market and DB, which makes the world famous Mercedes-Benz cars and trucks, is a leader in the heavy truck field and South Africa's No 1 supplier by far.

Both Perkins and DB will have facilities at ADE and about 50-60 experts will come from England and West Germany to assist in the Anglo-German co-operation and supervise the local workers, some of whom are already being trained overseas.

...riticism of ADE so far is the effect it will have on the South Africa diesel engine industry. From a present proliferation of some 200 models with the vast overheads incurred in carrying parts for them all, production will be reduced to 11 basic engines and all SA-made trucks will be powered by ADE engines.

But this is no real problem, according to Mr Koos de Wet. He says the plant will produce two, three, four, five, six, eight and 12-cylinder engines with cubic capacities ranging from 2.5 ℓ to 22 ℓ and with horsepower ratings from 36 kW to a massive 386 kW. They will be able to power all types of trucks and tractors and some will be for stationary use in agriculture.

One of the engines will be an advanced version of a turbo-charged, six in-line Mercedes-Benz Model OM 407 which should be ideal for long-haul operators. It delivers 236 kW.

The cost of producing local content diesel engines will push the price up by about 10 percent but the availability of spares and service will improve, according to ADE.

More important, as far as the country is concerned, is that it will save an estimated R260-million in foreign exchange by 1985.

Jobs — mostly for coloured workers in the Western Cape — will be created with an initial 1 650 needed to run ADE itself and another 2 500 in the allied component industry.

Another criticism that has been levelled at the Atlantis Diesel Engines is that the models chosen are 20 years old and thus "obsolete."

This is nonsense, according to Mr de Wet, who says the basic concept of internal engines has not changed in the past 50 years. The diesel engines to be made are the most modern available with the latest developments.

The only thing ADE will not be able to produce at this stage is the fuel injection systems which will have to be made overseas until such time as the volume will make it financially feasible to establish such a plant locally.

Much comment from motor industry

Much comment has already come from the motor industry about ADE. Mr Brian O'Connor Wegner, marketing director of Datsun-Nissan SA one of the country's leading truck suppliers, says the competitiveness in the local commercial market will disappear.

The new product will be an "Atlantis" engine rather than a Mercedes or Perkins.

"There will be rationalization throughout the trucking industry. The only difference between trucks will be in the non-engine areas such as chassis and gearboxes.

"Of greater significance is the dealer network, the availability of parts and the quality of serivce all of which will be a prime consideration when the buyer makes his choice."

20/3/80 Post 30

Nafcoc gains momentum

By WILLIE BOKALA

THE National African Federated Chamber of Commerce (Nafcoc) is gaining strength with coloured and Indian groups forming associations and affiliating to the body.

Already two organisations, the Western Cape Traders Association and the Bosmont Chamber of Commerce have affiliated. And the Bosmont Chamber of Commerce will hold a meeting — to be addressed by Mr Mohale Mahanyele, executive director of Nafcoc — tonight at the Coronation Ball Hall, Newclare in Johannesburg.

The meeting will start at 8.30 pm and is expected to draw a large attendance from the Bosmont Western Township and Newclare business community.

Mr Mahanyele explained to me this week that the BCC will be affiliated to the Southern Transvaal Chamber of Commerce (Soutacoc) and in turn get direct affiliation to the national Nafcoc.

The Western Cape Association will be affiliated to the local regional branch which will also give it direct affiliation to the mother body.

The decision to include coloured and Indian members in Nafcoc was taken during the organisation's first meeting this year and, according to Mr Mahanyele, it is hoped that more associations from the two communities would follow the precedent set by BCC and WCTA.

Said Mr Mahanyele: "We are looking at the Indian community, especially those in the Laudium, Pretoria area, in Durban and Johannesburg. We are expanding and we want to take in these communities so that we can prosper together."

He said there were no other black business organisations of the size and structure of Nafcoc throughout Southern Africa. Nafcoc has international standing and has communication with Southern African countries like Botswana, Lesotho, Zimbabwe, Namibia and Swaziland.

The Organisation is also affiliated to the International Chamber of Commerce of which Nafcoc president, Mr Sam Motsuenyane, is a council executive member.

"For instance, our delegation was invited to the Lesotho Chamber of Commerce annual general meeting.

"We are comparable to such organisations as Assocom, Handelsinstituut, Seifsa and Saspo," Mr Mahanyele said.

Since its beginning in 1964, Nafcoc has made a slow but sustained progress with some of its chief accomplishments being the Blackchain supermarket in Diepkloof, Soweto and the initiative of the African Bank.

Among its achievements are:

- The African Development and Construction Company.
- Afribrokers Limited.
- Masekela-Mavimbela Scholarship Fund, which will this year sponsor 40 students for commercial and industrial training in various Southern African universities.
- The African Business Publications (Pty) Limited.
- Nafcoc National Trust.
- Nafcoc Permanent Life (Pty) Limited, and
- Nafcoc Industrial Development Corporation.

COURTESY-REWARD

A presentation for the Employee of the Year was held recently at the Rosebank Hotel. The winner was Mr John Mabusela, head of room service in the hotel. Mr John Mabusela has been with the Rosebank Hotel since August, 1978. He was picked the overall winner for his outstanding abilities, his smartness, efficiency, the control of his department, popularity with staff, courtesy to the hotel guests. The two other nominees were Mr Samson Mutwanamba (Front House cashier), and Mr David Mafego, (head waiter of the Silver Rose Restaurant). Each of these nominees received a cheque for R25,00. In the picture, from left to right, Mr L Dorfman, a resident of the hotel, presenting Mr John Mabusela with his cheque for R200,00 and Mr P A Roost, Managing Director of the hotel.

MOTOR COMPONENTS (30)

Meeting the boom

FM 21/3/80

Increasing localisation of SA's motor industry has brought boom years to the components manufacturers. Sales of locally made components doubled between 1977 and 1979 to R487m and look set to rise by another 40% this year. Signs are that this kind of growth could be maintained for the next few years.

In the last three years growth of component sales outstripped vehicle sales growth because manufacturers were making increasing use of locally-made parts in preparation for Phase V local content requirements which came into effect at the beginning of this year. Inflation adds 10% to 15% each year to the value of the market.

Although costs will continue to rise, this year's growth will have the added boost of real growth in vehicle sales and an even stronger swing to local content. Most industry spokesmen put this year's car sales at 240 000 units and light commercials at 115 000 units.

This is close to the 1975 combined remote sales record and a 13% increase over last year.

The local content programme will give a further boost. Although government has reduced its original local content requirements on light commercials, many manufacturers have made the effort to raise

Drury . . . wear and tear has been reduced

Edwards . . . fewer engines than last year

their local content and are already committed to the originally specified levels of 66%.

Some of the biggest beneficiaries of the boom are the steel press works. Body, cab and truck deck pressings form a large percentage of a vehicle's total mass. Most vehicles which satisfy the Phase V requirements have local pressings, and pressing companies such as Durban's Rowen and Pretoria's August Laepple are hard put to meet demand.

Says Rowen MD, Eddie Whelpton, "The first few months of this year were a bit of a surprise to us because we were working on 200 000 cars being sold this year. Now the figure could be anything up to 250 000."

He says that the demand pressure began to build up from last June and was further increased when manufacturers started ordering more from local suppliers to make up for shortfalls from their overseas parent companies.

Whelpton sees a very good future for the local pressing industry because he believes that ultimately most manufacturers will have their pressings done locally whereas not all will have local engines. "It takes a long time and a lot of money to tool up for a new engine," he says, "but changing a body shape costs a lot less."

This comment reflects the situation at Associated Engineering which makes, among other items, pistons, valves and bearing shells. Says group MD Morris Edwards: "There will be fewer engines built in SA this year than last year. The VW Beetle and the Valiant have been discontinued and they all had locally built engines. The new big sellers like Mazda

P.T.O

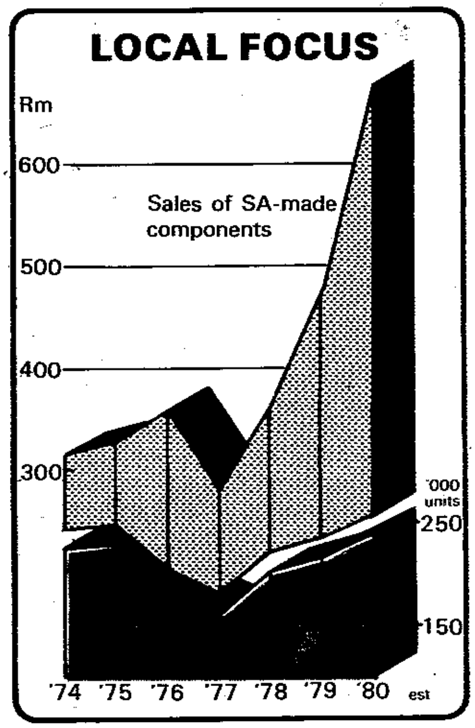
323, Golf, and the BMW range are using imported engines."

In spite of this, Edwards sees good growth for his group this year with even better prospects for next year when there will be a chance of fat orders from Atlantis Diesel Engines which comes on stream in July 1981.

"One of our biggest problems is filling the demand without enough skilled labour," he says. "Unless the government puts its weight behind implementing the Wiehahn Commission recommendations, and lets us train black artisans, it will retard growth in our industry."

Another component manufacturer under pressure is National Spring Manufacturers, which makes about 80% of the industry's springs. MD Peter Ravan says, "Part of this tremendous demand is the usual motor industry over-reaction, and our customers will start to cut back their orders by June or July. If we are to believe their projections, more than 300 000 cars will be sold this year and this is clearly unrealistic."

Ravan projects a 25% increase in spring sales this year and points out that springs are not benefiting from the latest local content requirements because they have been fitted to many cars for some time. ... are a natural for local manufac... ...s Ravan, "because they have ... costs and high mass."



Manufacturer of clutches and brakes, Girlock sees a good year ahead with sales growth of around 30%. Like National Springs, Girlock is not benefiting as much from this year's Phase V regulations and, more than most component manufacturers, it is heavily dependent on sales to motorists through garages. Says MD Brian Drury: "Normally during a sales slump for new vehicles, sales of after market spares go up, but the SA fuel crisis has had a depressing effect on spares sales as well. The reduced speed limits, the restrictions on weekend travel and the formation of lift clubs have all had the effect of reducing wear and tear on vehicles."

The Atlantis Diesel Engines (ADE) and Genmin axle and gearbox projects will help sustain this year's growth into the years ahead. The 50 000 diesel engines to be produced each year by ADE will provide a good outlet for the engine component manufacturers and the knowhow and technology developed in serving this market will inevitably bring down the costs of supplying similar parts to the car industry. This will encourage the establishment of more local car engine plants which in turn will snowball the demand for more components from local suppliers.

Other component suppliers will benefit too, as the ADE project will stop truck and tractor manufacturers from importing virtually complete kits in crates, and it will give them more incentive to shop around for parts on the local market. Engine accessory manufacturers should be the first to cash in. ADE will sell its engines without items such as radiators, exhaust systems, alternators, starter motors and aircleaners. The chances are that in most cases they will be supplied by local industry.

Says Hymie Brest of Quinton Hazel which makes exhaust systems, water pumps, electrical harnesses and tie-rod ends, "There is big growth ahead and a sales increase of 50% for this year is certainly within striking distance."

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS

13010 BACHELOR OF ARTS YEAR : 1

STUD NO	SURNAME	FIRST NAMES	COURSE
~~1556527T~~	~~PROVENZIANI~~	~~ELIANA LIDIA~~	~~105103~~
152302W	RAPMUND	IRMGARD BRIGITTE	115102
~~152210W~~	~~REID~~	~~INGRID MERLE~~	~~107101~~
114687K	RHODA	GEORGINA ALEXANDRA	110301
~~162054K~~	~~RIDGWAY~~	~~ANTHONY PATRICK~~	~~111101~~
135749D	ROBINS	STEVEN LANCE	104101
~~156722A~~	~~ROSE-ALLETT~~	~~DEIDRA LOUISE~~	~~104101~~ 105107
159211F	SAMPSON	SIOBHAN ROISIN	115101 104105
155354N	SAMUELS	MYMOENA	114101
~~133405F~~	~~SCHOONAKAAD~~	~~KAREN ANNE~~	~~111103~~
156890H	SCHWEITZER	PENELOPE ANN	005101
~~155761F~~	~~SCOTT~~	~~ELIZABETH ANNE~~	~~101103~~
154438T	SHORTT	PATRICK BARRY	005101 105102
150755P	SLOMAN	ROBERT JOHN LOVEL	905101
160163Q	SMITH	PAULA ANNE	115101
154446R	STAGMAN	SHARYN	
~~155070E~~	~~STANDER~~	~~LINDSAY~~	
159713S	STANFORD	PAMELA	
~~162604W~~	~~SUTTLE~~	~~DEBORA~~	
154022N	SWINNEY	ROGER	
134496R	TAYLOR	SHEREE	
157654N	TEDDUCCI	SUSAN	
157553D	THIEM	YOLAND	

RAPPORT 23/3/80 30

Pick 'n Pay kan R19 m. haal

Pick 'n Pay behoort binne twee weke 'n voorbelaste wins bekend te maak van minstens R19 miljoen vir die boekjaar tot einde Februarie vanjaar. Dit sal beteken dat die voorbelaste wins nou twee keer groter as 1969 se omset is.

Die maatskappy het hierdie byna ongekende groei dwarsdeur sy kort bestaan gehandhaaf. In die proses het hy van 'n paar winkels in Kaapstad tot die leidende kleinhandelvoedselgroep in die land ontwikkel.

Die afgelope jaar se voorbelaste wins kan moeilik minder as R19,3 miljoen wees, wat sal beteken dat die verdienste per aandeel nie ver van 480c nie en die totale dividend vir die jaar sowat 155c per aandeel behoort te wees.

Dit vergelyk met 'n verdienste van 371c en 'n totale uitkering van 120c verlede jaar.

Selfs die hoër uitkering sal 'n dividendopbrengs van skaars 4 persent gee, teenoor die huidige 3,3 persent. Dit sal steeds laer as die winkelafdeling se gemiddeld van 4,8 persent wees.

Teen 'n prys van 3 900c verwag die beleggerspubliek waarskynlik steeds dat die maatskappy sy goeie van die verlede moet voortsit. Sedert 1969 het die verdienste per aandeel met gemiddeld 38 persent per jaar gestyg.

As 'n mens die huidige grootte van die groep in ag neem, lyk dit asof 'n herhaling van hierdie syfer in die komende klompie jare moeilik sal wees. 'n Groei van 20 persent per jaar behoort heeltemal bevredigend te wees.

Wat is die kanse hiervoor?

Volgens die voorsitter, mnr. Raymond Ackerman, kan die groep in die tydperk tot einde 1983 moontlik nog ses hipermarkte open, wat die totaal tot twaalf sal opskuif. Hiervan word twee vir vanjaar beplan, een of dalk twee vir 1981 en twee vir 1982/83.

Die mark sal dan naastenby versadig wees.

Aan die supermarkkant word vyf vir vanjaar beplan, ses of sewe vir 1981 en sewe vir 1982. Tot dusver het die maatskappy baie min ontwikkeling in die platteland gedoen.

Hierdie beplande ontwikkeling verseker dat Pick 'n Pay ten minste tot 1983 genoeg nuwe winkels open om 'n aanvaarbare groei moontlik te maak.

As 'n mens die hipermark by Boksburg as aanduiding neem, moet tussen 35 en 50 persent van die groep se omset reeds uit hipermarkte kom. Die opening van 'n verdere ses sal duidelik 'n groot invloed op die toekomstige winsgewendheid hê. Die hipermakte se voorbelaste wins as persentasie van omset is sowat 4 persent, terwyl die supermarkte se winsgrens tussen 2,8 en 3 persent wissel.

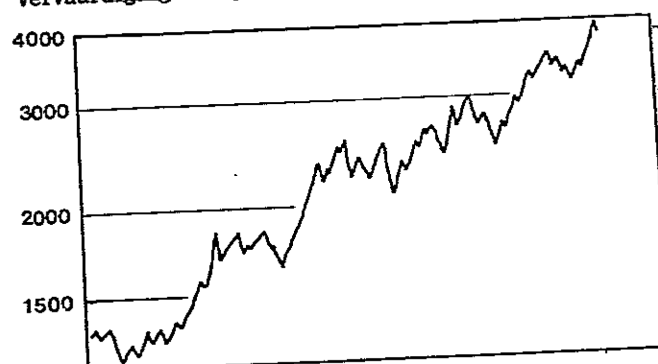
Die werk aan die eerste van hierdie ses nuwes begin eersdaag op Klerksdorp in Wes-Transvaal.

In 'n onderhoud vandeesweek het mnr. Ackerman gesê beplanning word nou reeds vir die tydperk tussen 1986 en 1990 gedoen. Hy sê as die moontlikhede binne die maatskappy se bestaande belange uitgeput raak, sal hy totaal nuwe kettinggroepe open.

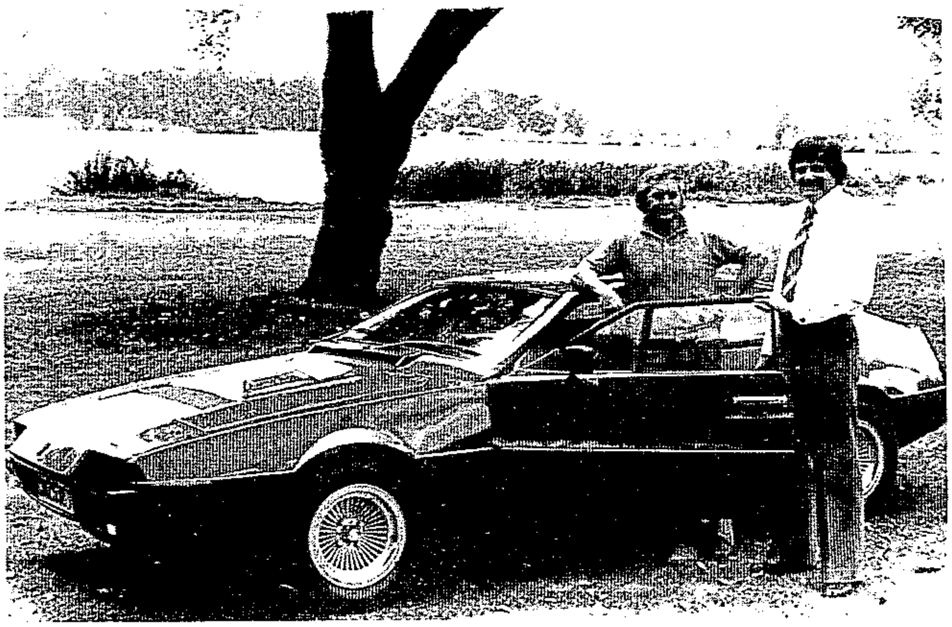
Die enigste voorwaarde is dat dit steeds in die massabemarking van goedere moet bly omdat dit die enigste mark is wat die groep ken. Die vestiging van reekse klerewinkels of kitskoswinkels word nou ondersoek.

'n Verdere moontlikheid is om self met die vervaardiging van goedere te begin wat nou verkoop word. Dit sal egter net gedoen word as vervaardigers aanhou kla oor die behandeling wat hulle nou van groot kleinhandelsgroepe kry.

Hy sê dit is meestal die groot oorsese groepe wat kla, onder die dekmantel dat hulle klein handelaars wil help. Toe hy net 'n paar winkels gehad het, het hy groter afslag as nou gekry.



PICK 'N PAY se aandeel-beweging weerspieël die groot opwaartse beweging van die nywerheidsmark sedert die laagtepunt in 1977. Daar is geen twyfel dat die aandeel nog verdere opwaartse potensieel besit nie. Maar die Elliot-golf-analise toon dat die aandeel wel in die finale opwaartse beweging van die drie jaar lange bulfase is. Derhalwe is 'n belegging in Pick 'n Pay in hierdie stadium 'n korttermynsiening. — Dr. Clive Roffey



Scarlatti's Van Rensburg and Du Preez . . . making a sleek mean machine

MOTOR INDUSTRY 1 36

Sporty stuff

FM 21/3/80

A Benoni firm, Scarlatti SA, has applied to be licensed as a motor manufacturer in terms of Phase V local content requirements. This would make it the second SA manufacturer of sports cars. Intermotormakers (IMM), has been granted permission to build the Lotus Esprit.

IMM, which previously built Lamborghinis and Lotuses at its Cape Town plant, ceased production when Phase V regulations were announced. But according to chairman Gerrie Steenkamp the 66% local content requirement will be met.

The company also has plans to manufacture an SA designed ultra-light utility car with a claimed consumption of 4ℓ/100 km. Steenkamp says a prototype is still being built, but the car is likely to be powered by a Reliant 850 cc aluminium block engine. Designed to seat four, the powertrain will account for only about 20% of the car's mass.

Scarlatti (that's also the name of their sleek 3ℓ car) will be building a glass fibre body around a Ford chassis, a Ford V6 motor and a Ford transmission. At present only a prototype exists, but Scarlatti, says chairman Denis du Preez (also sole owner of R3m annual turnover Steel Window Enterprises) will soon be taking orders for the R20 000 car.

Du Preez is well aware that this isn't the first time that vehicles have been put up for sale while essentially still in the development stage, and, notwithstanding the Global fiasco (Global "launched" its fuel saver, the Firefly, about a year ago but has yet to take the car beyond the prototype phase even though it has been taking orders) is confident that orders will be placed.

"We have the backing of major banks who have indicated they're willing to finance buyers wanting to place orders for the Scarlatti," he says. Advantage of registering as a manufacturer is basically exemption from excise duty where Phase V local content requirements are exceeded. Du Preez claims the Scarlatti, designed by Gerry van Rensburg, has a local content in "excess of 80% by weight."

Present manufacturing site of the car is being kept secret, but Du Preez says he'll be erecting a factory to assemble about five Scarlattis a month in a building opposite his Steel Windows factory in Benoni. A vintage car collector, Du Preez says: "The whole thing is completely above board. It's been our money all along, so no-one stands to lose if the venture flops." He has his reputation to look after, he adds, but won't reveal how much money has been ploughed into development.

There seems to be no real reason to deny Scarlatti's application as it will fill a gap by making a local sports car — hitherto only obtainable through importation — available for enthusiasts.

With numerous "fringe" manufacturers abounding in all parts of the country, BTI's problem is that this could create a precedent. Basically anyone building a dune buggy around a VW powertrain, or for that matter, a 1935 Bugatti look-alike around a Ford Escort chassis and engine, will also clamour to be granted official recognition as a manufacturer.

Board of Trade and Industries' Basie Kleu says he isn't aware of any existing definition of a motor manufacturer. "There are obviously some manufacturers who are really assemblers," he says. "In granting a licence we have to take individual circumstances into consideration, and view the application in the light of trying to promote rationalisation within the industry."

MOTOR INDUSTRY 2 20

Fonder of Honda

FM 21/3/80

Is Leyland making a last-gasp attempt to wrest the franchise to manufacture Honda motor cars in SA from local Mercedes-Benz parent, UCDD?

P.T.O

Could be, if the remarks of a Department of Industries' spokesman are anything to go by.

The Board of Trade and Industries (BTI) should this week hand in its recommendations on the recently gazetted UCDD application for permission to manufacture and distribute Honda cars locally. According to a spokesman for the Board, the deadline for comment or objection was passed a fortnight ago, and its findings should be communicated to Industries Minister Schalk van der Merwe in a matter of days.

As yet he has received nothing from the BTI. Said the spokesman this week: "As you know, Leyland manufactures Honda cars in the UK. It is quite possible, therefore, that they will want to do the same here."

This would certainly put the cat among the pigeons. Honda representatives recently visited SA and, according to Leyland, interviewed virtually every motor manufacturer in the country.

What emerged was an agreement in principle with UCDD that should government give the nod, Honda vehicles would be manufactured at the company's East London plant. Apparently no heads of agreement have been signed, however, and an outside bid would have to be considered.

For UCDD, the franchise is important Too much spare capacity at East London has been a worry for some time and UCDD's abortive discussions with such companies as Fiat and Alfa Romeo are symptomatic of this concern. Not that UCDD is in the same financial straits as some of its fellows in the industry: the company has never made a loss.

But to survive profitably in the future and bolster itself against the spin-off from future fuel price and availability problems, UCDD needs a small car range.

UCDD has yet to decide on which models it would like to introduce to SA, but it seems there are three strong contenders. The first is the new Honda Civic, a small fuel-efficient car well suited to city usage.

Another is a replacement for the Honda Accord — a mid-engined saloon — and the last is a small commercial vehicle.

PLOUGHED UNDER

First victim of Atlantis Diesel Engines' plan to manufacture a standardised range of diesel engines ~~is the David Brown tractor which is to be taken off the local market.~~

~~Says Barney Strydom, MD of distributor J I Case: "Installing the ADE (Perkins) engines in place of our own would put our costs 25% to 30% above those of competitors already using this type of engine." (Massey Ferguson tractors are designed around the Perkins engine.)~~

"Why put an unproven engine into a proven design if the farmer is paying a higher price and not getting the same quality tractor?" asks Strydom. The David Brown tractor has only 3% of the SA market. Other makes with less than 5% market share are Volvo, Leyland, Powtrac and Deutz.

J I Case will now concentrate its sales effort on its large Case tractors which it believes will not be affected by the ADE programme. Says Strydom: "There is still a need for small tractors for pulling manure trailers and things like that, but as in Canada and the US, the tractor market in SA will move towards the bigger models."

STU13-Y EXAMINATION RESULTS IN FACULTY ARTS

13010 BACHELOR OF ARTS YEAR : 1

DRAMA I

ARCHAEOLO.

HISTORY OF

STUD NO	SURNAME	FIRST NAMES	COUR
1556571	PROWEAZIANI	ELIANA LIDIA	105544
1523022A	RAPMUND	IRMGARD BRIGITTE	11510
1522100K	REID	INGRID MERLE	10714
1146887K	RHODA	GEORGINA ALEXANDRA	11050
1626500K	RIDGWAY	ANTHONY PATRICK	11410
1357490	ROBINS	STEVEN LANCE	10410
1567224	ROSENWALTER	DEBRA LOUISE	10410 10510
159211F	SAMPSON	SIOBHAN ROISIN	115101 105101
155354N	SAMUELS	MYMOENA	114101
133405F	SCHOUKRAAN	[illegible] ANNE	141101
154890H	SCHWETTIZER	PENELOPE ANN	005101
154761E	SCOTT	ELIZABETH ANNE	101441
154438T	SHORTT	PATRICK BARRY	005101 106101
150755P	SLOMAN	ROBERT JOHN LOVEL	005101
1601650	SMITH	PAULA ANNE	115101 502112
154406B	STAGMAN	SHARYN LEE	104101
155070E	STANDER	LINDSAY ELLEN	10210
159713B	STANFORD	PAMELA MURIEL	10520
162606K	SUTTLE	DEBORAH [illegible]	104410
158022N	SWINNEY	ROGER EDWARD	10615 90810
134[illegible]	TAYLOR	[illegible]E KIM	116120
157654N	TEDDUCCI	SUSAN JACQUELINE	108101
157555D	TYLER	YOLANDE	502113

MOTOR SHARES

Driving for records

(30) FM 21/3/80

Only two years after the 1977 slump in national car sales, burgeoning demand has raised the hopes of investors in the motor sector. February car sales increased 25% on the year ago figure to 20 349. This was up 13.2% on January 1980 and nearly 15% higher than the previous best February sales of 17 713 in 1973. Commercial sales were also up — 26.6% better than a year ago.

Not surprising, therefore, that many local car companies have been caught short on stock. The extent of the upturn in new and second-hand vehicles market appears to have taken most by surprise, while other outlets have been hampered by stock shortages resulting from extraneous events like strikes or model changes.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80

13010 BACHELOR OF ARTS YEAR : 1

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL
~~155657T~~	~~PROVENZIANI~~	~~ELIANA LIDIA~~	~~105103~~	~~GREEK & ROMAN LIT & PHIL.~~	~~ABS~~
152302W	RAPMUND	IRMGARD BRIGITTE	115102	FRENCH INTENSIVE	ABS
~~152210R~~	~~REID~~	~~INGRID MERLE~~	~~107101~~	~~ENGLISH I (PRE-1980)~~	~~3NX~~
114687K	RHODA	GEORGINA ALEXANDRA	110301	HISTORY III	3
~~162050R~~	~~RIDGWAY~~	~~ANTHONY PATRICK~~	~~118101~~	~~CULTURAL HISTORY OF W.E. I~~	~~3~~
135749D	ROBINS	STEVEN LANCE	104101	ARCHAEOLOGY I	F
~~156722A~~	~~ROSENBLITT~~	~~DEBRA LOUISE~~	~~104101~~	~~ARCHAEOLOGY I~~	~~UP~~
			105107	ANCIENT HISTORY I	ABS
159211F	SAMPSON	SIOBHAN ROISIN	115101	FRENCH I	F
			~~909105~~	~~GEOLOGY IA (HALF COURSE)~~	~~F~~
155354N	SAMUELS	MYMOENA	114101	RELIGIOUS STUDIES I	UP
~~133405F~~	~~SCHOONRAAD~~	~~KAREN ANNE~~	~~911103~~	~~ANIMAL BIOLOGY (HALF COURSE)~~	~~UP~~
156890H	SCHWEITZER	PENELOPE ANN	003101	SOCIOLOGY I	3
~~155761E~~	~~SCOTT~~	~~ELIZABETH ANNE~~	~~101103~~	~~AFR LANG INTENSIVE (XHOSA)~~	~~UP~~
154438T	SHORTT	PATRICK BARRY	003101	SOCIOLOGY I	UP
			106102	ECONOMIC HISTORY I	F
150755P	SLOMAN	ROBERT JOHN LOVEL	905101	CHEMISTRY IA CH. 102	F
160163D	SMITH	PAULA ANNE	118101	CULTURAL HISTORY OF W.E. I	UP
			~~502113~~	~~HISTORY OF ART I~~	~~F~~
154406B	STAGMAN	SHARYN LEE	102103	AFRIKAANS EN NEDERLANDS I	ABS
~~155070E~~	~~STANDER~~	~~LINDSAY ELLEN~~	~~102101~~	~~AFRIKAANS~~	~~UP~~
159713S	STANFORD	PAMELA MURIEL	103202	SOCIAL ANTHROPOLOGY I(PRE 1	UP
~~162606N~~	~~SUTTLE~~	~~DEBORAH MAUREEN~~	~~908101~~	~~GEOGRAPHY I~~	~~ABS~~
158022N	SWINNEY	ROGER EDWARD	106103	ECONOMICS IA	UP
			908101	GEOGRAPHY I	F
134496R	TAYLOR	SHEREE KIM	116120	DRAMA I	ABS
157654N	TEDDUCCI	SUSAN JAQUELINE	104101	ARCHAEOLOGY I	F
157553D	THIEM	YOLANDE	502113	HISTORY OF ART I	ABS

Toyota's Adcock . . . best year ever ahead

Either way, with our short production runs it is another instance of feast or famine.

In 1979, total vehicle sales increased only 3,4%, with commercials rising 1,9% and passenger cars 4,2%. However, growth came in the second half of the year, and this was when many outlets began reporting stock shortages. In the previous year, national car sales were 22,8% higher and commercials 9,9%. Much of this improvement, however, stemmed from the rush to buy ahead of gst.

Forecasts for this year had centered on a total of 335 000 units, with passenger vehicle growth slated at around 8% — or some 230 000 units.

The overall result of this upturn has been a revision of some sales forecasts for 1980. Now there is talk of 240 000 to 250 000 passenger units compared with expectations only a month ago of 230 000.

With total market growth of about 12% expected, it is no surprise the motor sector on the JSE has risen by 63% in the past 12 months. But, while this year's market performance is less certain, profit figures from leading motor companies should please shareholders in 1980.

In the past month, nearly every motor company has reported much improved profits. **McCarthy** surprised the market with a 92,2% earnings rise to 19,8c (10,3c) in the six months to end-December on a relatively low 15% sales improvement. Much of the improvement came in the second quarter — despite a shortage of some models — particularly of Peugeots. Likewise Pretoria-based **Alderson & Flitton**, currently in the throes of a change in control, reported a large increase in attributable profit to R185 000 (R15 000) for the half year to end-December. Industry sources reckon on an annual basis A & F could produce a profit of up to R1m. As with McCarthy, the large increase came in the October-December period.

More recently **Toyota's** results were another pleasant surprise. In the first six months of its financial year, earnings plunged 82,7% to 5,7c (32,9c) in line with the January-June 1979 decline in national retail motor sales. Toyota, however, suffered from unfavourable rand-yen exchange rates pushing up prices of its vehicles.

But, for the year to end-December, earnings recovered to rise 52,9% over 1978 — the highest since the bumper 1975 financial year. This recovery meant second-half earnings of 109,3c (42,3c) — a 158% improvement. Toyota declared a 28c (20c) dividend which pushed the share 50c higher to 405c for a 6,9% yield.

Further details on prospects will have to await the annual report later this month, but recently MD Colin Adcock told the *FM* "1980 will almost certainly be the best year ever for the motor industry." He expects passenger unit sales to top 235 000 and commercials 117 000 units. This would be a record total for passenger units and he forecast Toyota's growth of 12%. "Our biggest problem at the moment is a shortage of stock. The upturn has been more positive than we expected."

In 1979, Toyota increased its market penetration to 14% (12,5%) with improved sales to both the private and public sectors.

The stock shortage occasioned by strikes at the Ford plant in PE hit **Eriksens** badly. For the year to end-December, Eriksens had the unfortunate distinction of being the only listed motor company so far to report lower earnings. Turnover rose only 8,6% to R63,2m (R58,3m) while pre-tax profit dipped 15,3% to R1,2m (R1,4m). Finance director Ronald Fitzhenry tells me unit sales for the group fell about 10% to some 5 000 last year, largely because of the labour disruption at Ford late in 1979. "Had it not been for this, we might have recorded a 10% growth."

The second half was slightly better than anticipated at the interim stage, but being short of stock in the busy September to December period cost Eriksens dearly. Nevertheless the company raised its dividend to 12,5c (10,6c annualised), partially reflecting management's positive views on the current year. Fitzhenry goes along with a 230 000 unit forecast for passenger cars and says Eriksens should increase market share. This year a new Cortina model is due, and in 1981 a changed Escort is scheduled to help keep Ford sales rising.

Eriksens' gearing has been a subject of concern for some years, but the group's policy of reducing borrowings and substituting long for short-term finance is finally paying dividends. Fitzhenry says there has been a "substantial reduction in short-term borrowings while the total debt was also lower." Long-term borrowings increased about R1,5m in 1979 while net current assets rose R2m.

To provide a "backstop" should further fuel crises hit car sales, Eriksens tied up the Kawasaki dealership for its Johannesburg outlets late last year. Sales are strong and the company is currently negotiating to extend the range to its other outlets.

Arguably Eriksens should not have increased its dividend last year and rather used the funds to reduce borrowings further. Fitzhenry counters that the payout is conservatively covered and indicates prospects for 1980 and 1981. Currently the share stands at 200c on 6,3% historic yield reflecting short-term factors and market hopes that the high gearing is now under control.

Cape-based **Robbs Holdings** reported a 34,7% earnings rise to 12,8% (9,5c) in the six months to end-December and forecasts a similar performance in the second half. A higher 4c (2c) interim dividend was declared.

Turnover from the company's 14 outlets rose 28,9% to R22,7m (R17,6m), while pre-tax profit was 47,3% up at R735 000 (R499 000). The improvement in margins was attributed to higher unit sales and cost containment. New vehicle sales rose 17% and used 25% in the period compared with an increase in the national dealer market of 11,5%.

The market is very competitive but Robbs anticipates earnings of about 26c (20,3c) for the year. From this a dividend of some 10c is on the cards. The previous earnings record was 1975's 26,3c when a 12c dividend was paid. On the current 105c share price Robbs yields a potential 9,5%.

Des Kilalea

McCarthy's McCarthy . . . model supply problem

No more sympathy — Card

DAILY DISP 22/3/8

41

30

By DAVID DENISON
Business Editor

EAST LONDON — East London and the Border was no longer interested in sympathy from the government, the Mayor, Mr Donald Card, said yesterday.

Welcoming guests and delegates to the Border regional congress of Assocom here yesterday — with the main shaft of his arrow obviously aimed at the guest of honour, the Minister of Transport, Mr Heunis — Mr Card said all representations at government level were always met with one answer: "You must get off your backsides and do something yourselves."

East London was tired of hearing that.

"We are ready to go," he said, "and we have been working for a long time.

"We've come up with lots of good ideas, like the export processing zones, though you've thrown that one out," he said addressing Mr Heunis.

"On EPZs you told us we were barking up the wrong tree."

In possibly the hardest-hitting address at the meeting, Mr Card said the doors of "our friends on either side (meaning the Ciskei and Transkei) are open for discussion on the future development of this area.

"We are ready to go."

Speaking before the Minister, Mr Card said if Mr Heunis had not come in the guise of Father Christmas on this occasion, "I hope you will become one soon."

When Mr Heunis addressed the congress immediately afterwards, it might have been in the role of "The Happy Wanderer". It certainly wasn't as Father Christmas.

There was nothing in his stocking for East London or the Border. — DDR

o Assocom congress reports, page 5.

STUI3-4

13010 BACHELOR OF ARTS — EXAMINATION RESULTS IN FACULTY ARTS — YEAR : 1 — AS AT 29 02 80 — PAGE 4

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
155148P	JERVIS	JOSEPHINE ALEXANDRA	115103	ITALIAN INTENSIVE	F	(47)	1	155148P
156426D	JONES	TIMOTHY ARNOT	106103	ECONOMICS IA	F	(.44)	1	156426D
160764U	JONES	MARK FRANCIS	115101	FRENCH I	UP	(62)	1	160764U
162323N	JOOSTE	LINDA ADELE	114101 116101	RELIGIOUS STUDIES I CULTURAL HISTORY OF W.E. I	ABS ABS		7	162323N
~~157009M~~	~~KATZ~~	~~MARCELLE FAYE~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(54)~~	~~1~~	~~157009M~~
157519R	KENYON	GERDA-MARIE	004101 107101	PSYCHOLOGY I ENGLISH I (PRE-1980)	UP 3NX	(58)	1	157519R
160448A	KOOY	CAROLYN MAY	110101	HISTORY I	UP	(57)	1	160448A
157025E	KOTZE	MONIQUE RUTH	102103	AFRIKAANS EN NEDERLANDS I	F		1	157025E
160168W	KRAMER	JANINE MARIETTA CAROLINE	107101 115101	ENGLISH I (PRE-1980) FRENCH I	3NX F	(48)	1	160168W
~~157456L~~	~~LANCASTER~~	~~DEBORAH ANNE~~	~~104202~~	~~SOCIAL ANTHROPOLOGY I(PRE 1UP~~		~~(50)~~	~~1~~	~~157456L~~
159478W	LE ROUX	KAREN JEANETTE	909101	GEOGRAPHY I	ABS		1	159478W
~~156804P~~	~~LOUW~~	~~[illegible]~~	~~102103~~	~~AFRIKAANS EN NEDERLANDS I~~	~~UP~~	~~(50)~~	~~1~~	~~156804P~~
130647A	MAHONEY			...Y I	F F	(43) (46)	1	130647A

UCT

SUNDAY TIMES, Business Times, March 23, 1980

McCarthy now world's largest car retailer?

30

S Times 23/3/80

By VERA BELJAKOVA

THE R400-million McCarthy Group, now the world's largest car retailer, has plunged into the booming used car market.

In May the group opens "Africa's largest showroom" for used cars, which will comprise one acre under cover, displaying 140 units at a time, and promises to add another R12-million in turnover to the group.

The project represents the McCarthy Group's latest investment in the ambitious Car Bar project, which was launched last October and which now sells used units worth almost R500 000 a month.

"Until 1978, McCarthy was losing money on the re-sale of used cars which were bought in as trade-ins. But, since the launch of Car Bar, profits have been highly encouraging," comments John Landey, managing director of Car Bar.

"Our division is now showing second highest return on assets in the group — topped only by McCarthy Industrial Holdings."

Originally Car Bar was formed to sell only cars averaging R5 000 a unit and not under R3 000. Later a wholesale division was launched to sell off the over-stock of cars which could retail at only about R3 000 a unit and which were deemed not worthy of Car Bar's "high profile for the upper end of the used car market".

Today the wholesale branch sells some 90 units a month, grossing almost another R200 000.

Obviously, the cheaper end of the used units market has a much higher black consumership — "almost 90% of used units under R1 000 go to blacks".

Car Bar attributes its success in the used units market to the following rules:

- A stock-profile which encompasses three categories of cars: Champion (under 15-months-old or registering no more than 30 000km), Prime (less than three years old or with no more than 60 000km) and Super (which has received tender, loving care from previous owners and registers no more than 80 000km).
- All cars which do not fall into the first three categories are sold off wholesale to other dealers or auctioned.
- Instead of employing a "downtrodden R800-a-month car salesmen, we send out top professional car specialists to buy in stock adhering to our stock profile".
- All cars for sale pass the 100-point US Federal Trading Commission window-sticker test — which is much stiffer than the municipal roadworthy test.
- Each car spends some five days in an accredited repair shop being overhauled to prime condition — at an average cost of R150 a unit.
- Each unit is put back into its original condition. "Only the clock shows its mileage".
- It receives a specialised service — "thorough cleaning, not a quick paint job to diguise faults".
- Unconditional guarantees are given on a three-month or 3 000km basis for spare parts and labour. "Most guarantees are for 1 000km or one month and for parts only."
- Mileage on the clock is guaranteed to be genuine — "or money back".
- A free check is given after the first 1 000km for adjustments and to check workmanship.

"Of course, we are more expensive by about R200 a unit, but then our guarantees are better," explains Mr Landey.

"For that reason we employ best personnel at above-average salaries and salesmen must have a clean-cut, clean-living image. The company takes interest in their family lives. The uniforms, alone, proclaim our good intentions."

Car Bar boys — wait for it — wear cowboy outfits sporting the sheriff's star.

"We're the good guys," says Marshall Landey (the official McCarthy-imposed title). "That's why we wear prairie-coloured Stetsons — and not the black ones.

"All cowboys go through a 10-day sales training course and are compelled to undergo a two-hourly revision course twice a week," says Mr Landey.

At Car Bar, says the good Marshall, used units only enjoy a 45-day "shelf-life" until DD day — day of disposal through auction or wholesale to another dealer.

"If the car doesn't move in 45-days, there is something wrong with its customer appeal. Buyers do have 'instints' about cars."

The life of a used unit at Car Bar has a set format: days 1-5: reconditoned at repair shops; days 6-25: on display; days 26-35: salesmen receive a bonus for selling the unit and days 36-45: prices are slashed.

CECILIA ~~MELISSA JANE~~

STU13-9
13010 BACHELOR OF
STUD NO SUR
155146P JERVIS
156426D JONES
160764U JONES
162323N JOOSTE
~~157009M KATZ~~
157519R KENYON
160440A KOOY
157025E KOTZE
160168W KRAMER
~~137458L LANCASTER~~
159476W LE ROUX
~~156404R LOUW~~
130847A MAHOMED
137330X MALHERBE
159321A MALHERBE
150182R MARSHALL
155800Y MARTIN
~~157772R MARX~~
158259W MASSARI
~~156320V MATTHEE~~
157549Z MC CRAE
~~159454V MCCARTHY~~

S1U13-9		EXAMINATION RESULTS IN FACULTY ARTS			AS AT 29 02 80			PAGE 5
13010 BACHELOR OF ARTS		YEAR : 1						13010
STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL			
159454V	MCCARTHY	MELISSA JANE	911102	MATHEMATICS IA	3	(50)	1	159454V
152965R	MEHL	ANNETTE ELISABETH INGRID	108102	GERMAN INTENSIVE	ABS		7	152965R
			905102	CHEMISTRY IB	F	(27)		
			916103	ANIMAL BIOLOGY (HALF COURSE)	F	(39)		
1570930	MERCURIO	GIANCARLO	110101	HISTORY I	ABS		1	1570930
1557470	MICHAELS	KAREN	003101	SOCIOLOGY I	ABS		1	1557470
			~~004101~~	~~PSYCHOLOGY I~~	~~UP~~	~~(50)~~		
			107101	ENGLISH I (PRE-1980)	3NX			
1584697	MITCHELL	JANE	118101	CULTURAL HISTORY OF W.E. I	UP	(50)	1	1584697
157815N	MORRIS	CATHERINE MARIA	004101	PSYCHOLOGY I	UP	(59)	1	157815N
			107101	ENGLISH I (PRE-1980)	3NX			
			115103	ITALIAN INTENSIVE	F	(48)		
150180P	MORT	MELISSA RUTH PRINCE	114101	RELIGIOUS STUDIES I	UP	(62)	1	150180P
150783V	MULLER	SUSAN FLORENCE	110101	HISTORY I	UP	(50)	1	150783V
157521U	MURRAY	ESTELLE	116120	DRAMA I	ABS		1	157521U
137983G	NAKIDIEN	MOGAMAT TOYER	107101	ENGLISH I (PRE-1980)	3NX		7	137983G
157560L	NASH	JENNIFER ANNE	004101	PSYCHOLOGY I	2-	(61)	1	157560L
			115102	FRENCH INTENSIVE	F	(47)		
~~155924H~~	~~NEWMAN~~	~~JENNIFER ANN~~	~~911101~~	~~MATHEMATICS I M102~~	~~UP~~	~~(55)~~	~~1~~	~~155924H~~
157913V	NORMANN	HANSJURG	117101	POLITICAL SCIENCE I	UP	(52)	1	157913V
~~155878H~~	~~O'CONNOR~~	~~SHIRLEY ANNE~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(57)~~	~~1~~	~~155878H~~
162116N	PAM	JONATHAN RICHARD	004101	PSYCHOLOGY I	3	(52)	7	162116N
~~154187V~~	~~PATERSON~~	~~IAN JAMES STEWART~~	~~107101~~	~~ENGLISH I (PRE-1980)~~	~~3NX~~		~~1~~	~~154187V~~
			110101	HISTORY I	F	(40)		
154286C	PETERSEN	DESIRE SHIRLEY	102103	AFRIKAANS EN NEDERLANDS I	UP	(50)	1	154286C
			~~116120~~	~~DRAMA I~~	~~UP~~	~~(50)~~		
156134L	PHEIFFER	FREDI CHRISTIAAN	905104	CHEMISTRY IM	F	(49)	1	156134L
~~150154L~~	~~POTGIETER~~	~~FELICITY ANGELA~~	~~107101~~	~~ENGLISH I (PRE-1980)~~	~~3NX~~		~~1~~	~~150154L~~
			110101	HISTORY I	UP	(50)		
133406G	PRITCHARD	ROBERT STEPHEN	115102	FRENCH INTENSIVE	F	(40)	1	133406G
			~~115103~~	~~ITALIAN INTENSIVE~~	~~UP~~	~~(54)~~		

UCT

Discount grocers

30

RDM 29/3/80

A NEW discount grocery chain — Score Discount Food Stores — hopes to win a share of the houswife's monthly budget and draw at least R100-million away from the major supermarkets each year.

Started by former chief executive of the Metro Cash & Carry group, Mr Carlos dos Santos, Score will open eight stores in the Transvaal next week and has plans to open a further four stores by June.

By the end of 1981, Score expects to have 60 outlets, generating an annual turnover of R100-million.

ARGUS
25/3/80

Store chain chiefs 'pelt eggs' at Nepco

(30)

THREE supermarket chains have objected strongly to the National Egg Producers Co-Operative (Nepco) decision to increase the price of eggs by 3c a dozen.

Mr Raymond Ackerman, head of Pick 'n Pay, said he refused to put up his price or to deal with Nepco for supermarket produce. He said it was essential for the Hypermarket to obtain some eggs from the co-operative and that prices might have to be raised after Easter, but not before.

INDEPENDENT

Mr Ackerman said most of the independent egg producers in the Western Cape had agreed not to increase their prices in line with Nepco.

He hoped this would prevent Nepco from increasing its price.

The joint chairman of Grand Bazaars, Mr Max Sachar, said the company found the increase unjustifiable. 'The last price rise took place in February and a further increase is possible in April, should the maize price be raised,' he said.

Grand Bazaars would maintain current egg prices for as long as possible in the interest of customers.

Last week Mr Harold Greenstein of Checkers called for a countrywide boycott of eggs following Nepco's decision.

He said the price rise, the fourth since December, was 'absolutely ridiculous'. Even worse was that Nepco had indicated a further increase of at least 6c a dozen in April.

Grand Bazaars' 42,6% profit leap

(30) (128)

CT, 25/3/80

BY PAUL DOLD
Financial Editor

GRAND BAZAARS has again produced staggering results for the past year with the group switching an 18,6 percent sales rise into pre-tax profit growth of 42,6 percent.

Sales of R53,6m (R45,2m) were translated into pre-tax profits of R2,48m (R1,7m) and net attributable profits of R1,3m showed a 36,9 percent rise. The tax rate was virtually unchanged at 42,42 percent as against 42,62.

The final dividend is up by 3c to 13c making a total of 22c as against 16c, an increase of 37,5 percent. The dividend is 2,9 times covered by earnings per share of 63.24c as against 46,46c.

The high cover suggests the group is planning considerable expansion this year and there has been talk in retail circles that Grandbaz may open its first branch in the Transvaal soon. This remains speculation but the accent, judging by the cover, is firmly on growth.

At the half-way stage in August taxed profits were running 50 percent ahead at R520 000 and the interim dividend was raised by 50 percent to 9c.

In the second half Grand had the benefit of the two Eastern Cape ultramarkets from Novemeber. But, equally, the entire opening expenses of the stores were written off during the year.

The second half figures suggest that competition is definitely increasing but that Grand is confident of still turning in excellent profits.

The large figure due to outside shareholders of R101 500 well up from the comparable R29 000 in 1979 no doubt reflects the success of the Grandfare meat markets. Grand runs its meat division with National and Consolidated Meat and the group itself has a 50 percent share in the business. Presumably these figures suggest meat profits of over R200 000 for Grand itself and a great deal of growth still to come this year.

The results fully vindicate the faith shown by shareholders and heavily underscore the big profits which are to be made in the Western Cape food, clothing and hardware business where the bulk of Grand's stores are sited.

Looking back on the previous year's results today's figures show a continuation of the excellent pattern. Then Grand posted a 48 percent rise in trading profits on an 18.6 percent sales rise.

There seems little doubt that the chain can maintain this calibre of results and its target undoubtedly must be to try and capture a larger slice of Cape spending to boost the sales rise far above the 18.6 percent growth level which has been reflected over the past two years.

With competition increasing the chain will have to rely on a higher turnover growth.

This should be within reach and the new appointments of Lawrie Karp (ex Game) as general manager and Brian Cutler as marketing manager could portend a far more aggressive pricing and marketing policy than in the past. Both have wide experience, particularly in the discounting field, and these talents will be able to Grand at a ti[illegible]

competition between the food chains has never been more intense.

And is highly significant that the joint chairman Mr Max and Mr Manual Sachar note in their statement today that a deliberate fall in the gross profit margin is planned for the coming year — a drop which they believe will be more than offset by increased sales. The profit margin in the past year was well up at 4.62 percent (3,84 percent).

The board forecasts another year of growth for the group. Local expansion will centre on the conversion of the Wynberg store into a full ultramarket which will be operational from June, and Claremont is also being extended to an ultra.

Prospects look exciting and, but for the fact that the majority of the shares are in firm family hands, one could well have expected a take-over bid from one of the retail giants.

Grand's superb profits must surely be mouth-watering to both Checkers and Pick 'n Pay who are engaged in a tremendous battle for supremacy in South African food retailing.

RAND DAILY MAIL, Wednesday, March 26, 1980

Three of these six will share Businessman of the Year awarc

(30) RDM 26/3/80

By CAMUEL DIKOTLA

HUNDREDS of black businessmen and women from all over the country will attend the retailing and farming Businessman of the Year banquet at the Carlton Hotel in Johannesburg tonight.

The three winners will be selected among six finalists and will share the title of Businessman of the Year.

The six finalists are Mr Geoffrey Molala, from Mahwelereng, Ms Bushy Mogoai, from Soweto (the only woman finalist), Mr A Makhwanazi from Ntokozweni in KwaZulu, Mr S J J Lesolang from Ga-Rankuwa near Pretoria, Mr Woodroy Ngcabetsha from Transkei and Mr D Mgudlwa from Umtata.

The competition has been running for the past six years.

Mr Sam Motsuenyane, president of the National African Federated Chamber of Commerce (Nafcoc), under whose auspices the competition is run, said yesterday that the aim of having "businessmen of the year" was to promote better organised black business.

He added that the competition would also help to raise standards and emphasise the importance of commercial training for black businessmen.

Mr Peter Fleck, marketing director of the company

MR MOLALA.

MR LESOLANG

MR MKHWANAZI

MS MOGOAI

MR MGUDLWA

MR NGCABETSHA

sponsoring the competition, Gilbeys Distillers & Vinters, has said that the broad objective of the black businessman award is to promote better business practice among blacks.

"Our involvement in the competition of this nature is tangible evidence of our company's commitment to a free market enterprise for all people in South Africa.

"It supports our belief that the progress of the black man and his business is vital to the stable development of the South African economy.

"Black business people are going to be given greater freedom of trade, but this will inevitably create a more competitive environment," Mr Fleck added.

In 1973 the award of Businessman of the Year went to Mr Agrippa Mayaba, a bakery owner in Mount Frere. Today he has a large business as well as being one of Transkei's business leaders.

Last year's winner was Mr Ramsay Ramushu, of Soweto, whose business is also rapidly expanding.

The rector of the University of Zululand, Professor A C Nkabinde, will give an address at tonight's function.

The speaker at last year's banquet was Professor W Kgware, rector of the University of the North (Turfloop).

PEOPLE

From sweet-seller to supermarket boss

STAR 27/3/80 (30) ~~343~~

CILLA DUFF interviews Sponono Majola, a man who has beaten the odds to become managing director of the big black-run supermarket project in Soweto.

Sponono Majola: "Take me as your equal — until I've prov[illegible]"

The whizzkid of Diepkloof is happy with his middle name, Sponono. It means "handsome boy," which strikes a small flame of pleasure in that deep spot where his ego lives.

But, he crows, he would rather be known as Qhudelimzwezwe, which, fittingly, means "the old cock at the top of the heap."

"Never," he pleads, "call me Heilbron . . . how could my mother have done that to me?"

Jolly is the best description for Heilbron Sponono Qhudelimz[illegible] Majola, the [illegible] managing director of the R2-million Blackchain supermarket and speciality store project growing up in Soweto.

"Oh res," he cackles good-naturedly, "I started laughing when I was making £3 a day as a schoolboy, selling sweets at Orlando station. The old people were working full-time for £1 15s a week . . . no wonder my father was worried that I would become a dagga-smoking tsotsi. . . ."

But the 15-year-old Majola knew he nad more to look forward to than the immediate kicks £3 in his pocket could buy. "Not to disappoint my father has been the primary challenge right through my [illegible]."

Besides [illegible] sugared [illegible] candy-floss, peanut-[illegible] and that staple [illegible] of the Soweto [illegible] Toff-O-Luxe, Majola would also earn extra money working after school in his Uncle Samson's store at Edenvale.

Taking a look round his sophisticated chrome-and-glass, brilliantly plasticised supermarket, Majola smiles at the contrast between then and now.

"Shoppers at Blackchain will wheel trollies up to the check-out counter. In my Uncle Samson's store they came with their tin plates and dishes . . . my job was to weigh the mealie meal, rice and so on into those dishes . . . ."

Later in 1959, Uncle Samson gave Majola £800 with which to start his own store.

"I had no money for stock . . . luckily the suppliers knew me, so I could buy on account. I had £2 10s cash. With that I stocked up with cold drinks and break. . . ."

Battling the odds has always been a way of life for Majola. He is proud that he has never been employed by a white man. "I would rather be a lean dog, running free, than a fat dog chained to his master . . . ."

This is no arrogance. The "lean dog" lives in too tough a world.

"For a black breaking into the high-powered business syndrome is almost an impossible dream. If [illegible] that you are ignorant, you will grow up into a man who has no confidence in himself. It is difficult to trust your judgment, to show initiative, when you are aware of your inferiority, 24 hours a day."

"Each time you are stopped by a traffic cop you know you will have to go through the same humiliating dialogue that your father went through: 'Is dit die baas se kar? Waar werk jy? Hoekom ry jy hier?' And the unspoken observation that your suit and your good shoes and your silk tie must be die baas se ou klere, because where will you, black man, have got the money to look so uitgevat?

"Then, one day, in spite of all the obstacles, you reach a certain status. And, still you have trouble with receptionists and secretaries and people who judge you purely on how you express yourself, on your fluency in a white language."

Meanwhile, the store in Newcastle is turning over R1-million a year.

Majola doesn't like to be called a tycoon but he admits to thinking big. He and his co-directors invested R530 000 of their own money in Blackchain. With Nafcoc (National African Chamber of Commerce) as a catalyst, the R1½-million balance was put up by three banks. It is the first site of its size — 6 000 sq metres bonded to a consortium, which a group of black businessmen have been allowed to own.

"Blackchain," he says proudly, "has been blessed by Bishop Tutu. Our aim is to give the consumer convenience, confidence and cut prices. We want to redirect to Soweto the 80 percent buying-power which is currently going to town. In a small way we can give the people back some of their pride."

In the year that Blackchain has been in the pipeline Majola has often been asked whether he doesn't feel that perhaps he and his colleagues lack the expertise required to mount such a project.

"Only here," he smiles. "Only here, sometimes. But when I attend retail seminars in the US I often feel more than equal. Sometimes you surprise yourself. . . ."

Success has been a long time coming for the little Orlando sweet-seller. But now it's the lean dog's day — the gleaming BMW, the homes in Pimville and Newcastle, the trips abroad, all bear testimony to one man's perseverance.

"And my pride . . . it's my pride."

BUSINESS POST

'Let backyard man grow' is Nafcoc's latest aim...

Post 27/3/80

30

THE small backyard manufacturer-industrialist in the black community will not survive if he does not find a market for his goods, Mr Ben Obed Sibeko of the National African Federated Chamber of Commerce (Nafcoc) said in an interview with POST this week.

Mr Sibeko is chairman of Nafcoc's Southern Transvaal Industrial Committee formed three years ago with the aim of bringing black backyard manufacturers together and building them into strong and competitive businessmen.

The problem had been that Nafcoc could not organise in this field in the past because of legislative restriction. These restrictions had given whites all the rights to compete among themselves and prosper while blacks were refused the right to compete openly and ~~market~~ their products.

Mr Sibeko said the Southern Transvaal alone had over 1 000 of these frustrated manufacturers

Mr Ben Obed Sibeko

Nafcoc, through its industrial committee, could help these people by:

- Trying to find a market for their products.
- Organising capital and building them into big businessmen.

who either did not have licences or sites to trade openly or did not have machinery to manufacture their products.

A snap survey conducted recently by the Industrial Committee has shown there were clothing manufacturers, leatherworkers, carpenters, welders, knitters, motor mechanics and pinafore manufacturers in the area who needed help badly.

SURVEY

The survey revealed that some of the people had been involved in their small businesses for more than 12 years but had never been profitable. They were people living from hand to mouth and, although they had the experience in their work they did not have capital to establish themselves into bigger businessmen.

- Negotiating for trading sites for them so that they could have bigger places to operate.
- Helping them with displaying their products.
- Organising the know-how for them and sending consultants to advise them in their businesses.
- Running educational courses for industrialists and thereafter recommending them to banks who will help them in their business.

PROBLEM

Mr Sibeko said the other problem these people faced was that banks were offering them sh...

BARRY GEORGE 105104 LATIN I
SALLY MARY
DAVID LEON 103302 SOCIAL ANTHROPOLOGY II(PRE 2- (60) 1 052892R
~~104211 ANTHROPOLOGY II~~ 2+
110303 AFRICAN HISTORY II 2- (60)
ALEXANDER GEORGE 106202 ECONOMICS II
DEENA MERLE 107201 ENGLISH II 3 (53) 1 121461Y
LEONARD STEVEN 107101 ENGLISH I (PRE-1980) 3 (57) 1 133333C
IVOR DANIEL 114101 RELIGIOUS STUDIES I 3NX 1 133054C
TERESA 004201 PSYCHOLOGY II F (44) 1 137998Y
004101 PSYCHOLOGY I 3 (58) 1 134302F
103302 SOCIAL ANTHROPOLOGY II(PRE 2- ABS (63) 1 135870U
~~DEVON CLARE 004101 PSYCHOLOGY I~~ ~~114532F~~
EUGENE FULTNER 101103 AFR LANG INTENSIVE (XHOSA) 2- (53)
107101 ENGLISH I (PRE-1980) 2- (55)
110101 HISTORY I 2- (61)
HENRIETTA ANNE 102101 AFRIKAANS ABS 3 121723H
110202 HISTORY II 3 (52) 1 102168C
NUMBER OF STUDENTS - 37
REGISTRAR (ACADEMIC).
UCT

higher interest rates and most of them found it difficult to manage their businesses.

"Their problem is capital and until there were some financial corporations willing to assist them on long term loan basis with lower interest rates, they would not survive. This is what Nafcoc saw, hence they decided to come in," he said.

Nafcoc would make it their business to go to the authorities on behalf on its people with the aim of negotiating vacant sites for those who are ready with capital to put up their structures and do business.

"This could also generate a lot of employment and blacks would be able to compete openly in their own areas as whites do in the cities," he added.

FACULTY ARTS AS AT 29 02 80 PAGE 1

YEAR : 2

13020

		AMES	COURSE	DESCRIPTION	SYMBOL			
			~~110202~~	~~HISTORY II~~	~~3~~	~~(52)~~	~~5~~	~~134204Z~~
			104101	ARCHAEOLOGY I	ABS		7	137452E
			~~107201~~	~~ENGLISH II~~	~~ABS~~		~~1~~	~~140746K~~
			003301 117201	SOCIOLOGY III POLITICAL SCIENCE II	ABS ABS		7	120414K
138497Q	DE VILLIERS	JEANINE KAREN	113104	PHILOSOPHY I	2-	(67)	1	138497Q
136110W	ESAU	FAIKA	103302	SOCIAL ANTHROPOLOGY II(PRE	F	(48)	7	136110W
136962X	ESSMANN	SONJA BRIGITTE	101103 115103	AFR LANG INTENSIVE (XHOSA) ITALIAN INTENSIVE	2- 3	(60) (51)	1	136962X
~~111207G~~	~~FELLOWS-SMITH~~	~~ELIZABETH ANN~~	~~114218~~	~~DRAMA II~~	~~F~~	~~(46)~~	~~1~~	~~111207G~~
113763F	FIELD	MAUREEN DAWN	118101 502107	CULTURAL HISTORY OF W.E. I HISTORY & THEORY OF ART I	ABS ABS		1	113763F
137811V	GARSON	CATHERINE MARY	103202 107201	SOCIAL ANTHROPOLOGY I(PRE 1 ENGLISH II	2- 2-	(60) (60)	1	137811V
~~113790K~~	~~GRAZIANI~~	~~MARIO GUIDO~~	~~105105~~	~~LATIN ELEMENTARY~~	~~UP~~	~~(54)~~	~~1~~	~~113790K~~
113526Y	HARPUR	COLIN ANDREW LINDSAY	004101 113104	PSYCHOLOGY I PHILOSOPHY I	3 F	(58) (30)	1	113526Y
134419H	HAY-WHITTON	ALEXANDER MARK	105202	LATIN II	2-	(65)	1	134419H
098717B	HORWITZ	ROXANNE ALETHEA	114201	RELIGIOUS STUDIES II	ABS		1	098717B
139706E	HOUGH	COLLEEN DESIREE	911201	MATHEMATICS IIA M204	2-	(68)	1	139706E
133266E	KOSCIUCH	KAROL FRANCISZEK	107201	ENGLISH II	3	(55)	1	133266E
114692Q	MAVROS	SUZANNE DOROTHY	107201 114201 115201	ENGLISH II RELIGIOUS STUDIES II FRENCH II	2- 2+ 2-	(63) (72) (63)	1	114692Q
139615F	MAZEL	ABRAHAM	117101	POLITICAL SCIENCE I	F	(47)	1	139615F
132828D	MEYER	LEONARD HENRY	106202	ECONOMICS II	3	(50)	1	132828D
133615J	MILLER	DARLENE RUTH	101103	AFR LANG INTENSIVE (XHOSA)	F	(38)	1	133615J
133140T	OLIVA DAY	DIANA EMMA	107101	ENGLISH I (PRE-1980)	3NX		1	133140T
133546J	UMAR	ABDUL RASHIED	106202	ECONOMICS II	3	(52)	1	133546J

UCT

BUSINESS POST

Post 27/3/80

Food chain in grand opening

30

SCORE Discount Food Stores, the new limited-assortment food chain, open eight stores in different parts of the Transvaal today.

The managing director of Score Discount Food Stores, Mr Carlos dos Santos, says they plan to have 12 stores before June this year and 20 by the end of the year.

He expects the chain to be turning over R2-million a month by the end of the year and by the end of 1981 he expects to be running 60 outlets generating an annual turnover of R100-million.

The eight stores which open today are in the Johannesburg Central Business Area, Mayfair, Pretoria, Germiston, Springs, Benoni, Vanderbijlpark and Rustenburg.

The stores expect to win customers for a limited assortment of groceries and household items because they are situated in areas where people and traffic are heavy.

Their customers will be won from supermarkets situated in places less conveniently located for shoppers and from corner neighbourhood stores unable to match Score's discount prices.

Explained Mr Dos Santos: "By carrying a limited assortment of goods, we can buy in bulk, avoid slow-selling lines, keep our overheads down, and so keep prices low.

"Because all our stores will be close to railway stations or bus terminals, we will be more convenient for pedestrian shoppers than the supermarket geared to serve shoppers who have cars."

Though the 500 square metre Score Stores will stock only a range of 500 items — the brand-leaders in dry groceries and household items — they will also provide 80 percent of shoppers' total needs.

The other 20 percent, Mr Dos Santos explains, are the goods a housewife would buy irregularly.

A jubilant Mr Ntsomane Kitty receives a cheque of R10 000 from the Standard Bank manager (Jabulani branch), Mr Henry Lugojolo (extreme right) and Mr G Matoase (centre). The cheque was a settlement from an insurance company after Mr Kitty's White City shop was damaged by fire.

A chance to study

SALESMEN were urged to upgrade themselves through courses in marketing and salesmanship during the inaugural meeting of the Sales Representatives of Southern Africa (SARASA).

The meeting, which ... Dienkloof

CULTY ARTS

AR : 1

ES

AS AT 29 02 80

PAGE 1

13010

COURSE	DESCRIPTION	SYMBOL				
		2	(61)		1	0859133
004101	PSYCHOLOGY I	F	(34)	7		152249N
115101	FRENCH I	UP	(54)		1	1545080
004101	PSYCHOLOGY I	UP	(60)			
908101	GEOGRAPHY I	F	(44)		1	157349G
		3	(50)			
911101	MATHEMATICS I M102	UP	(55)	1		155374K
911102	MATHEMATICS IA					
104101	ARCHAEOLOGY I	F	(39)		1	153885R
115101	FRENCH I				1	162594H
107101	ENGLISH I (PRE-1980)	3NX			1	170462
110101	CULTURAL HISTORY OF W.E. I	ABS				157724P
004101	PSYCHOLOGY I	UP	(53)	1		
105202	SOCIAL ANTHROPOLOGY I(PRE 1	UP	(54)			
908101	GEOGRAPHY I	UP	(51)		1	162809R
101103	AFR LANG INTENSIVE (XHOSA)	ABS			1	153940B
502113	HISTORY OF ART I	ABS				
106104	ECONOMICS IB	UP	(61)			115210D
107101	ENGLISH I (PRE-1980)	F	(37)	7		
603202	HUMAN LAW & JURISPRUDENCE IF		(46)			
115102	FRENCH INTENSIVE	F	(36)		1	159729U
116120	DRAMA I	UP	(50)			
110101	HISTORY I	UP	(51)		1	155052K
117101	POLITICAL SCIENCE I	3	(52)		1	138311N
107101	ENGLISH I (PRE-1980)	3NX			1	161780Y
106104	ECONOMICS IB	UP	(53)		1	157700N
110101	HISTORY I		(40)			
117101	POLITICAL SCIENCE I	ABS			1	153399N
107101	ENGLISH I (PRE-1980)	3NX				
911101	MATHEMATICS I					

JANE

RNELIUS

IGA

Board's plan to kill shebeens

Wknd Post 27/3/80 (30)

by Political Correspondent BARRY STREEK

An astonishing — indeed alarming — plan to eliminate shebeens in the Eastern Cape and to create a state liquor monopoly, has been drawn up by the Cape Midlands Administration Board, now called the East Cape Administration Board.

The plan has been submitted to the National Liquor Board as a counter to the general trend to normalise liquor distribution in black areas.

The Liquor Board itself is investigating the possibility of legalising shebeens and lifting the ban on bringing liquor into black areas outside the homelands other than through the administration boards.

Because the administration boards are so heavily dependent on the profits derived from the sale of liquor, such a proposal would inevitably have considerable financial implications for them if it were implemented.

According to the memorandum the old Midlands Board is the landlord/administrator to 361 400 people living on 42 000 erven. It owns 17 liquor stores and ten bars, with an expected 1978 turnover of R13,4 million and a net profit of R1,3 million. Sales of liquor and sorghum beer contributed nearly 45 per cent of the old Midlands Board's annual revenue — on a mere R1,2 million invested.

Since 1978, the Cape Midlands and Cape Eastern boards have been merged and that presumably means it controls even more liquor outlets, although the ratio of income from liquor sales is unlikely to have changed.

Not surprisingly, the board is somewhat concerned that if its income from liquor is cut off, this will either make it more dependent on the central government or it will have to cut down on its activities.

In its submission, the board said such a move would make it more heavily dependent on the Consolidated Revenue Fund to keep going, whereas the statutes of the administration boards clearly state that they should be financially self-reliant.

Shame!

What the board does not consider is the abhorrent principle that a government agency, which is all it is, should be dependent on its income from liquor sales.

Nor does it consider the essential racism in this concept. It is apparently all right for whites, Coloureds and Indians to obtain liquor from non-state-owned enterprises, but for blacks a different principle should apply.

What rubbish! The sooner the government gets out of the liquor business, the better.

While the government is loudly proclaiming its belief in free enterprise, the East Cape Administration Board is proposing the exact opposite. More than that, it is proposing a total monopoly.

The board rationalises this by saying the transfer of the liquor business will deprive the board community of benefits; and by claiming that the profits will pass into the hands of a few.

One of the "benefits" which is basic to the activities of all the administration boards, is the implementation of the much-hated pass laws, including the staff and vehicles necessary for raiding properties outside the black areas.

How much does this benefit cost?

That aside, the board is fundamentally arguing a very socialist philosophy — for which, I will readily concede, there is a sound theoretical argument.

But if it is to have any validity, it has to be a matter of broad state policy. To isolate one area of commercial activity, namely liquor, and then argue socialism (under totally white control) for blacks, is just so illogical that it is surprising the government has not instructed the board to withdraw its plan.

The board, however, goes much further in its document in its attack on the shebeens.

It estimated that there were 300 shebeens in the Port Elizabeth area. Most of these had deteriorated into illicit off-sales shops, having discarded their "on-consumption social club" character. The board says there are 76 licensed off-sales liquor stores in the Port Elizabeth area, many of which rely up to 80 per cent on the shebeen trade.

Not infrequently liquor price wars in Port Elizabeth are the result of intense competition between white and Coloured liquor store-owners competing for a major share of the shebeen trade. At times, horror of horrors, this has enabled shebeen operators to undercut even board liquor stores.

"There is only one simple solution to the problem and that is to prohibit the sale of liquor to blacks by white and Coloured liquor stores — and to transfer this right exclusively to holders of 100 BIS licences" (section of the Act affecting administration boards and local authorities).

The board also wants limits on individual sales.

Besides the monopolistic tone of this proposal, it reflects the ridiculous thinking that motivated the now-abandoned ban on the sale of "white" liquor to black people.

Why on earth in a capitalist society should the administration boards not be subject to competition, whatever the race of the liquor store owner?

The board also claims that shebeens are not desirable because they attract people under the age of 18, they sell on credit, they are conducive to drug trafficking, they disrupt the family circle because they remain open all night, and they are often hotbeds of political plotting by activitists and agitators.

It cited the following handicaps — why the board cannot compete successfully with shebeens: limited business hours while shebeens have open house, shebeens sell on credit, at shebeens clients are served by "women and prostitutes".

Shebeens have privacy and luxurious appointments, they are nearer home and offer gambling tables, shebeens allow dancing and singing and have no closed days.

Really, one would have hoped that by now there would have been more enlightened thinking in government circles.

Obviously, it is undesirable for people under the age of 18 to be drinking in shebeens and for prostitutes to trade there.

But, surely, the point must have sunk into the minds of government officials by now that shebeens are part and parcel of life in South Africa and that nothing they do will change that.

Nor is it desirable for them to be forced out of existence by heavy-handed government bureaucracies trying to make more money out of liquor sales.

What is desirable is that through the legalisation of shebeens, they be put in a position similar to that of other liquor outlets in South Africa — that they be turned into the corner pubs which are so basic to life in the rest of the world.

In other words, the same rules, including open competition, should apply to black and white drinkers, and shebeens, like hotels and pubs, should be able to offer attractions such as music, to draw customers.

Such a development would be much preferable to the creation of a state liquor monopoly in the form of the boards.

And if the administration boards were not so concerned about selling liquor and administering the pass laws, they might have a chance of gaining real acceptance among black people.

As they are now, it would be better to abolish them.

C.T. 28/3/80

Businessmen 'caught between two worlds'

30

Staff Reporter

THE SUCCESS of the black businessman was hampered because he was "caught between two cultural worlds", the rector of the University of Transkei, Professor A C Nkabinde, said in Johannesburg on Wednesday night.

Traditional family attachment, as opposed to the "individual position" forced on the businessman, has plunged the black businessman into a conflict situation, he said.

Professor Nkabinde was speaking at the annual National African Chamber of Commerce (Nafcoc) Businessman of the Year banquet.

The black businessman was placed in the difficult position of "how to order his relationships with his kinsmen, who believe that the achievements of a member of the family also belongs to them", Professor Nkabinde said.

"If uncle owns a shop, then all of us can get whatever we need from his shop," was the belief, he said. The question of how a systematic stripping of the shop affects the turnover and the profits is not important: "Uncle will manage somehow," Professor Nkabinde said.

The black man is brought up in a "cultural set-up where communal ownership and responsibility are cherished" and has difficulty adapting to the new type of life that business in a free enterprise system demands.

Professor Nkabinde outlined a number of other problems facing the black businessman:

- The black businessman is not free to set up business without any interference, as he should be allowed to in any country which practises the free enterprise system;
- The large amount of trade lost to the black "entrepreneur" because of the "man-made restrictions" is "crippling";
- Business hours are inconvenient for black businessmen as the urban townships are "dead by day and alive by night";
- Professor Nkabinde called for an investigation into the extent to which the black businessman is involved in the free enterprise system.

"In other words," he said, "we need documented information on the disabilities of black businessmen to be more accessible to a wider circle of people outside the business world.

Professor Nkabinde said he felt the present Nationalist cabinet has shown "far more sympathy and a greater will to listen" to the problems of the black man than any government before it.

"The white electorate has also shown a movement away from the doctrinaire attitude of previous generations," he said.

Professor Nkabinde awarded the prize for "retailing with an annual turnover exceeding R500 000" to Mr S J J Lesolang of Bophuthatswana, who represents the Rantol Group of companies and is a director of 13 other companies.

Mr W W D Ngcebetsha, owner of Zilla Gift Stores, Transkei, won the category for "retailing with an annual turnover under R500 000" and Mr G Molala, a farmer from Lebowa, became the first winner in the agriculture category.

STU13-9

EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

12010 LOWER DIPLOMA IN LIBRARIANSHIP YEAR : 1 12010

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL	
~~1409R0P~~	~~HUHRING-UHLE~~	~~URSEL~~	~~118101~~	~~CULTURAL HISTORY OF W.E. I UP (50)~~	~~1~~	~~1409R0P~~
159075H	ELEERS	CHARLES PETER	111101	CULTURAL HISTORY OF W.E. I UP (50)	3	159075H

* TOTAL NUMBER OF STUDENTS 2

DEAN

REGISTRAR (ACADEMIC)

UCT

Plain rail link ready in 3 months

CT. 28/3/80 (30)

(32) (81) (8.70)

Staff Reporter

THE long-awaited R12-million rail link between Cape Town and Mitchell's Plain is progressing smoothly and is expected to be in full operation by the end of June. Train fares have already been decided on.

The railway-line, which extends from Nyanga station, has four stations which have been named Philippi, Lentegeur, Mitchell's Plain and Strandfontein.

An SAR spokesman said a train journey from Cape Town to Mitchell's Plain would take 46 minutes on average.

The train fares will be:

A first-class return ticket — R1,28 and a third-class return ticket — 46 cents.

A first-class weekly ticket — R5,65 and a third-class weekly ticket — R1,71.

A first-class monthly ticket — R17,75 and a third-class monthly ticket — R5,64.

A third-class worker's weekly ticket will cost R1,30.

The two main routes will be from Cape Town via Pinelands and Maitland and from Cape Town via Ysterplaat.

The routes will have 41 trains. Train services will be increased during peak hours.

The general foreman of the construction company building the railway stations, Mr Buster Eacher, said he was confident they would meet the June deadline.

On the Mitchell's Plain station site 250 workers are employed and Mr Eacher said the project cost "over R2-million". The tracks from Nyanga to Strandfontein have already been laid.

There are large parking areas and the station is being built with rustic face bricks and will have slate roofing.

A multi-million rand business and shopping complex containing as O K Bazaars, a Pick 'n Pay and a Woolworths, is being built adjacent to the station.

The site is in an advanced state of construction and it is hoped the complex will be opened at the end of September.

The complex will be connected to Mitchell's Plain station by covered ramps.

Construction work on the railway line linking Mitchell's Plain to Cape Town is progressing well. This maze of brick, mortar and steel will soon be turned into the Mitchell's Plain station. In the background will be the multimillion rand shopping complex of O K Bazaars, Pick 'n Pay and Woolworths.

STAR 28/3/80 ~~(24)~~ (30) ~~(31)~~

GENE

Coal price up again April 1

Fair Deal Reporter

The price of coal will rise by 26c a 90 kg bag on April 1 to R2.80 a bag.

This will be the second price rise in two months.

Mr Stanley Amoils, managing director of a major coal retailer, said there had been substantial wage raises for black labourers.

"This, coupled with the new rail tariffs, meant the price had to go up. We're a labour-intensive industry and our company's wages were below those for the industry.

"Labourers' minimum wages have increased from R22 a week to R28."

Coal producers were granted a 9c increase a 90 kg bag on February 1.

MOTOR INDUSTRY

(30)

Opel door

FM 28/3/80

With only 7,5% of the SA car market last year, General Motors, the world's biggest automaker, lies a humiliating sixth in the league table here. But GM hopes to change all that with its new Opel Kadett, a car that could make the company, for the first time, a force in the growing small-car segment.

MD Lou Wilking tells the *FM* his target is 14,5% of the small to medium segment in the first 12 months. That's a modest target considering the Volkswagen Golf captured 23% of the same segment and the Mazda 323 30% in their launch years, but it would roughly double GM's total market penetration.

"Our sales last year came from only half the market," says Wilkins, who sees no end yet to the growth of the small-car share. "We did not have the right product for the times, and with the astonishing swing to the small and lower medium group market we did not have a car in that range to offer."

The Kadett has done exceptionally well in Europe. Sales totalled 232 000 in the first eight months, and it is now outselling the Golf. It's a peppy little car with a surprising amount of passenger and luggage space.

But probably most important for GM is that it is a truly European car. GM's American big car image has not helped it to cope with the last few fuel-conscious years. And although its existing Rekord, Commodore, Senator range also comes from Adam Opel, they are fitted with the outdated American-designed engines which have been locally produced for a decade, originally for the 2500-4100 series. (This is why they were sold here under the Chevrolet label rather than as Opels.)

But the Kadett incorporates a new imported German engine, which has forced GM to take the unaccustomed body panel route to 66% local content.

From the beginning of April, when the Kadett will be available to the public, GM is hoping to sell 1 500 a month — which is as much as it will be able to make initially. Demand in Europe is so great that it will be difficult to obtain enough engines and components from the source plant. For a change, GM expects its problem to be lack of supply — not lack of demand.

8370

RAND DAILY MAIL, Saturday, March 29, 1980

Pick 'n Pay final 116c

RDM 29/3/80. (30)

By ELIZABETH ROUSE

PICK 'N PAY has outstripped its competitors in achieving a 31% taxed profit rise at the year-end on a 20% turnover rise.

The final dividend has been raised to 116c from 86c, bringing the total to 160c against 120c paid in 1978. The final payment is well above expectations.

The group's performance is all the more impressive as the leap in turnover came mainly from consolidation of the group's existing hypermarkets as the new superstores were opened too late in the year to make much contribution to profit growth.

Pick 'n Pay's chairman, Mr Raymond Ackerman, has announced an ambitious expansion programme for this year and plans greater expansion next year. One hypermarket will open next year year, possibly two, he says.

Attributable taxed profit for the year to February 1980 is R11 209 000 — up from 1978's R8 533 000 on turnover of R555-million compared with sales of R466 800 000 in the previous year.

The dividend is covered three times by earnings of 481c. The 1978 dividend was covered 3,1 times by earnings of 371c. The trading profit return on sales has improved to 3,26% from 3,01%.

Mr Ackerman is proud that Pick 'n Pay achieved a sales growth well above those of "some other chain stores".

The 29% increase in trading profit is attributable to tight expense control and a decrease in shrinkage and shortages.

The hypermarkets all contributed strongly to profit and gave an excellent mix of hardware and textile sales to the total. This improvement in mix and increased sales in these areas helped substantialy towards profit growth, says Mr Ackerman.

Because of low interest rates, the board decided to buy heavily into food stocks to try to keep prices down. Policy has been to invest in stocks rather than have cash earning low interest, says Mr Ackerman.

This action helped to keep group food prices competitive and to curb inflation.

The Port Elizabeth hypermarket opened on March 12 and broke all records. A seventh hypermarket will be opened in November/December in Johannesburg's southern suburbs.

Superstores and supermarkets are planned for Carletonville in September/October, bringing the superstore total to four.

The fourth supermarket opened in Pretoria this week and a large supermarket will open in Newcastle later this year.

The most interesting development will be the building of a supermarket in Mitchell's Plain, Cape, 51% held by the coloured community and 49% by Pick 'n Pay. A share issue will be made for participation by the community in this development.

About three of the existing supermarkets will be expanded this year.

Pick 'n Pay's dividend yield is around 4,08%.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS

13110 PERFORMERS DIPLOMA IN SPEECH & DRAMA AS AT 29 02 80 PAGE 1

YEAR : 1

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		13110
1356560	GAITJES	EDUARD-STEPHANUS	116120	DRAMA I	F	3	1356560
1542494	CAMPION	MATTHYS CHRISTOFFEL	116120	DRAMA I		1	1542494
1567620	KRUSKAL	MEGAN	116120	DRAMA I	UP (-50)	1	1567620
1623438	MILLIZ	NICOLA ANDREA	116120	DRAMA I	UP (50)	1	1623438
1548260	SAMUELS	ANDRE-CHARLES	116120	DRAMA I	+	3	1548260

DEAN

* TOTAL NUMBER OF STUDENTS 5

REGISTRAR (ACADEMIC)

CASH CRUNCH FOR RACIST FIRMS

Sun Trib 30/3/80

30

By TICKS CHETTY

A LEADING black business organisation has started a campaign to put a cash squeeze on companies that practise race discrimination.

The campaign, believed to be the first of its kind in South Africa, has been started by the Pretoria-based National African Federated Chamber of Commerce (Nafcoc).

Mr Mohale Mahanyele, executive director of the 10 000-member body, said this week members had been asked not to support businesses that practised discrimination or refused to employ blacks.

"We have advised our members to take their money where they are treated as equals and not as inferiors," he said.

This new development suggests that warnings about blacks one day flexing their economic muscle to bring about changes are fast becoming a reality.

In its monthly journal African Business, Nafcoc says owners of restaurants, hotels, shops and places of entertainment, who refuse to serve blacks, may find themselves losing in the long run.

"Those who practise this kind of discrimination may be brought to their senses by hard economic facts but by then it might be too late.

"They will have themselves to blame when blacks turn their backs on them. Times are changing and with the growing buying power of the black population, only the very foolish could consider leaving them out of the club," the journal says.

Mr John Deavin, chairman of the CBD Association in Durban, said it was inevitable that blacks would use their growing buying power against businesses that practised discrimination.

"Stores guilty of this deserve this type of pressure," he said.

Mr Gerhard Stanek, chairman of the Durban and District Hotel and Bottle Store Association, said he could not comment because he believed the journal remarks were directed at unlicensed restaurants which were not members of his association.

Hesitate

But he added: "I would hesitate to contradict the views expressed."

Mr Ken Hobson, general manager of the Durban Chamber of Commerce, said he did not think many businesses themselves choose not to serve blacks — they were legally forced to do so.

He said in cases where legislation was the factor, pressure should be directed at the people responsible for the legislation and not the businesses.

Mr Mahanyele said he didn't believe all businesses were hampered by legislation. Owners of many businesses discriminated against blacks because they were racialistic.

"This is unacceptable to us. The time will come when more and more blacks will refuse to support businesses that discriminated against them. the days of being served from pigeon-holes and from the backdoor are over."

Pick 'n Pay turnover zooms with takings of R1,52m a day

SUN-TRIB (FIN) 30/3/80 (30)

By TONY HUDSON Finance Editor

LAST YEAR was a golden one for the Pick 'n Pay group which once again reports earnings well up for the year to February 29.

Turnover for the year was up by 18,8 percent to R555-million — R1,52-million a day — while after tax earnings rose by a hefty 29 percent to well over R11,7-million.

Earnings per ordinary share rose from last year's 381 cents to 481 cents while dividends for the year rose from 1978's 120 to 160 cents. Dividend cover for last year was 3,0.

In his statement with the unaudited results, Pick 'n Pay chairman Raymond Ackerman said the increase of R90-million in turnover was huge when compared with the turnovers of some other chain stores whose entire turnover was often below this figure.

He said: "The increase in before-tax profit of 29 percent is pleasing when relating this to the turnover increase and came about because of very tight expense control despite many expenses going up such as salaries and wages".

He also said there was a pleasing result in shrinkage and shortage control.

Ackerman said because of low interest rates the board decided to invest heavily in stock to attempt to keep prices down and to have money in stock rather than in cash, earning a low rate of interest.

Ackerman also called for change: "I feel all people in this country must support moves to move urgently and actively away from all aspects of discrimination in this country — the time for talking about it is over and we must realise that if we want to preserve our growing economy and employ people, we will only do this when we have social peace and discrimination must be wiped off the statute books."

With an excellent consumer budget behind him, the chances are that Ackerman will again be able to report increased earnings in the coming year, and the counter could be attractive in the short to medium term.

INS

COMMERCE - GENERAL

3 April 1980 — 23 MAY 1980

All set for the big day

30

A dummy run to get into the swing of it . . . Cashiers and packers prepare for the giant Blackchain Supermarket opening next week. Inset picture: Managing Director H S Majola.

By Willie Bokala

THE giant Blackchain Supermarket in Diepkloof, Soweto, will definitely be open next Thursday.

The managing director, Mr H S Majola, said yesterday that there would be a feast on Wednesday afternoon to celebrate the opening.

On Thursday morning a ribbon would be cut — probably by the chairman of the Diep-Meadow Council, Mr J C Mahuhushi — and at 10 am the supermarket would start trading.

Blackchain was originally set to open on either March 28 or 29. Mr Majola said the delay was due to "the fact that our shelf supplier had given us defective shelves and we had to send them back".

Blackchain promises to be an exciting venture, he said.

Speciality stores, medical consulting rooms, boutiques and a Cash and Carry section are all a part of the vast complex.

UNICOC WILL JOIN NAFCOC

THE United Chamber of Commerce (Unicoc) — coloured businessmen on the Witwatersrand — will definitely join the National African Federated Chamber of Commerce (Nafcoc).

Unicoc was formed last year for Bosmont, Eldorado Park, Western, Newclare, Coronationville, Riverlea and Extension, Kliptown, Noordgesig, Fleurhof, Vaal and East Rand.

Mr William McBain-Charles, the chairman, said this week that confirmation had been received from Nafcoc.

His organisation's task was now to collect and bring all small and isolated bodies into his umbrella body so they could have uniform representation in Nafcoc.

So far the response has been very good and Unicoc was sure of support.

He said the businessmen's problem was not an isolated one, but a big national problem that needed powerful representation. Coming together with Nafcoc the problem could be easily tackled.

Unicoc held their first public meeting in Coronationville last month and were addressed by Mr Mohalle Mahanyele, executive director of Nafcoc, Mr Moses Maubane, assistant general manager of the African Bank, Mr B O Sibeko, chairman of Nafcoc's Southern Transvaal Industrial Committee, and Mr Veli Kraai, chairman of the Soweto Chamber of Commerce.

Mr McBain-Charles said there were over 200 businessmen in areas covered by Unicoc.

"We want to talk from a position of strength."

Big chance for the backyard factories

THE SMALL backyard manufacturer-industrialists have a big chance coming their way — Nafcoc has arranged for them to exhibit their products at the Rand Show.

According to Mr B O Sibeko, chairman of Nafcoc's Southern Transvaal Industrial Committee, the exhibition has been arranged to give the "small man" an opportunity to advertise what might lead him into finding a wider market for his product.

Their appearance at the show is a golden opportunity in that Nafcoc has also arranged for giant white companies like Ford to exhibit motor car parts and others to show off machinery and equipment on the Nafcoc stands to arouse interest from the backyard manufacturer.

"These companies will show them how it is done and we are sure they are going to get ideas from there," Mr Sibeko said.

The Nafcoc exhibition day will be May 28 to 29 and the organisation is hoping for quantitative support from people such as mechanics, leatherworkers, carpenters, welders, pinafore and other clothing manufacturers and knitters.

Mr Sibeko said that apart from the show the industrial committee was working towards bringing the small manufacturers together and building them into big businessmen. They would:

- **Negotiate trading sites for them so they could have bigger places to operate.**
- **Help them with displaying their products.**
- **Organise the know-how and send consultants to advise them.**
- **Run educational courses for industrialists and thereafter recommend them to banks who will help them in their businesses.**

Company is suspected of being shady

Post 3/4/80 (36)

WHAT kind of company is the Sales and Marketing Promotions?

The disgruntled employees of this company who were not paid their monthly salary suspect it is a shady company. They believe they were used to con unsuspecting black people.

What they were supposed to do was to convince people to pay R85 joining fee — R49 for registration and R36 for for annual membership. Businessmen were expeced to pay R145.

The company promised to build houses, buy cars, businesses, pay legal fees and offered bursaries for their members after they had paid the R85 joining fee and 10 percent towards the assistance they needed.

But the workers cited cases of people who have paid the R85 and the deposit towards the assistance they needed without seeing any results.

One such person is Mr Norman Mazibuko whose wife works for Sales and Marketing Promotions She said they have paid R1 085 towards assistance for a house, but they have not been told anything promising by Mr Marais.

COMPANY

The directors of this company are Mr Steven Marais, Mr Gavin Potgieter and a Mr P Hlongwane who has since gone missing from the company. The former well known radio announcer, Mr Mike Selepe Pule is a personnel manager of the company.

The company is not listed in the telephone directory but perhaps it is because it was started in February. However on a paper advertising its services, there is no address of their Johannesburg office which is on the fourth floor of Colosseum Building. The only address which appears on this paper is of its head office in Randburg.

Mr Marais however said there was nothing suspicious or fraudulent about his company. He said it was listed among the companies in Pretoria and he said we could check on this. He said on paying a certain deposit a customer is helped with any of his problems. He said recently they had helped to get one of their customers out on parole.

The receipts issued by the company to the customers do not bear the name of the company. They are from ordinary receipt books sold at stationary shops. Mr Marais said there was nothing wrong with him using such receipts

TABEL 3.2:

Massive new shops complex planned for Durban

3/4/80

(30)

Mercury Correspondent

A MULTI-million-rand wholesale and retail shopping complex could soon take shape on two properties in Umgeni Road, with a combined size of about 3,8 ha.

Yesterday Kirsch Industries, which has a stake in Metro Cash and Carry, paid R520 000 for a 1,3 ha site in Block G, opposite the new Durban railway station.

It is planned to consolidate this with an adjoining 2,5 ha site, bought by Metro Cash and Carry last year.

Mr Lionel Katz, Metro's chairman, said the two properties almost certainly would be developed together in a single complex, and there probably would be 'a lot more to it' than just a wholesale outlet.

'Everything is still in the pipeline and we still do not know the full extent of the development.'

Mr C M de Smidt, property manager of Kirsch Industries, indicated that the historic Queen's Tavern might now fit in with the development being planned.

The tavern has long been the centre of a drawn-out dispute between the developers and numerous interested people who have been trying to get it declared a national monument.

The land was auctioned by J H Isaacs Geshen for the Department of Community Development, which expropriated it and the sale is subject to confirmation within 30 days.

Mr Basil Levene, managing-director of Isaacs Geshen, said there were only about six bids, starting at R375 000.

Metro Cash and Carry, which is a Johannesburg-based concern, has other operations in Mobeni and Pinetown.

Volksgro / Gesla						
Blankes*						
Kleurlinge						
Asiërs	V	72051	67492	+ 4559	+ 6,3	
	T	276672	254000	+ 22672	+ 8,2	+ 0,2
Swartes	M	4912414	4996709	- 84295	- 1,7	- 0,8
	V	2669394	2539492	+129902	+ 4,9	+ 1,2
	T	7581808	7536201	+ 45607	+ 0,6	+ 0,4
TOTAAL	M	7082460	7055745	+ 26715	+ 0,4	+ 0,2
	V	3767523	3727252	+ 40271	+ 1,1	+ 0,4
	T	10849983	10782997	+ 66986	+ 0,6	+ 0,6

(Verwerk uit R G N Verslag Nr. MM-73 van 1978)

* 10 000 netto wins aan immigrante per jaar

INDABA 4/4/80

Legalised shebeens move

MDANTSANE — There is a move here to have shebeens legalised.

At its last meeting Mdantsane Township Council decided to ask the Ciskei Government to consider the question of licensing shebeens.

The motion has tabled by Mr N.W. Nomtshongwana.

He said people enjoyed relaxing in shebeens. He said provision should be made for the establishment of beer gardens in such establishments.

Mr Nomtshongwana said the council should scrap any regulation forbidding a person legally resident in the township from trading in a residential area. People should be allowed to build suitable structures in their backyards to run shops.

Dealing with allocation of business sites, Mr Nomtshongwana said people should not be made to wait until business sites were advertised. To the public this gave the impression that certain councillors allocated sites to their friends.

He said there should be an unlimited number of licences issued to taximen and hawkers and the Mdantsane Special Organisation should speed up the demarcation of business sites.

He accused businessmen of not clubbing together to buy in bulk. This resulted in higher prices paid in the township than those paid in East London.

The township, with its population of about 30 000 was served by 60 businesses he said. Of these, 24 were grocery shops.

Indaba is registered as a newspaper with the GPO and is printed by East London Daily Dispatch (Pty) Ltd., 33 Caxton Street, East London.

KENMERKE

Die ekonomiese ... verre dit
deur statistie... n breë
trekke beskrywe...

2.1 Die groeik...

Indien ons Bepl... erk vir
die doeleindes ... gebruik,
kan ons die ekor... ontrasteer
met die van die ... grafiese
Produk (BGP) a ... otaal uit
te druk, soos vo...

1955	12,3%
1960	13,8%
1970	13,1%
1975	12,8%

Hieruit wil dit blyk dat die Wes-Kaap gedurende die laat vyftigerjare goed gevaar het en sy aandeel in die skepping van die volksproduk opgeskuiwe het, maar daarna 'n relatiewe agteruitgang belewe het. Hieruit volg nie noodwendig dat die vertoning van die streek swak was nie want die res van die land kon bv. vanweë buitengewone gunstige omstandighede slegs maar vinniger as die Wes-Kaap gegroei het. Daar was, en is, inderdaad sodanige gunstige faktore in die vorm van groot minerale afsettings - waaroor die Wes-Kaap nie beskik nie - waarvan die pryse op internasionale markte baie voordelig beweeg het vir die produsente (en spesifiek vir 'n streek soos die Pretoria-Witwaterstand-Vereeniging (P.W.V.) gebied) en nie alleen die BGP van die relevante streke laat verhoog het nie maar hul reële inkome, by wyse van 'n verbeterde ruilvoet, nog sneller laat toeneem het. Dis haas onmoontlik vir die Wes-Kaap om 'n ekonomiese vertoning te lewer vergelykbaar

RETAILING

Space saving

I-M 4/4/80 30

Although the Hypermarket concept has proved itself, retailers are investigating other variations on the self service scheme — limited assortment stores.

79

Score Stores are the latest to enter the market and will have to contend with Taki Xenopolous's Save Cave, and Ackerman's Savemart.

The stores are based on a German concept where 1 500 stores have been opened, achieving a R10 billion turnover. They carry a maximum of 500 lines compared to 2 000 in supermarkets and are all located in areas of high "people density."

The principle behind them, says Score MD Carlos dos Santos, is to offer a limited range of products, and keep expenses at a minimum — 7,5% of turnover compared with 17% for hypermarkets and supermarkets. Stock holding is also kept at a minimum.

Stuart Cohen, MD of Savemart, argues that offering a wide range of products is unproductive as "80% of the business in supermarkets is done through 20% of the lines".

He says margins are too tight to allow for this. By limiting the range, he claims, a saving of at least 10% can be passed on to the customer.

At present 15 Save Cave and Savemart stores and eight Score Stores are in operation.

Can the highly sophisticated SA retail outlet trade accommodate yet another breed of chain store?

The men whose livelihoods depend on the concept unanimously agree that there is a "gap" in SA grocery outlets that can be exploited.

They feel that customers are not being adequately served by either the large supermarkets/hypermarkets or by independent general dealers.

Interestingly, Dos Santos feels that buying trends are also changing and that shoppers are moving away from bulk purchasing. "We are at the zenith of the supermarket era. Buying habits are reverting back to the 1930s approach. Shoppers didn't have the capital to invest in bulk groceries once a month and were more conscious of the wastage factor."

Xenopolous says limited assortment stores also reduce the time shoppers need to spend buying their groceries. "They are express services. A shopper needs only 15 minutes to purchase all he needs as opposed to an hour in a large supermarket."

Savemart's success has been limited, but, says Cohen, profits are improving. He feels the major problem has been to destroy the belief that small shops and high prices are synonymous. "We're now running them as part of Ackerman's and this is proving more successful."

Xenopolous, who is selling off his Fontana stores and ploughing his expertise into Save Cave, says his outlets have proved highly successful. He won't reveal profit figures but says customers across the board are being attracted to the stores. He adds: "Who doesn't need coffee, sugar and tea?"

Dos Santos is aiming to operate 60 stores — with an expected annual turnover of R100m — by 1981.

But spokesmen in the hypermarket industry are sceptical. They feel that though the scheme may have been successful in Germany, it may flop here.

Gerald Manne, MD of OK Hyperamas, feels the biggest problem is that SA does not have the population density of European countries while it does have "the most competitive food market in the world. These two factors make it impossible to generate similar volumes."

Spokesmen also argue that the stores will suffer because they will not carry a mix to offset their margins. "Supermarkets sell basic lines such as milk and bread at cost, but they can boost their margins by selling more profitable commodities such as furniture," a spokesman said.

Supermarkets . . . buying patterns are changing

PICK 'N PAY FM 4/4/80 (30)

Slower growth

Although growth in turnover and earnings during the year to end February reflected a considerable slow-down compared with 1979, this does not necessarily support the view of those who believe that Pick 'n Pay is fast reaching saturation point in its development.

The 19% turnover increase from R466,8m to R555m was less than half the 42% growth rate of 1979, while in the case of earnings, a 30% improvement to 481c (371c) was eight percentage points down.

These growth rates also compare badly with the average annual compound rates, achieved during the Seventies, of 42% for turnover and 37% for earnings. Dividend growth, however, has been maintained, with the one-third increase in distribution from 120c to 160c in line with the long-term average.

The problem with trying to analyse these results is that performance is largely dependent on the expansion of trading area and the timing of such expansion. Last year, there was less activity on this front, with new openings confined to two supermarkets and two superstores (between a supermarket and a hyper).

Furthermore, this additional capacity came on stream fairly late in the year, and if trading area was to be calculated on a "weighted average" basis, the increase would probably work out far less than in 1979, when two hypers and two supermarkets were opened.

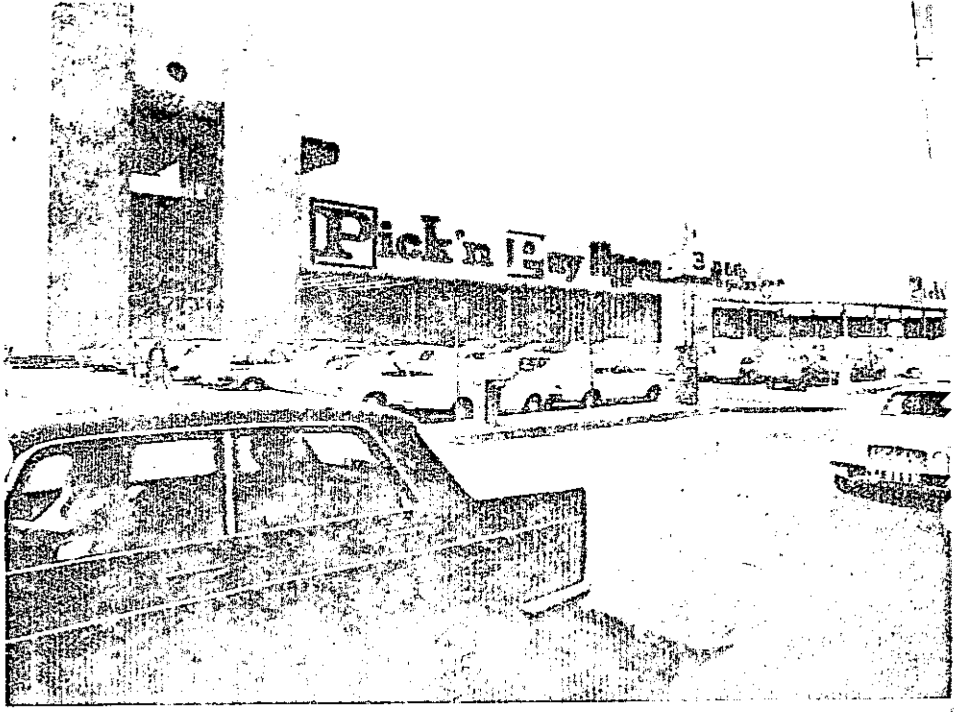
It must also be accepted that with turnover now over the R500m level, substantial percentage gains from a base this large are becoming increasingly difficult to achieve.

A pleasing aspect of the results is the improvement in margins achieved as a result of the strong growth in sales of non-food lines such as hardware and textiles. These carry higher margins than food and contributed materially to the overall increase in the trading profit margin (before taking into account investment income) from 3.01% in 1979 to 3.26%. The group must also have benefited from its decision to buy heavily into food stocks during the early part of the year instead of having liquid cash invested at low rates of interest.

Indications are that the current year could well see a recovery in the growth rate. Apart from an improved level of consumer spending expected as a result of last week's Budget, the group will feel the full benefits of last year's expansion as well as the two new outlets (the Port Elizabeth hyper and a supermarket in Pretoria) opened last month.

A further four openings are scheduled for later in the year, including one more hyper, one superstore and two supermarkets, although these will only have a real impact in 1982.

Shareholders can probably count on a dividend increase of at least 35% this year from 160c to 216c, for a prospective yield of 5.5% at 3 900c. This makes the shares expensive compared to the rest of the market, but not for a company with such an excellent record.



Pick 'n Pay . . . growth slows but it should improve

GRAND BAZAARS

FM 4/4/80 (30)

Strong advance

Grand Bazaars increased taxed attributable profit from R967 000 to R1.3m in the year ended February 29, on turnover of R53.6m (R45.2m).

In line with the 36% jump in taxed profits, the final dividend has been increased from 10c to 13c which, with an interim of 9c (6c), leaves the shareholder with a yield of 5.3%, slightly above the sector's average. The dividend remains covered 2.9 times.

The increase in pre-tax profit was a healthy 42.5% to R2.5m and prospects for a further growth this year must be good. Two of the company's "ultra-markets" opened in the eastern Cape in November and first full results will be included only in the new financial year. Joint chairman Manual Sachar says the stores were hit by the opening of the Checkers and Pick n-Pay hypers in Port Elizabeth, but he adds that the company should easily maintain its market share.

He is cagey on further expansion but says negotiations for a number of new branches are under way. Other extensions to existing stores will also be completed this year.

Competition between the major chains, the directors say, could indicate a drop in gross margins this year, although they insist the increased turnover in the Cape Town stores alone is expected to compensate more than satisfactorily.

The share, after a very rapid climb to around 380c a year ago, has moved more sedately since then and currently stands at 415c. If current profit trends continue, earnings by year-end could reach around 80c a share, which would indicate total dividends for the year of around 28c — a yield of 6.7%.

Scott Hacker

Financial Mail April 4 1980

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

14210 B.A./PERFORMERS DIP (SPEECH & DRAMA) YEAR : 1 14210

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		
~~1523373~~	~~MAGUOLA~~	~~DUHILE~~	~~116120~~	~~DRAMA I~~	~~AHB~~	~~1~~	~~1523373~~
1523660	POGRUND	JENNIFER SOLANGE	115101	FRENCH I	F (45)	1	1523660

* TOTAL NUMBER OF STUDENTS 2

DEAN

REGISTRAR (ACADEMIC)

UCT

FM 4/4/80

30

Pick n Pay STORES LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY PROFIT AND PROPOSED DIVIDEND ANNOUNCEMENT

The Board announces the company's unaudited consolidated trading results for the year ended 29th February 1980 as follows:

	Year ended 29.2.80 (unaudited) R	Year ended 28.2.79 (audited) R
Turnover	555 000 000	466 800 000
Trading income before taxation	18 113 000	14 055 000
Dividend from unlisted investments	1 290 000	975 000
Profit before taxation	19 403 000	15 030 000
Profit after taxation	11 795 000	9 114 000
Less preference dividend	586 000	561 000
Earnings attributable to ordinary shareholders	11 209 000	8 553 000
Ordinary shares in issue	2 342 125	2 305 825
Earnings per ordinary share	481 cents	371 cents
Total dividend per ordinary share	160 cents	120 cents
Dividend cover	3,0 times	3,1 times

NOTES:

1. Despite strong competition earnings have increased by 31 per cent. This has been achieved by both the increased profitability of our hypermarkets, which have proved to be ideally suited to present day trading conditions in South Africa, and the continued growth of our supermarkets.
2. Your directors have decided to recommend an increased final dividend of 116 cents per share (1979: 86 cents per share), making a total dividend for the year of 160 cents per share (1979: 120 cents per share). This will be paid in June 1980 after confirmation of this dividend at the annual general meeting.

By order of the Board

R.D. ACKERMAN
Chairman

Transfer secretaries:
Seekor Trust (Pty) Ltd
4th Floor, Sanso Centre
Adderley Street
Cape Town 8001
PO Box 5004
Cape Town 8000
28th March 1980

Financial Mail April 4 1980

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

13130 PERFORMERS DIPLOMA IN SPEECH & DRAMA YEAR : 3 13130

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		
1000601	HOGG	HENRY CAMERON	11-6347	DRAMA III	44S	5	1000601

* TOTAL NUMBER OF STUDENTS 1

DEAN

REGISTRAR (ACADEMIC)

FOSCHINI/LEFIC

FM 4/4/80

(30)

Consumer resistance

Foschini has been relatively slow to benefit from the improvement in consumer spending, with a 15% increase in the value of sales last year just keeping it ahead of the rate of inflation.

There were, however, indications of an improvement in the second half, with profits during this period showing a gain of over 20% compared with 11,5% in the first six months.

Nevertheless, the overall results for the year, with earnings up 18% from 660c to 782c, reflect a slow-down in growth from the 25% of 1978, attributable to the fact that the group was unable to increase margins to the same extent as in that year. In 1978, the pre-tax margin increased substantially from 10,3% to 11,3%, but this time the improvement was limited to one-third of a point.

Dividend policy has remained unchanged with the group distributing about 41% of earnings. A 261c final brings the total for the year to 321c compared with 270c previously.

Pyramid Lefic is, as usual, paying one-tenth of the amount declared by Foschini, being entirely dependent on this company for its income.

Despite having an unbroken record of annual increases in dividends spanning

EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE 1

YEAR : 3

13030

T NAMES	COURSE	DESCRIPTION	SYMBOL			
~~RY KAETH D~~	~~603202~~	~~ROMAN LAW & JURISPRUDENCE~~	~~IUP~~	~~(57)~~	~~4~~	~~102521L~~
AN	107301	ENGLISH III	3	(56)	4	077201P
~~N~~	~~114101~~	~~RELIGIOUS STUDIES I~~	~~UP~~	~~(54)~~	~~5~~	~~101148U~~
IAM	004301	PSYCHOLOGY III	3	(52)	4	101875J
~~IE~~	~~008244~~	~~GEOGRAPHY IIA (HALF COURSE)~~	~~UP~~	~~(51)~~	~~4~~	~~114694T~~
INE 2		AFRICAN LANGUAGES XHOSA II	UP	(50)	4	115418E
~~1~~		~~MATHEMATICS IIA M204~~	~~UP~~	~~(55)~~	~~4~~	~~111405T~~
3		MATHEMATICS IB	F	(41)	5	100997E
~~1~~		~~PSYCHOLOGY III~~	~~UP~~	~~(57)~~	~~4~~	~~098097G~~
1		ROMAN LAW II	UP	(63)	4	113612R
~~1~~		~~AFRICAN HISTORY I~~	~~UP~~	~~(50)~~	~~4~~	~~101853K~~
3		ITALIAN INTENSIVE	UP	(60)	4	102381J
~~1~~		~~ASTRONOMY A (HALF CRSE)~~	~~2~~	~~(63)~~	~~5~~	~~097859U~~
		ECONOMICS III	ABS		5	101158E
		~~DRAMA III~~	~~UP~~	~~(53)~~	~~4~~	~~094835G~~
		ENGLISH III	ABS		5	111351M
		~~POLITICAL SCIENCE III~~	~~UP~~	~~(53)~~	~~4~~	~~103519W~~
		HISI & APPRECIAT OF MUSIC IABS			5	102719B
~~13~~		~~GREEK & ROMAN LIT & PHIL~~	~~3~~	~~(58)~~	~~5~~	~~102257Z~~
2		AFRIKAANS EN NEDERLANDS IIIF			5	033909H
~~1~~		~~ECONOMICS III~~	~~UP~~	~~(51)~~	~~4~~	~~101164L~~
1		STATISTICS IA(HALF CRSE)	F	(24)		
8		STATISTICS IC(HALF CRSE)	F	(34)		
~~1~~		~~MATHEMATICS IIA M204~~	~~UP~~	~~(55)~~	~~4~~	~~112105D~~
1		AFRIKAANS	UP	(50)	4	116606W
		~~ENGLISH III~~	~~2~~	~~(67)~~	~~4~~	~~131100Z~~

~~102257Z TAYLOR COLLEEN JANE~~

033909H VALLEY...

UCT

CREDIT Fm 4/4/80

Fair trade charter

Free traders who are fair need not fear the new Credit Agreements Bill. For unfair dealers it could spell the end.

The Bill, read the first time by Commerce Minister Schalk van der Merwe in the Assembly, contains no new principles, but it is a decided improvement on the Mark One version introduced in 1977.

Financial Mail April 4 1980

That Bill, introduced by Transport Minister Chris Heunis, probably holds the parliamentary record for attracting the highest number of amendments ever placed on the Order Paper. The PFP's Harry Schwarz submitted no fewer than 91 amendments, and his former colleague Gordon Waddel was not far behind.

The Bill went to a Select Committee which was later disbanded when PM John Vorster called a general election.

Most of the objections raised in 1977 have been ironed out and the expectation is that, with the exception of provisions relating to the powers of inspectors who will enforce the measure, it will have a fairly uneventful passage through the second and subsequent readings.

The Bill, which replaces and repeals the Hire Purchase Act of 1942, differs in one major respect from its 1977 version. It empowers the Minister to specify, by publication in the *Gazette*, the articles which will be subject to the provisions of the measure. These will be almost exclusively consumer durables and semi-durables.

In the 1977 version, the Bill had an all-inclusive provision but would have permitted the Minister to publish a list of exemptions. Assocom pointed out at the time that this would have had the effect of killing the so-called open account trading practice because consumers could legally have insisted on buying items such as clothing on HP.

Schalk van der Merwe . . . no new principles

According to its architects, the new measure will not inhibit sales flow of items within its scope. But it should go a long way towards eliminating unscrupulous, high-pressure selling to unsophisticated consumers.

Sections 11-13 provide elaborate protection for buyers who tend to fall prey to slickly worded agreements which in many cases are specially designed to effect quick repossession of goods after even the most trifling deviation from its terms.

Section 11 introduces a 30-day blocking mechanism on repossession. Notice of intention to repossess must be given to the buyer by registered post 30 days ahead of action, and the period of notice begins to run only after effective service of summons. Similarly, if goods have been repossessed in the prescribed manner, Section 12(1) of the new Bill gives a buyer the right to reinstate an agreement on payment of outstanding sums within 30 days, and in turn repossess the goods. Nor will a seller be allowed to induce a buyer to sign a document terminating the agreement and return the goods before expiry of a period of 30 days.

The Bill's most important provision is Section 13, the "cooling-off" clause.

It provides that "when any credit agreement in respect of which the initiative emanated from any credit grantor or his manager, agent or employee, is signed by any credit receiver at a place other than the business premises (of the seller) the credit receiver may within five days after the date of the credit agreement terminate it by notice in writing delivered or sent by prepaid registered mail to the credit grantor, and by tendering the return of any goods delivered to him in terms of the credit agreement."

Moreover, "when any credit agreement is terminated (by the buyer), the credit granter shall within 10 days . . . refund the amount of all payments made to him in terms of the agreement."

Although the old HP Act placed a limit of R4 000 on the value of goods which may be traded on HP terms, the 1980 version contains no such provision. All financial limits, rates of interests etc will be provided for in an imminent amendment to the Limitation and Disclosure of Finance Charges Act which will be introduced by Finance Minister Horwood shortly. The amendment could well raise the ceiling to R10 000.

The teeth of the measure lie in its provision for powers of inspection authorised by the Secretary for Commerce. No one likes this, especially because inspectors have wide-ranging powers of entry and search and also because they are not required to announce their arrival on business premises to carry out their sleuthing.

According to Schalk van der Merwe, however, measures such as the Trade Practices Act, the Price Control Act and the Weights and Measures Act would be worthless if there were no inspectors, or the threat of inspectors, to enforce them. That was the problem with the old HP Act. No one had the muscle to make it work properly.

That may be so, up to a point, but one would have thought that SA society has enough "spooks" and sleuths as it is without introducing them into trading.

Support prices worry butchers

STAR 9/4/80

30

~~3 Meat~~

Fair Deal Reporter

Despite the Meat Board's claim that the new support-price system would not inflate meat prices butchers are finding that lamb prices are soaring although beef prices have dropped slightly.

A major wholesaler and retailer complained that today's floor price on super lamb was R2,10 kg — up by about 15c from last week. First grade lamb is selling at a floor-price of R1,95.

The floor price is the price farmers are paid for their carcasses and prices cannot drop below this.

But, on top of this the Meat Board has introduced a support price system.

This is calculated on average prices for three weeks and is higher than the floor price.

Prices are not allowed to drop below this. If prices do drop to the support price, the Meat Board buys in carcasses.

A Meat Board spokesman denied that this system would inflate prices artificially.

A large retailer expressed concern that this system would inflate prices and cause consumer resistance.

He said half lambs were being sold at a minimum of R2,60 kg; neck of lamb at R3,69 kg and lamb chops at R4,19 kg.

As predicted beef has dropped below the Easter and Passover high of R1,64 kg (market price). It is now selling at an average of R1,50 kg for super beef at the abattoir.

A wholesaler said consumers could forget beef market prices of R1,20 kg. "You'll never see them again," he said.

eveloping Nation
nge in South Africa
ny in South Africa
n South Africa
South Africa

e Business Science staff of
isinessman or woman but
South Africa to achieve
nation's problems and

e evening courses.

on as possible so as to receive your

I look forwa u.

Yours sincer

N. M

Nomvula Mtet

Project Co-o

BUSINESS POST

It's 'go' for Blackchain trade now

30 343

10/4/80

By WILLIE BOKALA

SOWETO's R2,5-million Blackchain supermarket, the first such store completely owned and started by blacks, opens today.

And the directors of the store were optimistic this week that it would test the strength and even reduce the wide market of already existing white owned supermarkets in the cities by taking in large crowds of shoppers from Soweto and nearby areas.

Built near Baragwanath Hospital in Diepkloof, the supermarket, a subsidiary of the National African Federated Chambers of Commerce (Nafcoc), is situated at a strategic point where all bus and taxi routes out of Soweto lead and it is hoped by the directors that customers would take advantage of its convenience.

A party to celebrate the opening of the store was held at the centre yesterday and this morning a ribbon will be cut and the supermarket will start trading as from 10 am.

It is complete with merchandise, cashiers and other general workers to start business as soon as the doors are thrown open to let customers make their pick and pay.

Building on the whole complex of the Blackchain continues and, it is hoped, will be completed by June or July.

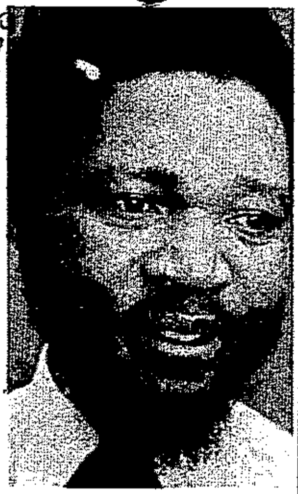
When complete, the complex will consist of:

- a supermarkat,
- a cash and carry warehouse,
- 17 speciality stores, and
- six offices and medical suites.

It will provide employment for more than 250 people.

Nafcoc hopes to open several other such supermarkets in other black urban areas to compete fully with white establishments.

Ally Nkosi breaks a barrier



Mr Ally Nkosi of Dube, Soweto, has become the first black to join the Etkinds' group of professional Hi-Fi radio salesmen.

Etkinds with its 27 stores throughout the country, has so far only employed whites as salesmen. But now they hope to have more blacks promoted to high sales positions in their stores.

Mr Nkosi works for the Pritchard Street branch of Etkinds.

What blacks want from the business world

30

134

149

Sun Times (Bus Times) 18/4/80

By ANDREW McNULTY

BLACKS prefer trade unions to the present system of liaison committees, which they consider weak and ineffective.

They believe trade union officials have more experience in dealing with management and are less likely to be intimidated.

This is among the findings of a major new survey of the needs, attitudes and aspirations of black South Africans carried out jointly by BP Southern Africa, the University of Cape Town's Graduate School of Business, and the advertising agency Bates Wells Rostron.

Results are based on a total of 17 group discussions held among urban blacks, largely middle income, and all aged 18 to 40.

Researchers, who include the GSB's director, Professor John Simpson, find that while scholars and females know little about trade unions, working males are fairly knowledgeable about them.

They consider trade unions a good idea, believing that they will protect the workers interests, especially when it comes to job security and will provide a means for expressing grievances.

But opinion is divided on whether unions should be integrated or separated.

Working blacks in Johannesburg and Springs, for example, prefer black trade unions which they feel would concentrate more on furthering black interests. They distrust white involvement, fearing leakage of any strike plans they might have.

Johannesburg scholars and most blacks in Durban and Pretoria, on the other hand, favour integrated trade unions feeling there would be common problems and that continued separation of black and white would amount to going along with apartheid, while some also feel that blacks would gain from white experience in running trade unions.

Those aware of the Wiehahn and Riekert Commissions welcome their findings, but have little faith in their eventual outcome.

The minority who are aware of the EEC and Sullivan Codes, consider them ineffective and believe many companies bound by the Codes do not comply or find ways around them.

Among a wide range of answers on topics relating to the urban black and the business community as well as advertising and consumerism were:

o **Employment:** Most are dissatisfied with their jobs, citing low salaries, poor prospects for advancement, and a lack of scope for using initiative.

o On black businessmen: On the one hand, high prices, poor service, badly run shops, obnoxious attitude to customers, exploitation of "illegal employees" and a lack of community spirit. On the other hand sympathy for black businessmen, whom respondents would hate to see pushed out of business by whites.

The idea of allowing whites to trade in the townships was strongly opposed.

o **Advertising:** This is liked and considered useful and important, but has to stand up to close scrutiny.

Advertisements showing white models only were generally felt to be directed at whites, those with black models only at blacks and those with both whites and blacks at everyone.

The safest approach seems to be to show individuals of different colours each reacting to the product rather than interacting with each other.

However, those preferring to see black models only, identify more easily with "black only" advertisements as they feel this goes further than multiracial advertising in recognising their importance.

less of the firm's fortunes. They agree to more assured employment at an assured (but slightly lower than otherwise) return. The employer then bears more of the risks of the future transient fluctuations in the net value of the products, net of the relatively constant, assured costs of those inputs. The employer maintains the wages and employment by using fluctuation-smoothing buffer inventories of goods and borrowed funds. When demand for products of the firm fall temporarily (the owner hopes), he retains those employees

A relatively stable business will have less risk in providing such assurance. A firm that makes a larger variety of products with higher probability of offsetting fluctuations in the demand for its various products can give more employment security by transferring employees from one product line to another.

Governments and some nonprofit enterprises which respectively derive incomes from taxes or investments rather than from customer sales

A FM 11/4/80 (130)

RAYMOND ACKERMAN

Windmill tilter

Sceptics accuse Raymond Ackerman of being retailing's showman; of being an incredibly successful PR man — for himself; and of promoting Pick n Pay's interest under the guise of consumer concern.

Some of it could well be true. But it's difficult to doubt 49-year-old Ackerman's sincerity when he says: "There are four legs to retailing. One leg is the consumer, racked by inflation. She can be manipulated or exploited, or you can help her. By helping her and fighting like hell for her cause, she fights for you. People vote at the check outs."

It makes sense. So does Ackerman. If it's enlightened self interest that makes him and P n P tick — what's wrong with that? he asks. He's the first to admit, "profits mean a lot to me. It's the blood stream of the business. I like P n P to be successful — but it has to be on mass trading, not big profit margins."

Ackerman's drive to the top was never motivated by poverty. He doesn't know the meaning of hunger. After all, it was school at Bishops and a BComm degree from UCT.

But he knows the frustration and the anger that flows from seeing his father sell out to Greatermans — because of insuperable financial problems — the Ackermans chain which he had started after World War I.

Ackerman joined Greatermans as a trainee when he was 20. Retailing was in his blood, he says. First came the lowly job of "sorting out buttons, zips, cotton, on the Ackermans side."

Promotion came when he moved to Greatermans, handling curtaining and dress materials. But things came slowly: assistant manager, then manager, then number two when Greatermans decided to start Checkers in 1955.

"I became head of the young group when the number one in charge fell ill." But aged 35, a major conflict of personalities and decisions between himself and the Greatermans board saw Ackerman on the street. "I don't ever want that to happen to me again."

Business, he says, has always interested him. "It's a rough, tough game; fighting monopolies, collusion, regulations, applying modern methods of marketing food."

It's food that grips him most. Not as a glutton — he keeps pretty fit by limiting his kilojoule intake, but because it ties up with his philosophy, which he says is not altruism. "There has to be some justification for being in a society like ours. Even if it's only in a small way, one tries to fight discrimination and poverty."

What keeps him going, continues Ackerman — tapping a match on the desk surface to emphasise his point before he lights up a Ritmeester Junior, is, as Bernard Baruch said, shooting the thousandth rabbit. "The thousandth is as exciting as the first."

He doesn't minimise the erosion of his own time, the constant involvement with business. "No one knows better than I do the pacing of floors in the middle of the night. It's a lot easier not to be controversial. People don't like 'issue' men. I'm not just the clever marketing man I'm made out to be. I believe in certain things."

Complacent? Emphatically no, he says,

Ackerman . . . who needs the money?

munching on a biscuit, sipping rather milky tea. "Success won't go to my head. I used to be a great young power guy. Now I have a perpetual fear of starting all over again."

He's amused by the rewards of success. "Sometimes I'm amazed by the way things I say now — not very significant things necessarily — are hailed. When I said them years ago, nobody listened."

Ackerman likes running P n P, enjoys the fact he's won six marketing awards, likes the financial success. What drives him on, he reckons, is "not a hunger for power, money or adulation" (he has reaped a fair amount of all three anyway), but a desire "to create something that stands the test of time. Social responsibility is very important. If we don't play a role in this there may not be a framework for us to operate in for the future."

He does not want to be "the number one company in size, but in quality." He doesn't want to expand overseas, "unless we run out of opportunities here." But wants to make sure he's building a company, "not on quicksands but on rock. We still have some cementing to do."

Plans for 1980 include two new hypers, three supers, one superstore and three expansions. Colleagues are overseas "taking a darned good look at whether we should go into manufacturing. It's no idle threat. If rules preclude negotiation with manufacturers in future, we'll consider this very seriously."

There's resale price maintenance on books which is under Ackerman's scrutiny right now. As is "selling the main text books for universities and schools at a reasonable price." Plans abound, he's interested in many new facets that would benefit the group.

He tackles each day with a dervish-like energy which seemingly never runs out. The pains, the struggles, the successes have all been worth it. "Of course one sacrifices an enormous lot. But I have no regrets."

He misses the regular golf — he used to play to a three, now plays to nine and it's limited to a game every two weeks. He misses time to spend with his children, the chance to really relax.

But he had a chance to get off the tiger when he was 35 and left Greatermans. "After six months I got right back. It's not just the financial wealth — that's on paper and my wealth plummets if that does. It's the sheer joy of feeling one has built something."

Life may not be cloud nine. "But one gains a lot in mental peace. One gets that from knowing oneself. I know myself with all my crazy nonsenses . . . "

Post 11/4/80 (38) 363

THE BIG RUSH

Mr Solly Lesolang, chairman of Blackchain, speaking before the opening of the supermarket in Diepkloof.

THE BLACKCHAIN Supermarket opened its doors to customers yesterday — and Diepkloof Zon Six burst into scenes of enthusiastic activity as shoppers crammed the store.

Story: Willie Bokala
Pics: Absolom Mnisi

Shoppers had gathered at the entrances of the store from as early as 9 a m and when eventually the ribbon was cut just after 10,15 a m, there was a stampede as people rushed into the store to have a glimpse of the inside of the first supermarket in the township.

The supermarket is part of the Blackchain's giant shopping complex which would, when complete, include a cash and carry warehouse, 17 speciality stores and six offices and medical suites. The complex is a subsidiary of the National African Federated Chambers of Commerce (Nafcoc).

It is near the Baragwanath Hospital in Zone Six, Diepkloof, a point where all bus and taxi routes in Soweto lead to.

It is the first business undertaking of its kind in a black area and the second major project by Nafcoc which has also created the first black bank — the African Bank. The complex was built at a cost of R2,5-million and Nafcoc hopes to establish other such complexes in other urban areas.

The supermarket looked like a bee-hive yesterday with shoppers already doing their weekend shopping. The 11 check-out points were besieged — just a few minutes after opening — by customers pushing trollies full of goods and ready to pay.

At the doors three young boys in colourful black and gold were doing a free shoe-shine service for customers.

ACHIEVEMENT

In an address just before the opening, Mr William Zondo, one of the directors of Blackchain said the complex was a tremendous achievement by blacks. It was a triumph not only for the whole of South Africa, Mr Zondo said.

Mr Solly Lesolang, chairman of the Blackchain, said black people should support the efforts of the chain. They could also ... it by buying the ...

Mr J C Mahuhushe, chairman of the Diep-Meadow Council, who performed the official opening by cutting the ribbon, said if Blackchain was a failure it would be a failure for all black people. He said their success showed that blacks could do and achieve things if they were given a chance.

The Blackchain w... an example and less... to those who had doub... ed the black man's ab... lity and potentiality ... do things for himself.

The directors of th... chain were introduced t... the crowd by Mr Lesolan... just before the opening. They are: Mr H S Majola managing director, Mr Roger Sishi, Mr Sam Motsuenyane, Mr Motsimi Ramsay Ramushu, Mr William Zondo, Mr Sello Ramakobya and Mr Lesolang.

Mr R Ramushu looks on while Mr J C Mahuhushe, chairman of the Diep-Meadow ...

The discretion granted by Parliament to the Minister on financial questions limited to variations in the rate at which compulsory loan levies may be imposed or ~~repaid~~ repaid. Discretion is granted to the Reserve Bank and Registrar of Financial Institutions in terms of the various Bank and Financial Institutions Acts of Parliament. In practice this is very wide and the Bank Acts in particular provide the authorities *with the right* to vary *the application instrume* monetary policy at their own discretion. Continuous consultation takes place between the Department of Finance and the Reserve Bank on all matters of stabilization policy. We shall discuss below in considerable detail the instruments of stabilization policy and their application in South Africa.

Internal and external stability

The objectives of stabilization policy are often defined as that of maintaining internal and external st...

is satisified

labour and mac

stability dema

account. This

indicated by th

held by the Res

purchasing powe

guarantees, for

which Rands can

It seems clear t

stabilization pol

be inclined to co

to achieve such e

for its own sake,

to the efficient a

... prices

implies lower information costs and less uncertainty for buyers

still offered for sale by the chain, he said.

of the Blackchain Supermarket.

Everybody was there to do shopping — and salesladies were at hand to give good service. Here current Miss Benson and Hedges runner-up, Miss Maria Morolong, serves a customer.

POST
TRANSVAAL

Telephone 27-6081.

Post 11/4/80

30

We can only hope

DURING the American Civil Rights struggle, there was the combination of "Black Power" and "Green Power" (the colour of the dollar). It marked the beginning of major black-owned projects which would, in time, put the black man on the economic map.

We can only hope that the opening yesterday of the first black-owned and financed supermarket in Soweto is another of projects aimed at making the black economically strong.

We admit that life for the South African black will not be as easy as that of the American black. There are still restrictions which the black businessman has to face in trying to break into the big-time.

Only a few years ago, black partnerships were not allowed, and black businessmen were only allowed to run one business on "essentials only" basis.

Even right now, blacks who want to open businessess in the central business district of Johannesburg cannot do that because of the Group Areas Act. This, despite the fact that there are hundreds of potential customers in this area for such business.

Several people have said that unless blacks are convinced that capitalism can benefit them as well, more and more people will turn against this system. Unless the blacks also reap the fruits of a capitalist economy, therefore, they will seek alternatives — which may be the very alternatives the government so desperately wants to "protect" this country from.

Only this week, the Minister of Manpower Utilisation Mr Fanie Botha, announced the dropping of restrictions on black skilled workers in the building industry.

We know that, in fact, they have been doing the job for years anyway, and can only hope that they will get their due in terms of salaries and working conditions.

...ghts on, they added. | without explanation.

11/4/80 DD 30

East Cape motor firms boost sales

PORT ELIZABETH — Sales of new cars by the three manufacturers in the Port Elizabeth-Uitenhage region last month amounted to 10 148, their best performance since the buying spree in June, 1978, to beat the introduction of general sales tax, when they sold 11 642 units.

General Motors pushed up sales by 52 per cent from 1 270 new cars in February to 1 929 last month, with the new Kadett contributing a significant 749 units in only seven selling days since its launch late last month, for the company's best performance since April last year when it sold 2 105 new cars.

Ford sales improved by 37 per cent from 2 645 new cars in February to 3 624 last month when they were 29 per cent up on the 2 808 sold in March last year. Sales of its Escort last month reached 1 534 units, the best month since its introduction 12 years ago.

Volkswagen, which has been exchanging the lead in car sales with Sigma for some time, put up another creditable performance last month with new car sales of 4 595, the best figure since the buying spree in June, 1978, when it sold 5 091. Sales of its Golf reached 2 936 last month, the best since its introduction.

Ford sales last month were also the best since June, 1978, when it sold 4 594 new cars, but then the Cortina outsold the Escort by 2 940 to 801, a record for Cortina.

Last month Cortina sales amounted to 1 714, the best since November last year when 2 341 were sold. Granada sales, which had dropped to 181 in July after the steep petrol price rise the previous month, climbed to 376 last month.

GM is naturally pleased with the performance of the Kadett on which it had pinned its hope for a come-back as an industry leader.

In the absence of other industry figures it is difficult to establish a buying pattern, but the experience of the Eastern Cape manufacturers suggests that while the demand for small cars continues, there is again an increasing demand for medium to large luxury cars. — DDC.

A widow's fight to feed 24 mouths

STAR 11/4/80

30 ~~343~~

For the 24 members of the Mabaso family — Lina the widow, her 13 children and 10 grandchildren — home is three small rooms in 17th Avenue, Alexandra. Lina and her daughter Agnes are the sole breadwinners. Now Lina risks losing her livelihood.

By Rob Meintjes

Lina Mabaso the widow risks arrest each day to feed her 23 children and grandchildren.

She has been arrested several times already for hawking fruit and vegetables without a licence in the dusty streets of Alexandra township adjoining Sandton.

The West Rand Administration Board has stepped up prosecutions of "illegal" hawkers because of "complaints from health authorities and licensed traders," according to a spokesman for the board.

Another official said 15 hawkers' licences had been granted for the sale of fresh produce in the township. The market was saturated by licensed hawkers and traders and did not allow for the granting of more licences, he said.

Mrs Mabaso claims inspectors have confiscated her stock time and again.

But the widow still goes to market twice a week to buy bananas, grapes, apples, cabbages, potatoes and tomatoes which she hawks "illegally" in Alex.

It would prove too costly to feed 24 mouths on this fare, however, and the Mabaso family has to settle for a diet of mealie-meal, chickens' legs and cabbage which she buys cheaply at the market.

The widow and her large family live crammed into three small rooms in 17th Avenue.

With the assistance of the administration sub-committee of the Alexandra Liaison Committee, Mrs Mabaso will soon obtain the use of a fourth room from Wrab.

In the Mabaso's smoke-blackened kitchen stands a shiny new coal stove, bought on hire-purchase in happier days, when her husband John's small panel-beating business brought in a decent living for the family. John Mabaso died in September last year after a two-year illness.

Mrs Mabaso fears her stove will now be repossessed because she is having difficulty making the monthly payments.

Eight of the children, aged seven to 17, may have to leave school because she can no longer pay for their education.

The vigilance of Wrab's inspectors is making it increasingly difficult for the widow to ply her trade as "illegal" fruit and vegetable vendor.

Mrs Mabaso claims officials failed to respond when she asked how she could obtain a licence.

March car sales best since GST

RDM 11/4/80

Own Correspondent

PORT ELIZABETH. — Last month's sales of new cars by the three manufacturers based in the Port Elizabeth-Uitenhage region amounted to 10 148 units — the best figures since the June 1978 buying spree, when motorists scrambled to beat the introduction of general sales tax.

General Motors pushed up sales by 52% from 1 270 new cars in February to 1 929 last month, with the new Kadett contributing a significant 749 units in only seven selling days since its launch late last month.

Ford sales improved by 37% from 2 645 new cars in February to 3 624 last month, when they were 29% up on March last year. Sales of the Escort last month reached 1 534 units, the best since its introduction 12 years ago.

Last month Cortina sales amounted to 1 714, the best since November last year when 2 341 were sold. Granada sales, which had dropped to 181 in July after the steep petrol price rise the previous month, climbed to 376 last month.

Volkswagen, which has been disputing the lead in car sales with Sigma for some time, put up another creditable performance last month with new car sales of 4 595 — the best figure since June 1978, when it sold 5 091 units. Sales of the Golf reached 2 936 last month, the best since its introduction.

GM is naturally pleased with the performance of the Kadett — on which it has pinned its hopes for a comeback as an industry leader. Last month's performance suggests sales of more than 2 000 a month for the future, but the company is conservatively aiming at about 1 500 units a month, because of limited supplies of engines from Germany.

In the absence of other industry figures it is difficult to establish a buying pattern, but the experience of the three Eastern Cape manufacturers suggests that while the demand for small cars continues, there is again an increasing demand for medium to large luxury cars.

Grey-line thefts costing millions

STAR 12/4/80

30

Supermarket thieves aren't your conventional down-and-outs. They are pretty housewives with babies, or greying old women. Their theft is often inadvertent — but it is costing stores millions and pushing food prices up.

Taking a banana from the fruit stall or a mineral from the freezer or a sweet, and munching it — or giving it to a niggly child — while wandering around a store and then not paying for it, isn't stealing.

Or is it?

Letting your child play with toys or page through books — he may break a toy or tear a page — that's not stealing . . . is it?

Pushing the trolley home and dumping it on the pavement, or using the wheels for a go-kart, or the vehicle as a garden barrow — how can that be theft?

TROLLEY THIEF

It's a very hazy grey line, that distinguishes theft. Bad shopping habits are costing stores, manufacturers — to whom goods are returned — and ultimately consumers millions of rand each year.

One of the biggest problems stores currently have is the trolley thief.

Checkers, as an example, lose 3 000 trolleys each year — the trolleys vary in price from R70 to R92 each. It costs this chain a minimum of R230 000 each year to replace these trolleys.

Sixty percent of all trolleys stolen are in the Transvaal, in particular Johannesburg.

The worst areas for trolley thieves are Killarney, in particular, and Southdale and Hillbrow.

Pick 'n Pay, tell a similar story. They often send crews out to patrol the suburbs and come back with stolen and abandoned trolleys.

Last year R100-million was lost through pilfering and waste in SA stores.

Bid to block Indian firm not unanimous

STAR 12/4/80. ~~24~~ 30

Northern Transvaal Bureau

LOUIS TRICHARDT — Some white motor traders in Louis Trichardt have dissociated themselves from moves to oppose the opening of an Indian-owned filling station.

The local Motor Traders Association is opposing an application by an Indian businessman, Mr Charlie Ayob, to start a filling station in the new complex for Indian businessmen.

"The majority of members were in favour of opposing the application at the meeting where the decision was taken but it certainly was not unanimous," said one motor trader.

COUNCIL VIEW

Another dealer described the attitude of those opposing Mr Ayob's plans as "shortsighted and trivial."

The proposed new filling station is near the national road which bypasses the town.

The town clerk, Mr Lukas van Rooyen, has refused to be drawn into the dispute.

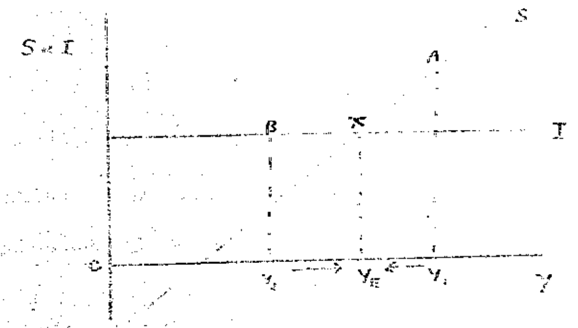
He confirmed that the town council still stood by the arrangements made with the Department of Community Development in consultation with the local Indian community, and this included the building of a filling station the Kwazi High School, at the new complex.

Frugal economy planne... from the following ... C

... $\bar{C} = C$, we can assume ... that $S = I$.

But for this to be true, intentions to save must equal intentions to investment, which is not very likely as different people invest for the as do save, and different people invest for different reasons. (Businesses I, households S).

Also, I is made up of of both unplanned (INDUCED) and planned (AUTONOMOUS) investment, which can vary by the amount the induced investment does. ∴ For $I = S$, we must assume that investment is autonomous.



Point X on the diagram represents equilib, where intended S = intended I.

At point A, $S > I$, => building up of inventories => unplanned investment => a decrease in capital by the firm, ... would lead to Y_1 returning to the equilib Y_E.

At point B, $I > S$, => more income coming into

CT, 12/4/80

(30)

Car plants working at capacity to meet soaring demand

BY PAUL DOLD
Financial Editor

JUDGING from car sales, the economy is moving firmly towards a boom with most manufacturers reporting that demand is soaring across the range. Most plants are already working flat out and some are reported to be working overtime.

The full nation-wide car sales figures to be issued in a few days are widely expected to show a continuation of the strong trend in the first two months.

Marketing managers are hastily revising even their most optimistic forecasts of the total car market this year and many dealers, according to one industry source, are pleading for additional stocks.

Already delivery lead times are widening fast and delivery delays could emerge as plants struggle to meet demand. Both fleet owners and the ordinary private motorist who may be considering buying new cars would be well advised to enter the market as soon as possible judging by production reports from several leading manufacturers.

And the sharp increase in sales has occured well ahead of public service pay rises and the heavy tax cuts in the Budget, and it seems reasonable to predict that a new car will become a fairly high priority among many families as pay packets increase from July 1.

Hire-purchase repayments have been lengthened and there is ample money in the banking system to finance purchases. Finance houses and the banks are engaged in a fierce rate war with many houses trying to undercut rivals as liquidity mounts in the economy.

The ability of the local industry to satisfy dealer orders will depend to a large extent on shipments of key parts from overseas plants.

Demand for commercial vehicles should also rise sharply as firms expand during the economic upswing.

A survey of the big Eastern Cape plants shows that all the manufacturers are working to capacity and a similar picture is bound to emerge from up-country plants such as Sigma.

Ford says that there has been an "exceptional demand" for its cars in the first quarter with the result that the dealers stock position as at the beginning of April, is down to 15 days as against the 35 days average last year.

"The demand has been particularly heavy for the Escort car line and dealer stocks have been cut to nine days at the start of the month," a spokesman said.

Ford's plants are operating at capapcity to meet the demand and the factory shipped more than 4 600 cars to dealers last month but demand still continues to exceed supply on all the range.

Volkswagen has raised its forecast of the total car market from the 230 000 at the start of the year and 235 400 at February to 250 000 total.

A spokesman said demand was extremely strong and the work force had been increased by 800 since January.

"The Golf is selling very well and particularly the new Microbus," he added.

For General Motors the past month saw its sales take off mainly due to its new Kadett (which has an imported German engine) and looks like being one of the most successful small car launches ever. But even ignoring the Kadett, demand is being felt across the entire GM range, a spokesman told me this week.

Thus, while demand will be focussed on small cars, the large models are benefitting as well. And this, in turn, should mean higher profits for the manufacturers.

So heavy has the demand been for the Kadett that GM will probably have to ration supplies for most of this year due to constraints on the supplies of the engine from the German plant.

The recent Standard Bank review has forecast that bottlenecks will occur in the industry as demand picks up this year towards the boom sales of 1973 — 1975. The bank predicts sales of 240 000 and 120 000 commercials which would be rises of 12,5 percent and 19 percent.

This figure looks extremely conservative given the strength of the demand ahead of the tax cuts but bottlenecks could could well occur leading to a reduced ability to meet the market.

The boom in car sales is bound to arouse renewed stock market interest in the motor sector.

STAR 14/4/80

30

~~32~~

~~189~~

~~2405~~

'Cartel fixing electrical goods prices'

By John Murray

A wholesalers' cartel has fixed the prices of electrical equipment used in new buildings and forced them up 25 to 30 percent this year, say people in the trade.

One distributor who refused to join the cartel said he had been told by one of its members not to quote any prices before telephoning because they were changing from day to day.

Another said the cartel was definitely fixing prices and he suspected it among other firms.

Mr James Baker, director of the Electrical Contractors Association, said his body had withdrawn from the cartel because it is against price fixing.

LISTED

"We encourage our members to deal with individual wholesalers and not just to accept listed prices."

One contractor said that circuit breakers were to go up on April 15 percent but they are already being sold at the increased prices "They were R20,10 and they are now R23,30."

He said that in January 4 mm silicone-covered wire cost him R55 and three weeks later the same dealer was asking R83.50. Reasons given, he said, were that factories had put their prices up and the price of copper had gone up.

A month ago a P6 starter motor was R23 and it is now R27 with a R4,41 silver surcharge on top of that.

The contractor said that main items affected were cable, wire, switchboards, circuit breakers, starters and conduits.

He knew of a case where wholesalers refused to keep equipment provided by a manufacturer because the firm was not a member of the cartel.

LEGAL

Protected switch plugs inside circuit breakers were made legal at the beginning of the year, he said, and they immediately jumped in price from R6,80 to R11,30.

Another contractor said that despite the fact that plastic conduits had leapt from 26c to 36c a metre the finished article had increased in price by only eight to 10 percent.

"Much of the materials are by-products of petrol," he said, "so every time there is a rise in the fuel price PVC goes up."

Copper has risen from R1 300 a ton in 1979 to R1 859 now and PVC from R650 a ton to R1 300, he said.

(b) Manual labour is hired locally from week to week.

(d) All the plant needed for Southampton has been owned for some years. £1,6000 is the year's depreciation (straight-line) in the financial accounts. If the Hull job is taken, less plant will be required, and the surplus items will be hired out for the year on similar work at a rental of £750. Interest is based on a memorandum entry, at 5% of original cost, in the cost records.

(f) Office and general expenses amount to about £1,800 every year.

Required:

A revised budget (if you think revisions are called for), adhering as far as possible to the same order as that used for the data above, showing which job you (as a director) prefer, with short notes explaining your guiding principles and any calculations. Both jobs would last 12 months; no other jobs are being done or are likely to be offered.

Record ahead for cars

30 RDM 17/4/80

Industrial Reporter

CAR SALES are heading for a record year, according to figures issued by the National Association of Automobile Manufacturers of South Africa, which show car sales in March up by 13,8% on a year ago.

Naamsa March car sales totalled 17 672, which is 2 143 more than in March last year. Commercial vehicle sales in March were 9 536, up 1 782 on a year ago.

The figures exclude sales of Sigma, which quit Naamsa last year after a row about local content regulations and the funding of the association.

Sigma releases its own sales figures, but these will not be available until later this month.

In the absence of statistics on Sigma's best sellers, Volkswagen is the top car manufacturer, with 4 595 cars sold last month.

Ford is next with 3 624, then Toyota with 2 187 and Datsun with 2 170.

In the commercial vehicle market Toyota is top with 2 604, followed by Datsun with 2 520, Ford with 1 641 and General Motors with 1 071.

Open trading move hailed

30

80

RDM 17/4/80

By GERALD REILLY
Pretoria Bureau

THE Government's announcement about open trading areas appeared to be a major step forward in the gradual opening of private enterprise to all races, a spokesman for the Association of Chambers of Commerce (Assocom), said yesterday.

The move has also been welcomed by the Afrikaanse Handelsinstituut.

The Assocom spokesman said his association welcomed the news that the Department of Community Development and the Group Areas Board had been authorised to give urgent attention to the designation of open trading areas in cities and larger towns.

It was hoped that major central business districts would be included, he said.

"This would appear to be a major advance in the gradual opening up of the private enterprise system to all races — a policy which has long been advocated by Assocom."

The spokesman said it was also in line with basic recommendations of the Riekert Commission's report.

Assocom has urged local Chambers of Commerce in the relevant areas to make representations to the appropriate authorities which will be formulating the plans for the trading areas.

The president of the Handelsinstituut, Dr Martin van den Berg, said the Prime Minister's address to businessmen in Johannesburg last November had foreshadowed the open trading area development.

"Although it may imply stiffer competition in trading and might affect AHI members, we believe that this is an insurance premium we should be willing to pay to insure that our non-whites share in our economic prosperity," he said.

(30)

Post 17/4/80

Plans for Soweto youth

THE Johannesburg Chamber of Commerce intends switching its educational assistance to Soweto children.

The chamber's Black, Coloured and Asian Affairs Committee met this week to consider their possible involvement in establishing a commercial school in Soweto or the provision of bursaries for blacks wishing to study for a career in commerce.

Mr J A Schoeman, an official of the Department of Education and Training, this week addressed the committee on the present position and future direction of education in Soweto.

Kwa-Zulu's nod 'pays off'

Post 17/4/80

30

THE acceptance of the tri-partnership concept by KwaZulu has resulted in the injection of R9-million into the area's economy over the past two years.

This was said by Mr Chris Groenewald of the KwaZulu Development Corporation in its No One Journal this year.

He says the Zulu people's acrimony at having big white owned businesses in their area has largely disappeared since traders in KwaZulu have realised that these giant white establishments benefit them. In 1977 there was resistance to the first tri-partnership project established in KwaZulu — the Checkers supermarket, because businessmen there believed they were going to be put out of business.

Since the establishment of Checkers, the people of Madadeni stopped flocking to the boom industrial town of Newcastle outside the boundaries of KwaZulu.

And since then, nine tri-partnership companies have been established in the area and another dozen companies, including three one-stop shopping centres, are in the pipeline.

Mr Groenewald says the capital injection into KwaZulu will be doubled to something like R18-million in the next two or three years.

Already close on 400 employment opportunities ranging [illegible] ers to management level, have been created in the fields of insurance, retailing, manufacturing, construction, advertising, the hotel industry and garages. On the fringes of these, another 300 wage-earning jobs were created.

The tri-partnership concept was only recently introduced to KwaZulu but it has already manifested itself as a considerable economic force. The concept provides an injection of outside capital into KwaZulu, but at the same time enables Zulus to obtain the necessary skills to be in a position eventually to manage these businesses themselves.

Mr Groenewald says one of KwaZulu's most important economic objectives is to develop the economy to a position where growth is "self-sustaining" and the manpower and capital to achieve this are substantially generated from within.

This can be achieved by:

- Building up an export base.
- Raising the level of savings so as to generate capital.
- Reducing the outflow of manpower.
- Developing the necessary skills of the labour force.
- Attracting entrepreneurs to invest in KwaZulu.
- Call upon and utilise the know-how and expertise so badly needed in the distributive and production sectors of the economy.
- Introduce capital inter alia in the form of shares with superior bargaining power to purchase goods to their best advantage.

UTICO

FM 18/4/80 30

Offering more

Activities: *Holding company with interests in manufacturing and marketing tobacco products and snack foods. BAT Central Africa, Carlton Cigarette, Willards Foods and Phoenix Foods are wholly-owned subsidiaries. UK-based BAT Industries owns 72,7% of the equity.*
Chairman: *A Rankin.*
Capital structure: *6m ordinaries and 2m deferred ordinaries of R1; 300 000 8% cum prefs of R2; 500 000 second cum prefs of R2. Market capitalisation: R18,8m.*
Financial: *15 months to December 31 1979. Borrowings: long- and medium-term, R2,5m; net short-term, R4,8m. Debt:equity ratio: 19,0%. Current ratio: 2,0. Group cash flow: R7,2m. Capital commitments: R1,1m.*
Share market: *Price: 235c, (1979-80: high, 255c; low, 103c; trading volume last quarter, 260 000 shares). Yields: 23,7% on earnings; 5,8% on dividend. Cover: 4,1. PE ratio: 4,2.*

If more people are lighting up, Utico has yet to feel the effect. The last period's 18,5% sales growth to an annualised R84,7m reflects record sales and profits achieved by Willards, improved performance by Rhodesian subsidiaries and low volume growth in SA tobacco sales.

Tobacco sales improved largely as a result of the 11% price hike in the middle of last year. However, the fact that volumes improved following increased prices suggests that demand could now be picking up after years of stagnation.

	*'76	*'77	*'78	'79
Return on cap %	15.3	10.2	14.8	15.6
Turnover (Rm)	63.9	70.0	71.5	105.9
Pre-tax profit (Rm)	3.8	2.8	5.7	9.4
Gross margin %	7.4	5.9	10.4	10.5
Earnings (c)	17.0	4.0	40.5	69.6
Dividends (c)	9	—	—	17
Net asset value (c)	399	374	404	455

* 12 months to September 30.

The main feature of last year's results is the resumption of dividend payments. A 14,5c dividend was declared for the year to end-September and a further 2,5c, in the form of a special dividend, was paid from the following three months' earnings. Resumption of dividends coincided with a decline in short-term loans to R4,9m (R9,9m), and long-term loans to 2,5m (R4,6m).

With generally improved trading conditions, the snack division increased its sales by 33%. The directors estimate that the snack market as a whole grew only 16%, suggesting that Willards and the other food subsidiaries increased their market share.

The sales improvements also partly reflect higher prices. Costs are forecast to increase this year, but sales should continue to increase, resulting in further profit improvements, say the directors.

On the tobacco side, BAT Central Africa increased its taxed profit some 20% on 19% higher sales. Carlton Cigarette, which exports most of its production to SA, registered a profit decline to Rh$682 000 (Rh$704 000) on an 11% sales increase.

In SA, an improvement in cigarette sales, following the recent swing to mildness, was partly offset by a decline in tobacco sales, suggesting growth in black consumer demand has yet to be felt.

The group's increased liquidity is the result of the Rhodesian operation's strong cash flow, which Utico, however, cannot use in SA. Some of Rhodesia's R3,1m (R1,1m) cash holdings is earmarked for plant and machinery replacements in that country. Nevertheless, the balance sheet shows a substantial improvement. For example, the reduction in loans resulted in the debt:equity ratio declining to 19,0% (41,7%).

The balance sheet also shows that creditors increased to R18,6m (R14,3m) which was partly financed by R11,5m (R9,3m) debtors. Despite higher sales, tobacco leaf and raw material stocks remained almost unchanged at R35,9m (R35,6m), and finished products declined to R7,1m (R8,0m).

With uncertainty still surrounding the Rhodesian operation, chairman Enrique Rankin is reluctant to forecast earnings at this stage and prefers to wait until a clearer picture is available at the halfway stage.

With consumer demand growing, and forecast by some economists to show stronger growth in the year ahead, Utico could improve on last year's growth. Certainly Rankin appears confident that the upward trend in the group's earnings will be maintained. However, income could be eaten up by capex which, Rankin warns, could become necessary to meet the demands of changing consumer tastes.

Earnings of over 90c are possible, from which a four-times covered 22,5c dividend could be paid. At 235c, the share, on 9,6% prospective yield, is attractive, though the market is justifiably cautious in view of the group's patchy record.

Des Kilalea

MOTOR INDUSTRY 2

A driving force

Even without the latest Sigma sales figures, the March returns from the motor industry show that it is well on the way to recovery, and growth in sales continues at a healthy pace.

According to the National Association of Automobile Manufacturers of SA (Naamsa), passenger car sales (excluding Sigma) at 17 672 are up 10.54% on the corresponding figure for last year.

Sigma, which "has no reason for being in a hurry to publish sales figures" and is "not going to break its back collecting them", will make its sales returns known "when we feel like it." The *FM* understands that Sigma will release these sometime next week, but is "not rushing them".

Of the rest, however, VW still leads the pack with 26% (4 434 units) of the market, followed by Ford with 30.51% (3 624) and Toyota/Renault with 12.38% (2 187), which has pipped Datsun by a mere 17 vehicles. Despite the successful launch of its new Opel Kadett, which sold a commendable 749 units since shipping commenced on March 17, General Motors, with 10.9% of the market, still lingers at fifth position.

Commercial vehicle sales growth continues to outstrip that of passenger cars. March figures are up 18.58% on last year, and Toyota, with 27.41% of the market, is still the leader. Datsun (26.43%) follows.

All this augurs well for the industry, which from month to month is hastily having to revise (upwards) its projections for the year. Says VW's Ruben Els: "At the end of last year we forecast 230 000 units for 1980, but after February's performance, pitched it at 240 000. Then came the Budget and we were suddenly looking at 250 000." But the big thing, stresses Els, will be manufacturers' ability to supply.

All-time record

GM's Lou Wilking agrees: "There is enough demand to hit an all-time record of 250 000 cars, but supply is the question." GM, which took on 775 additional employees to bring its total work force up to 4 200, has doubled production to meet demand. "What manufacturers are selling today, they planned last August or September," he adds.

The view that manufacturers might have underestimated the sales revival, and may not have sufficient stocks on hand to meet demand, is also voiced by the Standard Bank in its March economic review. This, it says, could lead to longer delivery times and the scrapping of dealers' discounts to buyers.

Ford, for one, agrees. "The capacity of local component manufacturers, shortages of imported stocks because of long lead times in the overseas ordering pipeline, and shortages of skilled labour, will all play a part in inhibiting growth," says a spokesman.

Ford, with 1 534 Escort sales for March (the highest since that model's introduction 12 years ago), has taken on 700 extra workers to push its staff complement up to 5 418. As a further indication of the increased activity in the industry, VW has taken on 800 more workers and its 6 000 strong labour force is "now in an overtime situation".

Leyland has also shown its confidence in the automobile industry, and chairman Sir Michael Edwardes has indicated that profits for the first quarter of the year are sufficient for the company to commit itself to staying in the country. The gauntlet was thrown down last year when Edwardes said that if a profit wasn't shown in 1980, the troubled UK manufacturer would pull out of SA.

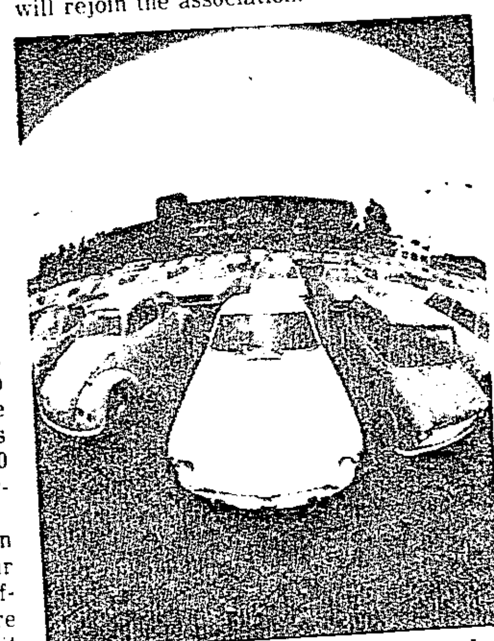
Leyland will also be making further investments in new models, and will take up where it left off at the outset of the abortive merger with Sigma. The Mini line was discontinued at the time because it would have competed with the Mazda 323, but, along with some Rover models, will be reintroduced. At the time it was withdrawn, the Mini was notching up monthly sales of about 450 units.

The company, which has pushed its truck market penetration to 13.8% from 7.3% last March (current order book, it is claimed, is in the region of R58m), will also be co-operating closely with Atlantis Diesel Engines, and will in fact fit ADE engines to some of its Land Rovers.

But while the motor industry's outlook improves, the continuing irritation caused by Sigma publishing its results after Naamsa figures are released, could pose problems. Some manufacturers claim that Sigma gains an unfair advantage in holding back, and there are even allegations that it juggles its figures to pip its nearest rival each month.

This has led to threats by manufacturers that they may not release results at all. Naamsa itself "will continue publishing through June" after which monthly sales figures could be suspended. "This," says president Brian Pitt, "could lead to the position where the data bank could just disappear."

This will be a blow to analysts who see motor industry trends as a valuable barometer for the economy as a whole. Pitt, who "can't understand why Sigma won't publish its numbers along with the rest", hopes that time will heal the rift between Naamsa and Sigma, and that the company will rejoin the association.



Car sales . . . reaching for a record high

FM 18/4/80 (30)

QHUDELIMZWEZWE MAJOLA

Retail revolutionary

It was against all odds — Wrab, the government, a lack of funds — but he got what he wanted. Qhudelimzwezwe Majola defied all odds and opened the first supermarket in a black township last week.

Blackchain is black initiated, black run . . . and for the black community.

"We had to close the doors on Saturday — there were so many people," he says with undeniable pride. "Yes . . . I am proud. It took so long . . . there were so many problems and we overcame them all."

The interview is marred by loud banging and the sound of construction work. His office overlooks what will become the new shopping centre where speciality stores will be opened by "entrepreneurs wanting to start their own businesses."

He's gone the whole hog. The dazzling new supermarket, yellow and red decor sparkling, will be flanked by yet another complex which will house stores and a medical centre.

This 43-year-old entrepreneur knows all the tricks of the retail trade. The achievements of Pick n Pay, Checkers, and the vast chains they have established haven't for a moment passed him by.

White SA has taken for granted the quick and cheap service that hundreds of supermarket and hypermarket outlets provide countrywide.

But not one such outlet has ever been constructed by a black businessman to serve the black population.

Majola has chosen to change it all.

Majola . . . the black man's Raymond Ackerman

"The only reason black consumers have used white stores in the past is because black businessmen have been associated with failure, lack of experience and high prices."

Now he's where he is to create a store with a "black image. We just have to project that it's a black community project."

Gesticulating, talking, bubbling with enthusiasm, he's high on his achievement. But he's no fool.

He's sensitive to the last word. There's no innuendo, pause, word that's left unquestioned. "You have to assess what you're up against. It no good just fumbling your way through."

To prove his point he mentions he's just read *The Super Afrikaners* (the story of the Broederbond). "It's fascinating. You have to find out how the other side thinks, how it works, how organised it is. That's the only way you can work out a realistic strategy."

Where does this black retail revolutionary come from? "My history isn't a rosy one," he says sombrely. After graduating from Orlando High, he went directly into business.

"I used to work in my uncle's general dealer store. He gave me an £800 advance to set up my own business.

"It was a great success and became the third store in a black area to use the self service concept."

But further growth was soon stunted. "I was told I could not expand in a black urban area but had to move to the so-called homelands."

He moved to Newcastle where he "was so successful, Inyanda Chamber of Commerce asked me to assist other traders in bulk buying."

Majola's crusade to assist black entrepreneurs and to further his own aspirations had begun.

His entrepreneurial advances are missions for money, as well as for the community. "I want to promote nutritional foods in my stores as well," he says. "The customer in this community needs more than merely being offered cut prices and the best facilities."

bill. By end-1979, total borrowings had increased to R12,5m (R10,6m), which is equivalent to nearly 14 years of gross cash flow. The increase was not matched by higher stocks — they fell to R8,1m (R9,5m) — and must have surprised finance director Ronald Fitzhenry who, at the half-way stage, told the *FM* that short-term borrowings and total debt had been "substantially reduced." The annual cost of servicing the interest and leasing payments is covered a relatively slim 1.8 times by gross profit.

Eriksen does not appear to be aiming at reducing total borrowings, but rather at changing the relationship between long- and short-term debt. Last year, R1,4m in long-term finance was raised. However, at end-December the short-term debt total was higher at R6,1m (R5,6m). Admittedly, there was an improvement in short-term liquidity as measured by the 1,6 (1,3) current ratio, and cash balances were well up at R539 000 (R106 000), but with more than a 1:1 debt:equity ratio, earnings could be partcularly vulnerable to any fall in turnover.

Last year, lower sales meant a smaller 11,4% (14,3%) return on capital employed. While an average interest rate on total borrowings is difficult to calculate accurately, it appears to be around 11%. This does not leave much leeway if further stock problems materialise this year, or if there is another fuel scare.

If the motor industry performs as expected, and the new Kawasaki franchise shapes up, earnings should advance strongly. But until the company has corrected what looks to be excessive gearing, the share will probably continue to be more poorly rated than other motor shares.

At a high of 200c, which compares with an net asset value of 818c, the share discounts nav by 75,5% and yields 6,3%, which is relatively cheap for the sector. Short-term, there could be some upside potential in view of the positive benefits of gearing in a market upturn. *Des Kilalea*

ERIKSEN Fm 18/4/80

Gearing question

Activities: *Distributor of Ford passenger and commercial vehicles, tractors, used vehicles, parts and accessories, and motorcycles. Manufactures specialised mining and earth-moving equipment. The directors hold 62,5% of the equity.*
Chairman: *E R Eriksen.*
Capital structure: *1,2m ordinaries of 50c; 100 000 6% cum prefs of R2. Market capitalisation: R2,4m.*
Financial: *Year to December 31 1979. Borrowings: long- and medium-term, R6,1m; net short-term, R5,5m. Debt: equity ratio: 122,6%. Current ratio: 1,6. Net cash flow: R716 000. Capital commitments: R46 000.*
Share market: *Price: 200d (1979-80: high, 200c; low, 147c; trading volume last quarter, 18 000 shares). Yields: 29,0% on earnings; 6,3% on dividend. Cover: 4,6. PE ratio: 3,5.*

	'76	'77	*'78	'79
Return on cap %	9.3	11.3	†14.3	11.4
Turnover (Rm)	44.0	43.7	82.6	63.2
Pre-tax profit (Rm)	0.5	0.5	2.1	1.2
Gross margin %	4.3	4.7	†5.0	4.2
Earnings (c)	19.1	32.6	110.4	57.9
Dividends (c)	5	5	15	12.5
Net asset value (c)	667	691	773	818

* 17 months. † Annualised.

Contrary to general experience in the motor industry in the second half of 1979, Eriksen reported a sharp reduction in profit. Negative gearing came into play as a high interest bill coincided with a period of lower sales. This year's prospects appear much better, provided there are no recurrences of the labour problems in the Eastern Cape, which contributed to stock shortages, and ultimately a profit decline.

First-half turnover was R30,2m (R30,5m) with pre-tax profit of R555 000 (R797 000). However, in the second half, when stock shortages coincided with the recovery in motor vehicle sales, despite higher turnover of R33m (R27,8m), a 44% pre-tax profit drop to R617 000 (R1,1m) was reported.

The directors say that but for the fuel crisis in the middle of 1979, and the stock shortages both locally and in the UK, the company would have achieved "greater turnover growth." Sales might then have been sufficient to offset increased expenses, and the still-high annual interest and leasing bill.

In contrast, Unisec subsidiary Grosvenor, which also sells Ford products, had a better year, reporting a taxed profit increase to R469 000 (R199 000).

For the current year, the directors are pinning their hopes on the more buoyant economy, and the new Kawasaki franchises in Johannesburg and Swaziland. This comes with the proviso that there are no stock shortages which, judging by the past two years' experience, is by no means certain. Last year's stock problem cost an estimated 10% sales loss.

The board's confidence is, however, reflected in the dividend advance to 12,5c 10,6c annualised), despite lower annualised earnings. And the higher payment comes despite the high gearing and the low cover on the annual interest/leasing

Garage men take look at raw deal

THE BLACK Garage Proprietors Association which represents black garage owners, is taking a critical look at some of the burning discriminatory practices affecting garage owners in black areas.

One of the sensitive is what they call rebates from the major oiling companies which encourage a keen competitive spirit among owners.

White garages benefit tremendously from these incentive schemes but in the case of black garages — with the possible exception of Mr Ephraim Tshabalala and Mr Fancy Mosaka — these incentives are given to the West Rand Administration Board.

The exceptions are probably because both Mr Mosaka and Mr Tshabalala built their own garages whilst almost 23 garages in Soweto are owned by the WRAB and leased to businessmen.

A survey shows that running a garage in the black townships is not as lucrative a business as many people are led to believe. First, a place like Soweto, is being flooded with garages — about 25 are operating at the present moment — and many more are being built in various parts of the complex.

Whilst there has been a dramatic increase in the number of car owners the number of garages does not justify such a high number. There are fears that many of these garages will collapse.

To add to the multiple problems of the business, many garages in the townships are confined to selling only petrol and spare parts. There is a critical shortage of car mechanics, which is another danger created by the South African system of having for years denied blacks the right to acquire these skills.

These were voiced by the chairman of the Black Garage Proprietors Association, Mr Richard Maponya.

He said that a meeting of the Association is to be held on Sunday at 9,30 am at the Dube YWCA in which some of these problems will be discussed in detail.

POWER FAILURE ANGERS MD

By MANDLA NDLAZI

THE managing director of Soweto's first fully-fledged supermarket told SUNDAY POST this week he was contemplating suing the local authorities for the loss of 90 minutes of business caused by a power failure.

He is Mr Qudelimvwezwe Majola of the Diepkloof-situated Blackchain supermarket which opened this week.

Mr Majola said the supermarket was hit by a power failure for ten minutes soon after its doors swung open on Thursday. A second power failure, he said, occurred on the following day when business came to a standstill for 1½ hours.

Expressing anger, Mr Majola said: "I am thinking of suing the local authorities for the loss of business during that period. Time is money with us."

"The supermarket is aimed at capturing the 80 percent buying power that is lost to the so-called white centres," said Mr Majola.

Mr Majola said business in "so-called white centres" had posed a threat to the existence of the black entrepreneurs. As a result the National African Federated Chamber of Commerce (Nafcoc) set up a research committee to find why black consumers snubbed business in their areas. Its findings were used in the setting up of the supermarket.

He said the railways had declined to deliver goods to the supermarket. "But", he added, we have managed to break the railways' restrictions because they have agreed to deliver our goods right here."

Mr Majola said this was the beginning of a revolution in retailing and a step towards the involvement of blacks in the country's economy.

RAPPORT 20/4/80

(30)

CNA storm die Afrikaanse mark

Deur ALPHONS DU TOIT

SUID-AFRIKA se grootste boekhandelaar, die CNA, met meer as 220 takke dwarsoor die land, wend 'n doelgerigte poging aan om sy markaandeel ten opsigte van Afrikaanse boeke te vergroot. Die onmiddellike doelwit is om dié aandeel binne 'n jaar te verdubbel.

Op die oomblik is die CNA se markaandeel ten opsigte van boeke in Engels hoër as 50 persent. Maar wat boeke in Afrikaans betref, is die markaandeel net 10 persent (en moontlik laer).

Die CNA se eerste stap om sy doel te bereik, was die aanstelling van mnr. André Heyns se groepsaankoper, Afrikaanse boeke. In 'n onderhoud met Sake-Rapport het mnr. Heyns gesê:

„Afrikaanse boeke is nooit deur die CNA verwaarloos nie. Maar daar is beslis 'n onewewigtigheid tussen Engelse en Afrikaanse boeke te bespeur. Om een of ander rede identifiseer die koper van Afrikaanse boeke hom nie heeltemal met die CNA nie.

Volgens mnr. Heyns is die CNA se markaandeel ten opsigte van boeke in Afrikaans in Transvaal en die Vrystaat gekonsentreer. Vyf-en-sewentig persent van die CNA se Afrikaanse boekverkope was in dié twee provinsies. Die hele Kaapland en Natal het net 25 persent van die boeke gekoop.

„Wat Afrikaanse boeke betref," sê mnr. Heyns, „is ons verkope oorweldigend hardeband. Die sagtebandboek is nie by Afrikaanse boekkopers gewild nie.

Die CNA, sê mnr. Heyns, het byna die helfte van al die gedrukte eksemplare van Magersfontein, O Magersfontein! gekoop. Daar sal, volgens hom, 'n geweldige vraag wees.

„Hierdie groot vraag is 'n regstreekse gevolg van die polemiek wat oor dié boek ontstaan het. Dit is verbied, dit was die onderwerp van hofgedinge wat wye dekking in die koerante gehad het en nou is die verbod opgehef.

„Baie mense gaan hierdie boek koop en dit kan dalk 'n top-verkoper word. Maar dit sal nie op groot skaal gelees word nie. Dit is nie 'n boek vir die gewone man nie."

En wat top-verkopers betref, is dit interessant om te merk dat die CNA se top-verkoper Psalms en Gesange is. Meer as 20 000 eksemplare is verkoop sedert die vrystelling laat in Oktober 1978.

Nommer twee van die top-verkopers is die Engelse Witwatersrand Guide en derde kom Kook en Geniet.

Die boekwinkels van CNA is deel van die genoteerde CNA Investmentsgroep.

The Star

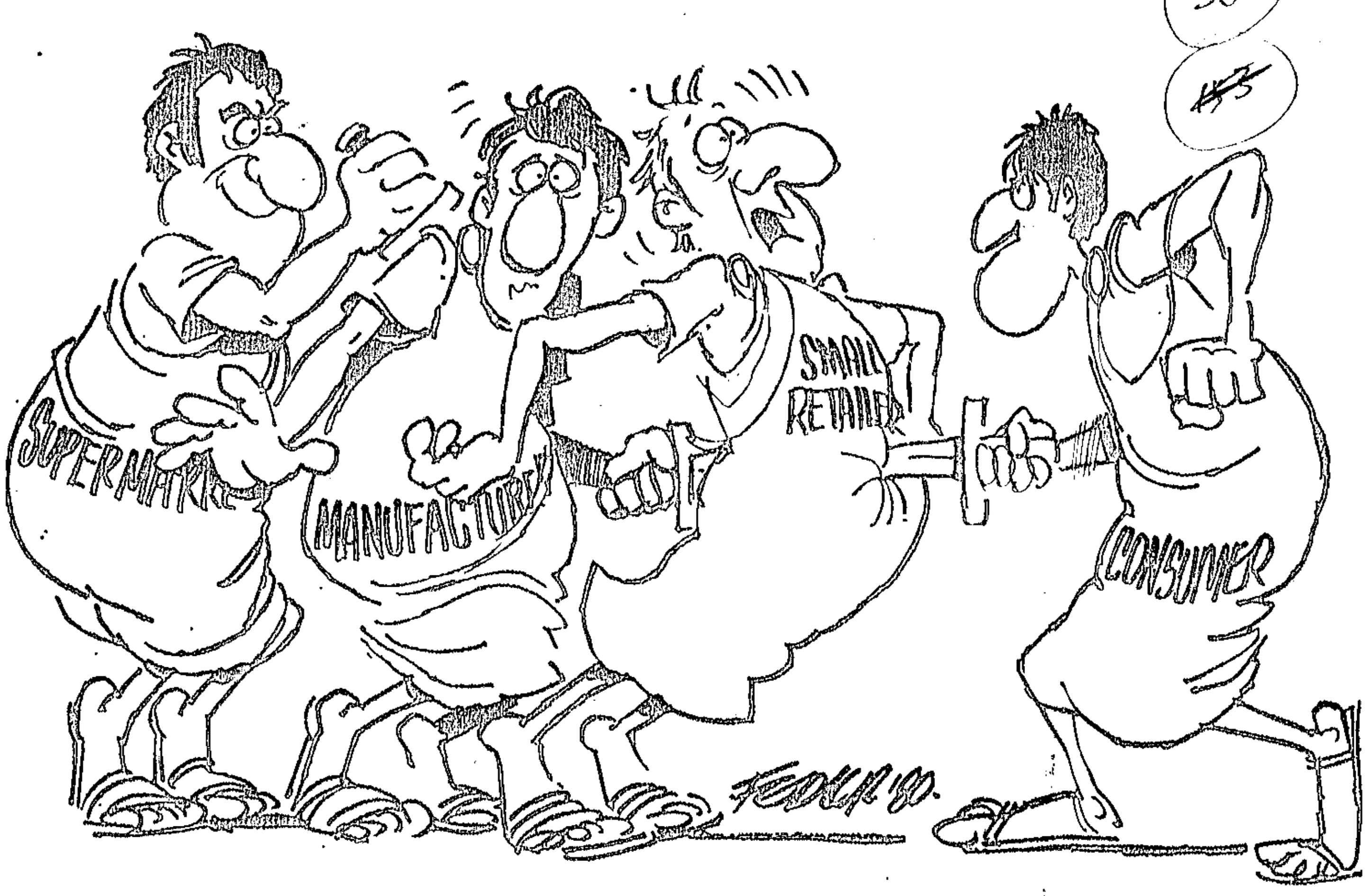
Monday April 21 1980

* * *

CLASSIFIED ADVERTISEMENTS INSIDE

Vicious circle of retailing

The small shop around the corner is doubtless more expensive than the local supermarket. But is the shopkeeper deliberately ripping off consumers, or is he a victim of exploitation himself? CHARLENE BELTRAMO looks at a controversial question.



30

Retailing has become a vicious circle of chainstores sqeezing manufacturers for lower prices and manufacturers throttling small traders by causing them to sell at higher prices.

But the deepest thrust of the knife in the battle-scarred back of the small retailer is from the ever-growing ranks of militant consumers.

The issue has become so serious that the Competition Board was asked by small traders last October to investigate secret deals between supermarkets and suppliers.

Small dealers are fond of pointing to supermarkets as the niggers in the woodpile. But a Fair Deal investigation has shown that it is often the manufacturers who have little regard for the small retailer.

Mr Graham Reed, of Sandton City Hardware, said that after a confrontation with a furious customer he investigated certain prices.

Markup

"As an example, I pay R1,37 from a wholesaler for a 250 g tin of Baygon green insecticide. My markup is 50 percent and I sell it for R2,06.

"The OK Bazaars, however, sells it for R1,20 — 17c less than I can buy it for from the wholesaler or manufacturer," Mr Reed said.

"I stopped selling HTH pool chemical. I was paying R7,95 for it. Checkers was selling it for R7.79 and the local Link pharmacy was selling it for R7,29 — 66c cheaper than I could buy it.

"If I buy direct from Lion chemicals, I'll get a five percent discount only after buying eight or 10 tons" — well beyond the storage capacity of the average small retailer.

Mr Reed said that the price he paid his wholesaler would force him to sell the product at R8,95.

"I give free deliveries, which also cost money. We've got to give service, while the large stores rake off the money.

"I'm tired of this manufacturers' dictatorial attitudes towards prices and their refusal to sell at a lower rate to the small shopkeeper."

Mr W Lenssen, general manager of Bayer SA, manufacturers of Baygon, said supermarkets used their purchasing power to squeeze prices down.

"I suggest, the consumer go to the supermarket. The retailer around the corner is often more expensive — although my wife often goes to the corner store, for convenience, and because it has longer hours," he said.

"Our duty is to protect the established trade and keep everyone in business. The wholesaler has a function to supply the retailer.

"We would not like to supply direct to the retailer, because it would cut out the wholesaler."

Mr Lenssen did not believe small retailers would eventually cut out wholesalers when they realised they could buy cheaper direct from chain stores.

Wholesalers are also not concerned that this will happen. Mr Reuben Mo, a spokesman for a wholesaling concern, said there were advantages for the small retailer buying from wholesalers.

"We have four deliveries a day in the Johannesburg area, which means that within two hours of placing an order the shop will receive it.

"Retailers have 60 days in which to pay; if they pay within 30 days the goods will have an additional 2,5 percent to five percent discount. There is also a 10 percent bulk discount," Mr Mo said.

Mr J Rushton, of Lion Chemicals, said they were not geared up to supply small quantities.

He said there could be many reasons why a small retailer did not receive a favourable discount: "His credit or volume turnover may not be good."

However, it seems clear from Fair Deal inquiries that small retailers cannot expect more than 10 percent discount, with 2,5 and 5 percent being the norm.

Mr D Michos, of the Tearoom, Restaurant Proprietors and Caterers Association, said they had asked the government to outlaw confidential discounts.

"Large chain stores can sell cheaper than we pay, and then we're accused of profiteering," he said.

Mr Michos pointed out, as an example, that while one supermarket chain was selling bread at slightly below the controlled price and still making a profit, cafes were losing slightly more than 1c on every loaf they sold.

On half a loaf of brown bread they lose 2,5 percent.

Margin

"For the last 10 years we have been allowed a profit margin of 1,5c a loaf of bread," Mr Michos said.

"The cafe owner used to pay R1,74 a dozen loaves of bread and was allowed a profit margin of 18c on that.

"Today, he must pay R3,42 a dozen loaves but is still only allowed 18c profit."

Mr Michos said cafe owners had to pay about 75c for plastic to wrap each loaf in, as well as store rental and wages for staff.

"If bread is kept for more than 36 hours, it cannot be sold except at a lower price. The bakery cannot take it back either. That is why cafes often run out of bread at the weekend: each old loaf is a loss to them," he said.

Cafe owners rely heavily on sales of bread, soft drinks, newspapers and cigarettes to draw custom.

The wholesale prices the small storekeeper pays for goods are sometimes as much as 40 percent higher than those at which superchains are retailing the same products.

By the time the small shopkeeper has put on his markup of approximately 50 percent, his price to the consumer has doubled compared with the superchain selling price.

Mr D Michos, of the Tearoom, Restaurant Proprietors and Caterers Association, gave a list of basic foodstuffs and how much cafes pay wholesale, with the comparative selling price in a large retail chain.

Mr Michos said wholesalers had said they were giving "the most cut-throat prices they can give."

"Wholesalers say they feel superchains are twisting all sorts of discounted prices. For example, if the manufacturer says he can only sell at 50c, the superchain brings him down to 39c.

"The cafes are then forced by the manufacturers to make up their losses," Mr Michos alleged.

PRODUCT
Simba chips 150 g
Punch 1 kg
Canned soft drink
Bread
Bread rolls
Hot X buns
Carton Rothman's cigarettes 30's
Carton Rothman's cigarettes 20's
Ricoffy 1,5 kg
Epol crumbs dog foo
Large condensed mil
Choice assorted bisc
Lemon Creams

BUSINESS INSTITUTE HAS BOOM IN MEMBERSHIP

Argus
23/4/80
30

THE Institute of Administration and Commerce, South Africa's professional examining body for business students, is experiencing a membership boom.

After enrolling 1 700 new students last year, which increased the size of the student body by more than 3 0percent, the IAC has enrolled a further 1 000 students so far this year.

Mr W H D Sceales, former head of the Cape Technikon, who became chairman of the IAC last year, said the big increase in students was due to a growing awareness of the value of professional qualifications.

The services and the mode of operation of the IAC were basically designed for the man already in employment and they had proved a tremendous boon to people of all ages and backgrounds.

EXAMINATIONS

The IAC prescribed the syllabuses and set the examinations in 45 courses in nine different branches of business and administration.

The number of blacks enrolling for IAC courses was also increasing rapidly. They accounted for about half the new enrolments.

The IAC was founded in 1927 to meet the post-school needs of South Africans in business and administration. Its diplomas can be gained by full-time study at a technikon, but students often take courses in the evening or enrol with a correspondence college.

RDM 25/4/80 (30)

Metcash lifts final

By ELIZABETH ROUSE

METRO CASH & Carry has achieved excellent yearend results, considering that the group aimed for consolidation and investment instead of the expansion which spurred profit growth at a fast rate in previous years.

Earnings for the year to February 23, 1980, are up 16% to 210,6c a share on larger capital from 182,2c in 1979. The final dividend has been raised from 56c to 70c, lifting the year's total by 22% to 105c from 86c.

This means that over the past eight years earnings have grown at an average compound rate of 57% a year and dividends by 55% a year.

The market appeared hesitant ahead of Metcash's results and no deals were struck. At the seller's price of 1 675c, dividend yield is 6,26%. As prospects are bright for 1981, the counter could start moving.

Sales are up 31% to R404 500 000, the pre-tax profit advance is 28% to R14 100 000 and the taxed profit rise is 26% to R7 800 000.

The group is highly liquid with R1 600 000 cash and no borrowings. Dividend cover at two times is more than adequate for a group whose total profit comes out as cash flow.

The past year was devoted to foundation-laying for growth at Metcash, which had 105 branches at the yearend. A further 13 stores will open this year.

The Lucky 7 chain of owner-operator retail stores was launched and the Bingo hardware wholesaling operation was bought. Two additional Bingo outlets were opened and another is scheduled for this year.

The Cashbuild chain of wholesale building supply outlets was further developed and extended. A futher five Cashbuilds are planned for this year and the operation should start making a profit contribution in the 1981 year.

In addition, the Western Cape outlets acquired in 1979 were further integrated with Metcash's cash-and-carry wholesaling system.

Bingo made a meaningful contribution to group results, but the full benefits of the acquisition will only start as Metro stores are equipped to handle Bingo hardware lines. This will add higher-margin lines to Metro's traditional base of low-margin foods and cigarettes.

Lucky 7 was formed to assist small traders in the increasingly competitive retail climate. It operates as a voluntary group of retailers, currently numbering 1 200, for whom Metro provides services such as promotional advertising, assistance with shop layout and design, and training in shop management.

The chairman, Mr Lional Katz, says the group is confident that the relatively high cost of setting up this project will be justified by a larger and more secore market.

Food chains' secret Soweto moves

(30) ~~41.3~~ S Tms 27/4/80

A HUSH-HUSH plan by several "white" chain-store giants to enter the Soweto market was launched this week in the face of strong opposition from the black National African Chamber of Commerce.

By MARTIN WELZ

Mastermind behind the scheme is Pretoria business consultant Dr Lukas J Botha, who two years ago assembled the Ecoplan consortium of planners and engineers now responsible for the electrification and overall planning of Soweto.

Dr Botha, an unrehabilitated insolvent, has for several years been a close friend and adviser to the "mayor" of Soweto, Mr David Thebehali.

This week a black-controlled company, Soweto Holdings (Pty), applied to the Soweto Council for approval to build a R20-million shopping complex next to Jabulani Station.

According to the guide plan for Greater Soweto drawn up by the Ecoplan consortium, Jabulani is to become Soweto's city centre.

The application was addressed to the Soweto Council on a Soweto Holdings letterhead, on which five Sopweto businessmen are listed as the company's directors.

However, subsequent pages of the application have the word "Checkers" printed on them in bold black letters.

Checkers is a supermarket chain linked to the Federale Volksbeleggings Group.

The Sunday Times was reliably informed that Dr Botha attended a closed meeting of the Soweto Council Executive earlier this month which agreed to give the scheme its blessing.

The Soweto Council met in committee on Thursday to consider the application.

No announcement was made after the meeting, but the Sunday Times was reliably informed that approval of the scheme was recommended by the council executive and chairman, Mr Thebehali.

The council, however, decided to refer the application to its trading and amenities committee to report to next month's council meeting on various technical aspects of the scheme.

Among other things, the scheme will entail the removal of Jabulani Stadium, a well-known boxing venue.

Last night Mr Sam Motsunyane, chairman of the black chamber of commerce, NAFCOC, roundly condemned the application.

"This is just a front," he told the Sunday Times. "The white chain stores, not their black directors, are going to play the decisive role.

"Their image will always be one of white economic domination in black areas.

"Black opinion has not been properly canvassed on the issue and I can only warn them that if they are not careful, the whole thing could go up in smoke."

Not consulted

The development was a result of private meetings held in June last year by the Minister of Cooperation and Development, Dr Piet Koornhof, with a group of top financiers to discuss plans for business development in Soweto.

Dr Botha and Mr Thebehali attended the meetings, but organised black business was not consulted, a NAFCOC spokesman told the Sunday Times.

Dr Botha confirmed in Pretoria this week that he had drawn up the application and devised the scheme on behalf of Checkers and Greatermans, another retail chain linked to the Federale Group.

Provisional plans for the complex were drawn by the Ecoplan architects, Abramowitch and Partners, but acting independently of the consortium on instructions from the two chain store groups.

The black development company, Soweto Holdings (Pty), will finance construction of the project with loans from a consortium of five major South African merchant banks.

The loans will be backed by long-term lease agreements guaranteed by four major white chain stores.

Black ownership of the development company will entitle it to the necessary 99-year leasehold in Soweto.

The four supermarkets will be owned by companies with a 51 per cent black/49 per cent white shareholding — with one or other of the white chainstores owning the 49 per cent in each.

The white chain will then manage the shops in terms of a management agreement.

Besides the four large supermarket-type shops, the complex will include space for up to 60 small shops, cinemas and a hotel, and cover an area the size of three football fields.

Partnerships

The bridge that links the platforms at Jabulani Station will be extended to run into the shopping complex, so that commuters will pass through the shopping mall on the way to and from the station.

Besides Greatermans and Checkers, other interested participants are believed to be Southern Suns and Ster Kinekor.

Should the scheme be approved by the full Soweto Council and the Minister of Co-operation and Development, it will be the first entry by white business interests into Soweto, following the relaxation last year of laws which forbade white business participation in black areas.

"I doubt if there are any retail chains not interested in obtaining representation in Soweto," Mr Nat Stein, property director of the Greatermans group said when asked for com-

Plan

"We would very much like to establish ourselves there. We already have conceptual partnerships with black entrepreneurs and have had plans drawn in association with the Ecoplan architects."

However, Mr Stein said, while Greatermans was prepared to guarantee the performance of an "associate" company, it was not a property developer.

"White financing companies that we approached fell over themselves to participate but the question is how," Mr Stein told the Sunday Times.

"We are ready to trade as soon as we receive a directive from the Government on this issue."

Capital

Mr Motsunyane responded: "For decades the development of black business has been deliberately retarded because the Government did not want black development in the urban areas.

"Now suddenly bringing in white competition before black businessmen have been able to organise themselves is a most unfair way of getting quick capital.

"Our access to capital is still restricted — the banks won't accept 99-year leaseholds as security — and it is still illegal for NAFCOC to hire an office in Pretoria. We must be given a chance."

...ies are so instructed.

...are not to communicate with other ...or with any person except the invi-te-...om

...answer book is to be torn out.

...books must be handed to the com-...to an invigilator before leaving the

...nd to possible exclusion from the

A7a

Vervaardig in Suid-Afrika

Architect of R450m project shook off

27/4/80

By MARTIN WELZ

DR LUKAS J Botha, the man poised to launch a major development project in Soweto, has risen like a phoenix out of the ashes since becoming involved in the township.

A month before he established the Ecoplan consortium in October 1978 to plan a R450-million redevelopment programme for Soweto, he had been declared insolvent. Claims against his estate totalled R1,5-million.

The seeds of his meteoric rise to eminence on the Soweto scene were already sown in 1975, when he met Mr David Thebehali, chairman of the Soweto Advisory Board, at a Campus Crusade seminar in Cape Town.

The two men became close friends and in March 1976 they attended a Campus Crusade meeting in America.

During a prayer breakfast at the meeting, Dr Botha openly resolved to use all his professional skills to assist Soweto. He has a degree in civil engineering and a doctorate in business administration from the University of Pretoria.

Back in Pretoria, however, Dr Botha faced acute financial problems. Between 1974 and 1978, his creditors obtained no less than five provisional sequestration orders against him before he was finally declared insolvent in September 1978.

His estate has not yet been finalised but, according to the second estate account filed with the Master of the Supreme Court in Pretoria, his trustees expect a shortfall in his estate of R255 749.

The biggest claims are those of Barclays Bank for R274 853, Incorporated General Insurance for R190 349, Western Bank for R107 915, Vavasseur (SA) for R650 000, and the Bank of the Orange Free State for R75 958.

When the first application was made to sequestrate him in 1974 on a claim for R10 355, one of his employees, Mr F P Botha, interceded and paid the debt.

Later, when Dr Botha's company went bankrupt, Mr F P Botha was one of 117 employees who were not paid their salary for the past two months of the company's operations.

In 1976, Dr Botha reached an agreement with his creditors and a receiver was appointed to administer their claims. A farm which he told his creditors was valued at R1,2-million in 1976, was sold by his trustees last year for R170 000.

Dr Botha's civil engineering company, Lukas J Botha (Pty), was put into liquidation in February 1978. Creditors of the company are expected to lose about R1-million.

Within a month of his insolvency — and shortly before Dr Connie Mulder's resignation as Minister of Plural Relations — Dr Botha suggested to the Soweto Council that it should appoint its own consultants to draw up a guide plan for the redevelopment of Soweto. He undertook to assemble a consortium of experts for the purpose.

This followed various unsuccessful attempts to obtain approval from Wrab and the Minister for a scheme for the electrification of Soweto which had been put tog
tium earlier.

The Ecopla
ed in Novem
accepted by t

A month la
orised by the
electrification
consortium w
the R150-milli

Taking int
projects sinc
Council, con
volved in Sov
be worth R20

Mr G H
Ecoplan cons

financial disaster

er by another consor-

onsortium was appoint-
1978 and its report
council in March 1979.
, the council was auth-
nister to embark on an
heme and the Ecoplan
appointed to carry out
project.
ccount other planning
warded by the Soweto
um members are in-
projects estimated to
llion.
ais, chairman of the
um, and head of one of the biggest electrical engineering companies in South Africa, denied this week that the consortium had a monopoly on work in Soweto.

The Soweto Council was free to appoint any consultants it wished for any individual project. When consortium members were appointed to do a job, they were paid the normal statutory fees.

"We have not been appointed as the council's general consultants," said Mr Marais.

"There is no such thing. They have simply chosen us as their confidants, just as anyone might choose to repeatedly consult the same doctor."

Mr Marais said there was nothing abnormal about the fact that Dr Botha or some other consortium members attended most Soweto Council meetings.

"In a project of this magnitude, it is logical that communication is of the utmost importance," he told the Sunday Times.

"Dr Botha resigned from the consortium specifically to further his interest in private-sector development, an area in which he is professionally qualified. That is the only reason why he resigned."

Kimet payment jumps 50% to 9c

BD RDM 28/4/80

By ELIZABETH ROUSE

KIMET has pushed up its dividend by 50% to 9c from 6c, outstripping the dividend advance of its major holding, Metro Cash & Carry.

Kimet directors say the company's preference gearing enabled it to surpass the high performance of Metcash, which raised total payment by 22%.

The preference shares received only 7% more at R1 200 000. This meant that the amount available for ordinary dividends rose from R910 000 to R1 300 000.

Pre-tax profit is up 21% to R8-million and the taxed profit advance to R4 900 000 is similar. Because of a 10% rise in the share capital, the earnings rise is slower at 15%.

The good results have been achieved in spite of heavy spending on earnings growth in Kimet's operating companies. Metcash spent large amounts in developing its Lucky 7 voluntary chain and Cashbuild as well as on integration of the Western Cape outlets.

Metcash's outlook is bright and Kimet chairman, Mr Natie Kirsh, forecasts that all Kimet's other holdings should increase profits materially this year. With this, as well as preference gearing, going for the company, Kimet should achieve excellent results.

Kimet's dividend yield is narrower than Metro's at 4,2%. The share price has come up from 150c at the halfway stage to 215c ahead of expected good results.

QwaQwa businesses in peril — chamber

Foreign capital and Government "[illegible]" involving millions of rands are [illegible] the [illegible] QwaQwa [illegible]

They say this uninvited interference [illegible] undercutting development that had already been taking place under local black entrepreneurs.

The chamber, headed by chairman Mr Samuel Mofokeng, has approached a Pretoria legal firm, Schwartz, Goldblatt, Bloch and Grant, to draw up a [illegible] the Government [illegible] QwaQwa [illegible]n.

The chamber's secretary Mr [illegible] in [illegible] said: [illegible] at [illegible] [illegible]n [illegible].

"But they are refusing to pay compensation for [illegible] those people."

The chamber, he said, [illegible] ora- [illegible] because:

[illegible] Government [illegible]ked foreign capital, manpower and skill [illegible]ting [illegible] develop QwaQwa from within using local [illegible] skill [illegible].

[illegible] entrepreneurs being brought in to develop QwaQwa are unwanted. The chamber says the emphasis should be on the experts in commerce, industry and agriculture already in the region.

Mr [illegible] du Toit, chief executive of the QwaQwa Development Corporation based in the capital of QwaQwa, [illegible]thaba, said: "I am in the process of replying to the chamber, but this is difficult because they have cut themselves off [illegible]"

[illegible] for refugee repatriation

The Chief Minister of QwaQwa [illegible] Kenneth [illegible] with [illegible] the [illegible] to [illegible] mour[illegible] his ti[illegible]

The refugees [illegible] legedly [illegible] ship of [illegible] [illegible] [illegible] The [illegible] Con[illegible]

Mr [illegible] said: "[illegible] not [illegible] the [illegible] tween [illegible] the [illegible] them [illegible] fugees [illegible] like [illegible] take [illegible]

"Amicable relations between the two [illegible] vital. [illegible] con[illegible] due [illegible] people [illegible] tion to the [illegible] state's [illegible] ridiculous [illegible] people [illegible] amalgamation [illegible] the [illegible] because of the tribal [illegible]"

The [illegible] Minister's plea [illegible] continued in[illegible] the mountain[illegible] between his [illegible] Lesotho.

Car makers caught on the hop

Motoring Editor

THE optimists are forecasting a car market of up to 300 000 this year, an all-time record and way above the 229 000 in 1975 which was the biggest number of cars ever sold here.

But reluctant as I am to pour water on the hopes, I doubt if the market will get over 250 000 and will probably be less than that, with a total market for the country of both cars and commercials round 360 000 to 370 000.

The problem that the industry is facing is that it just can't make enough cars to hit the high spot. The present surge of buying interest has almost taken the manufacturers by surprise and they are not geared up to take advantage of it.

Their problem is not that they can't make most of the cars, but that they can't make all of them for a car without a carburettor — or injection equipment — isn't much good to anyone and it is the small items that are limiting production.

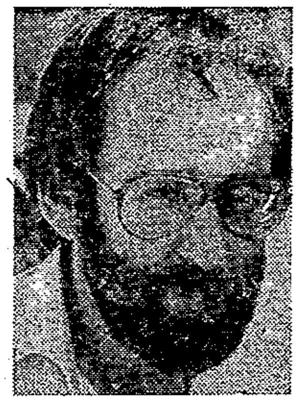
Engines and engine parts are key items in motor manufacture and the component manufacturers are not able to push through a sudden big increase in their production.

Which will limit the market.

Nevertheless, South Africa is in a rather better position than the US where the domestic Big Three are losing ground to the imports, and than Britain where Leyland is in a mess as usual.

The demand for the small cars is increasing and the plants making them can't cope — which will affect models like the Opel Kadett which could, if it were in free supply, sell far more than the

SWANEPOEL—led the Mazdas.



SIMPSON — drive-shaft trouble.

DAMSEAUX — race after rally.

1 500 a month GM are budgeting for.

It must be most frustrating for the manufacturers.

* * *

WHEELS within wheels

FIRST the good news — the Traffic Department has done a good job at the Clovelly corner which has seen a recent spate of accidents, and short of a chicane or a barbed wire barrier they can't do much more to slow down the would-be Scheckters who try to use it as a substitute for Kyalami. There are now:

- Warning signs
- A double row of cats' eyes in the middle of the road
- Cats' eyes on the edge of the pavement
- And enough black and white paint to cover a battleship.

In fact the corner taken at a reasonable speed is not dangerous, despite its negative camber and having been taking it constantly for the past 30-odd years on everything from my feet to a GT Ferrari I know it fairly well. But go over the limit of reasonable speed and you are in dead trouble.

The problem is the driver — not the road.

Now the bad news — it would be interesting to know where the Gallows Hill Chapter of the Hells Angels was off to at such a speed last Wednesday afternoon. With a large Harley in the lead six of Cape Town's Finest passed me in Orange Street, shortly before 3 pm.

Then at a high rate of knots — rather higher than Mr Melly likes people to travel in a 60 km/h limit — the six bikes went along De Waal Drive and Rhodes Avenue. I last saw them disappearing into the distance below the UCT wall, leaving one behind at the Woolsack Road bridge.

There is, of course, this convenient clause that when on duty traffic officers can exceed the limits, but to my affectionate eye it looked as though they were late for an appointment somewhere, perhaps for escort duty as they were going in the general direction of Groote Schuur.

Perhaps if I am caught going too fast the next time I am late for work, Gallows Hill will be swayed by my arguments that what is sauce for the goose. . . Perhaps — very perhaps. . .

* * *

WHOEVER it was that decided to have a motor race on the same day as the rugby test did not make A Good Decision. Not only was there a minimal crowd at Killarney on Saturday — one of the smallest I have ever seen but also there were too few marshals and too few timekeepers and in the pits most of the drivers seemed to be paying more attention to a portable TV set than they were to the racing.

Of course some of the racing wasn't really worth watching. Just as two swallows don't make a summer, three Formula Fords don't make a race, as it works out to one car for each kilometre of the circuit or a car passing every half minute.

The addition of Tommy Dunn's Atlantic with a one lap handicap to the field in the second heat did provide some extra interest especially when he demonstrated his feeling of togetherness for his sponsors by taking, with one lap to go, an agricultural excursion at Hoal's in the general direction of the Swartland wheatfields. He rejoined the race but couldn't make up enough time to catch Mike Needell who was lapping about 12,2 seconds slower.

Some of the Group One racing was interesting though Serge Damseaux, tired after driving in the Double Twelve, did not prove to be his customary challenge to the Mazdas where Koos Swanepoel had things much his own way. In the modified cars John Simpson, starting on pole broke the driveshaft of his Mazda as the flag fell and was shunted off the circuit by Dave Hawkin's Fiat which was right behind him.

The bikes, as usual, provided the best racing with Darrell Rogers, John Carr and Johnny Scott having a free for all. Carr (Ducati) and Rogers (Suzuki Special) managed to keep ahead of Scott's Honda; but he won his class and kept ahead of Eric Mort on a Yoshimura Kawasaki and Jeff Schneider on a TZ Yamaha.

* * *

MOUTHWATERING advertisement for a Porsche in an English magazine lists the prices for the current models — the four-cylinder 924 Series from £9 103, the six-cylinder 911 Series from £16 108; the eight-cylinder 928 Series from £21 827 and The Turbo at £27 950. That's a price range from R16 400 to R50 000 — and the ad continues: 'Prices correct at time of going to press exclude number plates and delivery charges.'

You get nothing for nothing in this world.

Booming OK back among the blue chips

(30)

RDM 30/4/80.

By HOWARD PREECE
Financial Editor

OK BAZAARS is back with a bang — booming sales, profits and dividends. The retail giant that lost its way in the mid-1970s has entered the 1980s well on the way to restoring the blue-chip image it enjoyed for so many years.

Net attributable profit for the year to March 31 was 30% higher at R18 943 000 against R14 623 000.

The final dividend has been raised from 47c to 62c to give a total of 85c compared with 66c in the previous year.

Sales were up 30% at R762-million (R588-million in 1978-79) with earnings a share showing a symmetric jump from 122,8c to 159,1c.

Even allowing for inflation at 14% or so, the results rank with OK's vintage years.

The directors say: "A pleasing aspect of the group's performance is that the Hyperama division made a positive contribution to the improved results.

"An aggressive marketing and pricing policy led to a decline in gross profit margins which were offset by an improved merchandise mix and the effective control of costs.

"All indications are that the level of consumer spending will remain strong during the current year."

They are confident that OK will "maintain its competitive position and therefore expect it to achieve a satisfactory increase in earnings for the coming financial year".

COMMENT. A perceptive stockbroking report written nearly two years ago said: "After our recent discussion with Mr Meyer Kahn, the managing director, we firmly believe that OK has turned the corner and that its rerating in the share market is fully justified.

"We have no hesitation in recommending the shares as an investment.

"The reason can be summed up in one phrase: the quality of present management and its sense of direction.

"The key to it all is that emphasis has now been put back on the conventional OK Bazaars image of discount department stores offering good value for money.

"The loss of the blue-chip rating in the past decade was not due to this type of business having become out of date.

"It was due to the way the business was managed and its loss of sense of direction."

The results for the past year handsomely endsorse most of that analysis.

It is true, of course, that OK, along with the retail trade generally, has had the benefit of the economic upsurge in the past year.

The turnaround in the once-disastrous Hyperama position has also made a big difference. Hyperamas are perhaps also a little different in style — more up-market — than "traditional" OK.

But the overall results — interestingly similar to Pick 'n Pay's 31% profit increase for the year to February on sales up 20% — are a fine tribute to Mr Kahn and his team.

With OK back in the profit growth groove — just to remember, the dividend was pegged at 58c for the three years to 1978 with earnings stagnant — and with the liquor industry "carve-up" and money pouring into Southern Sun it will be fascinating to see the controlling SA Breweries results.

Excellent though the OK results are, the shares are likely to follow a rather uncertain trend in the overall market.

Yesterday they were down 30c to 1 400c, to offer historic yields of 11,3% on earnings and 6,1% on dividend.

K

Al

Su

Fir

Da

De
you

Su

r)

Pa

)

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

	Internal	External
(1)	(2)	(3)
5	10½	11
6	[illegible]	10
9(b)	10	11
Examiners' Initials		

NO

1. Enter at the top of each pag the block on this cover the tion you are answering.
2. Blue or black ink must answers. The use of a bal able. Red or green ink m underlining, emphasis or fo pencil may also be used.
3. Names must be printed on (e.g. graph paper) where examination book (s) are us

ARNING

No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

Candidates are not to communicate with other candidates or with any person except the invigilator.

No part of an answer book is to be torn out.

All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render t ualification and to possible exclusion from the y

50

BUSINESS

Spending boom here—a

"The public is not over-spending."

By Jean Moon

The spending boom is with us, and will carry on at an even faster rate.

In the first four months of this year, retail sales leaped by 18.6 percent over the same period last year to reach R4 399m.

Certainly a huge amount of this spending was on credit, but fears that consumers are taking on too much debt appear to be unfounded.

Mr N E Dorrington, chief advances manager of the Standard Merchant Bank, which lends money in 45 different ways, feels the public is not overspending.

He said the bank was certainly not alarmed by the incidence of bad debt, which was light when compared with previous years.

PROPERTY SCENE

People were certainly using credit facilities available, such as overdrafts and credit cards, but those to whom the bank lends were in sound financial positions, and could afford to make use of such facilities.

The public are certainly not overcommitting themselves as far as property is concerned. A spokesman for the United Building Society said the average monthly repayments had increased by about two percent and this higher commitment was being covered fully. But he pointed out that house prices were also higher.

The society granted 18 000 more bonds in the financial year to March than in the previous year.

Bearing out the fact that the public actually had more money in their pockets, and were spending it wisely was the decrease in arrear payments. The situation was better now than it had been for the last five to six years.

The UBS spokesman added that two years ago, the society was making a fair number of repossessions, but the number had now dropped significantly.

FEWER SUMMONSES

Despite the boom in consumer spending, fewer South Africans land up in court for bad debts.

Figures from the Department of Statistics in Pretoria show that there was a drop of more than 13 percent in the number of summonses issued in January this year compared with January last year.

In 1979 a drop of 6.5 percent against 1978 was recorded.

Breaking the figures down into two categories — one for businesses and another for private persons — one finds the number of summonses against businesses has fallen by 19.4 percent in 1979 compared with 1978. In 1979, there was a 4.7 percent drop in the number of summonses issued against private persons.

One of the most startling reductions occurred in the number of summonses issued for bad business debts on open accounts. In January this year this figure was 26.3 percent lower than January last year.

Fewer members of the public find they cannot repay their hire purchase debts. In January this year, there was a drop of 25.3 percent in summonses for payment in terms of hire purchase agreements compared with January last year.

Mr E Shostak, manager of the Standard Bank's economic forecasting department, said the overall real private sales consumption spending was expected to increase by 6.1 percent this year, and while the entire overall spending would rise by 8.1 percent.

But for 1981, the department was expecting a slight slowdown, with private sales spending 5 percent up on this year's figures and 7 percent for overall spending.

BEGINNING ONLY

A spokesman for Assocom said it supported consumer spending to obtain growth and did not feel that the situation was overheated. But it urged consumers to be pruder in their spending.

Spend prude

Mr Tony Factor of Downtown believes th we have only seen th beginning of the spendir boom. "This is only th tip of the iceberg," h said. For the past fe years, Downtown had e perienced a 14 percer growth in sales every s months, he believed th once the new pay ris came through in July, well as the lowering income tax, Downtown sales would leap by 8 percent in the final qua ter of 1980.

CREDIT CARDS

Bob Hardy, sales manager of Auto Fiat, said th while sales of cars ha leaped, there had been n problems of paying fo them. Some people had elected to pay off for cars well before the hire purchase agreements came to an end. Mr Hardy said they seemed to pay for their cars before giving their wives housekeeping money.

3. ... must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

missior

examin

4. Do not write in the left hand margin.

Any dishonesty will render the candidate liable to disqualificatio ... n from the University

STAR 30/4/80

nd it's speeding up

'tly, says Assocom.

By the end of this year there would be about 1m South Africans carrying credit cards. And though banks claim that credit cards do not necessarily create, but are merely another — and safer — way of carrying credit, there is little doubt that they could add to the rise in consumer spending.

Barclays this week celebrates the signing up of its 500 000th card holder.

Barclays and Standard Bank are expected to achieve a combined turnover in excess of R1 '00m this year. Should the turnover through the new Trust Bank card be added, and with the card systems from Volkskas, Santambank and Nedbank expected later this year, credit cards could take a substantial share of the consumer spending this year

Vehicle sales reflect increased confidence of consumers

STAR 30/4/80 (30) ~~192~~ 128

Vehicle sales in the first quarter of this year compared with the corresponding period of last year indicate a dramatic increase in consumer confidence.

There have been significant increases in the sales of both passenger and commercial vehicles in the first quarter, and the indication is that the trend will be maintained through the rest of the year.

Toyota has had the most dramatic rise in both passenger and commercial sales and has moved itself from fifth to second place in overall sales.

Volkswagen takes over the lead from Sigma in total market sales in the first quarter with a total of 14 375 units. Toyota, 148 units behind Volkswagen, is in second place and Sigma with 14 039 fills third spot. Datsun is fourth and Ford fifth.

Toyota has made dramatic inroads in the passenger car market, increasing its volume by 59,7 percent in the first quarter. This moves Toyota into fourth place in the passenger car market.

Volkswagen maintains first position with a 19,3 percent increase, followed by Sigma, whose sales rose by 8,6 percent and Ford, which lifted its sales by 7,7 percent.

Datsun drops to fifth place in the passenger car market.

The only losers in unit terms in the higher passenger car market are Mercedes Benz and Fiat.

In commercials, which rose 19,8 percent in the first quarter, Toyota, which has dominated the sector for the past seven years, has further strengthened its position by lifting its sales by 44,4 percent. This gives Toyota nearly 27 percent of the total commercial vehicle market.

Datsun increased its sales of commercials by 26 percent.

DD 30/4/80 (30)

IMC opposes new rent increases

EAST LONDON — Indian Management Committee members strongly opposed increases in house rentals to cover the cost of improvements to stormwater drainage at Braelyn Heights houses last night.

The IMC resolved to recommend to the city council that an application be made to the Department of Community Development to cover the cost of the drainage improvements to certain houses in Extension 2 of the township.

The committee said tenants were constantly complaining of excessive stormwater flowing onto their properties and causing inconvenience due to inadequate drainage facilities.

The chief city engineer's department has found that the construction of stormwater drainage to alleviate the problem would cost about R42 000 which could result in increased rentals.

The vice-chairman of the IMC, Mr M. Williams, said last night he felt it was unfair that residents would be subjected to increased rentals because the Department of Community Development was "penny wise and pound foolish" when they called off the effecting of stormwater drainage to the houses.

It emerged at the meeting that the scheme was designed to incorporate stormwater drainage, but due to a cutting back in available finance, the drainage was never effected.

Mr Williams said if the department had acknowledged the vital importance of drainage facilities, the cost of the facility to residents would have been much smaller than would now be required from them in rental increases.

Mr Williams was strongly supported by the city councillor in charge of housing, Mrs Elsabe Kemp, who said the IMC should in future demand that all housing schemes be effected with stormwater drainage as it was "one of the most basic requirements" for proper housing. — DDR

MR PARBHOO

Shopping complex: doom warning

EAST LONDON — The R2 million North End shopping complex would not get off the ground if urgent attention was not given to the establishment of better access roads, the Indian Management Committee warned here last night.

Indian traders would not move into the complex and the complex would be doomed to failure if it was not made more viable by better access roads, the committee said.

Work on the complex, to house the city's Indian traders, started in December and it is expected that the first traders would be able to move in by the end of the year, but no progress had been made to date with the better access roads the IMC called for.

They have asked for a road over rail bridge to link St John's Road with St Peter's Road and for Factory Road to be widened and the establishment of a bus terminus there.

The chairman of the IMC, Mr Harry Parbhoo, said last night if the access roads did not materialise it would mean "a knife in the back" of the Indian trader.

"For years we have repeatedly asked for answers and we were assured that these roads would materialise timeously with the shopping centre.

"We appeal to the various departments to find ways and means of materialising these prospects — otherwise we don't know what the poor traders will do," said Mr Parbhoo.

Mr Parbhoo said he wanted to appeal to the city council to give the matter urgent attention. The complex would be ready by the end of the year, but traders still had "no idea whatsoever whether the bridge will ever materialise and when it is going to materialise".

Answering Mr Parbhoo's appeal, the city councillor in charge of housing, Mrs Elsabe Kemp, said the Indian traders had the sympathy of the majority of city councillors and the establishing of the road over rail bridge was a priority of the council.

The matter was being considered by the council in conjunction with the overall road programme for the city, she said.

The council is presently trying to get finance for the project and have asked the Department of Community Development to finance the project as the complex is a DCD project.

Representations have also been made to the district roads engineer for support in having the road declared a main road so that it can qualify for a subsidy. — DDR

Call for new housing survey

EAST LONDON — The Indian Management Committee has called for a further survey of the housing needs of the Indian community here.

The housing section of the municipality has undertaken a preliminary survey into the community's housing needs, but the survey attracted a poor response from tenants in Braelyn Heights.

The IMC resolved last night to recommend to the city council that the services of two Indian teachers be acquired to carry out a door-to-door survey of occupants of houses in Braelyn Heights.

The committee stated it was considered important for future planning to obtain full information on housing needs.

It is hoped that with the assistance of the two teachers, who will undertake the survey under the supervision of the housing section, the survey will prove a success. — DDR

Go-ahead for day-care centre

EAST LONDON — The Indian Management Committee has given the go-ahead for the establishment of a day-care centre and a recreational hall at Braelyn Heights.

At its monthly meeting last night, the committee voted in favour of establishing the centre and recreational hall on a site presently partly occupied by a vacant old age home.

The committee resolved to turn down an application by the Reformed Church of Africa to use the property for church and welfare work.

Speaking on the recommendation to establish a recreational hall, the vice-chairman of the IMC, Mr M. Williams, said he was shocked to learn of the "delinquency that had crept into" the Indian youth.

Mr Williams said the establishment of a recreational hall would no doubt curb the unruly element currently coming to the fore among the youth.

The IMC resolved last night that the existing buildings on the old-age home site would eventually be demolished to make way for the construction of the proposed facilities.

The Oxford Jaycees, who are spearheading the day care centre project, would, however, be allowed to utilise a section of the vacant old age home as a temporary creche until the new centre was built, the committee decided. — DDR

Hepworths back in the black

RDM 1/5/80.

Financial Editor

HEPWORTHS, the Cape-based men's clothing retailer, is making profits again, even higher than the expectations of Mr Irwin Rudick who took control of the company last November.

Pre-tax profit for the year to February 29 was R132 377 — Mr Rudick had forecast R100 000 — with taxed income at R114 770.

That compares with a group taxed loss of R331 254 the previous year and a loss of R501 000 in 1977-78.

Mr Rudick says, however, that it is not yet possible to say when dividend payments will be resumed.

This is because of the need "to conserve funds for the expansion of the company's operations".

Mr Rudick says: "To take maximum advantage of our new marketing, advertising and merchandising strategies which are being put into operation, all outlets should be refurbished within the next six months.

"With a combination of our new policies, effective management and a continuation of the current economic conditions, the profits for the coming year should be substantially increased."

COMMENT: Mr Rudick has said his aim for this 1980-81 year is pre-tax profits of over R500 000.

According to one calculation this would mean earnings a share in the 100c region, given tax losses.

The share price yesterday was 270c buyers and there could be some speculative interest still left.

After all, Hepworths made over R1-million net a few years ago.

Hunt (30) raises final

RDM 2/6/80

Financial Editor

WILLIAMS Hunt, the motor dealers, has increased its final dividend from 5c to 6c after a profit recovery in the second half of the year to February 25.

Taxed attributable profit was R3 022 000 compared with R2 682 000 in the previous year.

Apart from the upturn in the motor trade in line with the general economy, the results were affected by the consolidation of General Tire which became a subsidiary in September last year.

At the interim attributable profits were lower at R1 050 000 (R1 280 000).

Earnings a share for the year were 34,1c (30,2c).

On yesterday's price of 150c the share yields 22,7% on earnings and 7,3% on dividend.

Van Rooyen Express needs pep

(30) RDM 1/6/80

Financial Editor

PEP STORES has increased its final dividend from 35c to 40c for the year to February 29 but the results, although solid, have not lived up to original expectations.

The rise in net profit, before extraordinary items, from R6 893 000 to R7 814 000 was, however, broadly in line with the revised estimates after the interim figures in October.

As the interim dividend was pegged at 20c the rise in the total dividend is from 55c to 60c.

Earnings a share rose from 123,1c to 139,5c to give a slight increase in the dividend cover from 2,24 to 2,33.

Sales for the year were up from R126-million to R158-million.

COMMENT: Pep is a retailer with a heavy concentration of black customers. Its main selling lines are clothing, footwear, blankets, household softs and toiletries in 370 branches.

In February it was announced that the 43 outlets of the Papillon boutique subsidiary were either to be sold or closed. These were said, however, to account for only 2% of the group's total sales.

When Pep was growing at a remarkable pace in the early 1970s it was dubbed "Van Rooyen's Express", after the chairman, Mr Renier van Rooyen.

But growth has come harder in recent years.

Although this might sugggest that black incomes have not been rising as much as some estimates have suggested, it is also possible that Pep has lost some of its custom from blacks who have gone shopping "up market".

What is clear, at any rate, is that the rise in earnings a share — they actually dipped two years ago — from 95,2c in 1975-76 to 139,5c at the end of the last financial year shows that the group is having to battle just to keep pace with inflation.

The best hope for this year must be that the economic upturn generally will help Pep through higher black incomes and employment.

Yesterday the share price was 595c, which is little more than it was six months age and shows that the group has lagged behind the market overall.

At that price the historic yields are 23,4% on earnings and 10,6% on dividend. Those are well above average and reflect doubts about Pep's ability to get back into a major growth groove.

Mr Van Rooyen's Express needs some more pep, it seems.

Amrel brings more good news for SA Brews

232

30 RDM 1/5/80

By HOWARD PREECE
Financial Editor

THE MONEY must be pouring into SA Breweries even faster than its beer is poured down the customers throats. Amalgamated Retail, the furniture and shoe retailer 61% owned by SAB, has reported taxed attributable profit up 119% from R3 825 000 to R8 381 000 for the year ended March 31.

The final dividend has been raised from 16,5c to 28,5c to boost the total for the year to 41,5c against 23,5c in the previous year.

Profits were, however, given the extra benefit of the inclusion of Shoe Corporation's retail division and the additional shares issued to SAB in return had the effect of diluting the rise in earnings a share.

The rise, however, was still a hefty 74% — from 70,7c to 124,2c.

Amrel's spectacular profit jump — yet another manifestation of the surge in consumer spending — comes immediately after the confirmation that OK Bazaars is back in the big-time profit growth.

Add Southern Sun and the whole liquor bonanza and it is evident that some remarkable results will be coming from SAB for the year to March 31, 1980.

But even these will surely pale by comparison with 1980-81 when the full impact of Sun City is felt and when all the benefits of the beer monopoly are realised.

Of course, at 300c SAB shares are already discounting plenty.

Back to Amrel. Turnover was up by 65% last year from R77-million to R127-million, of which R29-million, however, came from the inclusion of the shoe business.

Furniture sales were up by "only" 27%.

This means that Amrel has succeeded handsomely in restraining costs and improving margins on the greater volume of business.

It is an indication of the gearing effect that the economic upturn can have on profits.

A statement accompanying the results says: "On prospects the directors point to the recent Budget in which the Minister of Finance once again emphasised consumer spending as the key to continued and sustained economic growth.

"Amrel, which has its roots purely in retail activities, should benefit more than most from the Budget concessions and is well poised to take advantage of the opportunities which the directors feel sure will arise.

"This, coupled with the growth taking place within Amrel itself, makes the directors confident that the results will show a satisfactory improvement in the current financial year."

Amrel shares were up 10c yesterday to 610c, at which price they yield 20,3% on historic earnings and 6,8% on dividend.

30

249

~~232~~

STAR 1/5/80

Amrel doubles profit —and pays 28.5c final

By Jean Moon

On a 65 percent boost in turnover to R126,6m, Amalgamated Retail (Amrel) has more than doubled its attributable profit to R8,4m fr the year ended March.

The final dividend has been raised 63 percent to 28,5c a share, making the total distribution for the year 77 percent higher at 41,5c a share.

On a larger number of shares in issue resulting from the acquisition of the shoe division, earnings rose 76 percent to 124,2c.

Directors thank a buoyant economy pushing turnover in the furniture sector higher, better store sitings, improved operational controls, and the full integration of the shoe division producing better than expected profits, for the exceptional rise in profits.

They also expect Amrel, with its roots purely in retail activities, to benefit more than most from the budget concessions and point out that it is well poised to take advantage of the opportunities which they feel sure will arise.

Next year's results were expected to show a satisfactory improvement.

* * *

```
ARITY-TARGE
-CHECK-PARI
K-PARITY.
RGET-SPACES.
PARITY ERROR: UNEQUAL NUMBER
-SPACE.
                PERFORM PRINT-SORT-LINE.
      *
      *
       LOAD-SOURCE-SPACES.
           MOVE ORTHOGRAPHY (S-INDEX) OF SOURCE-TABLE
               TO ORTHOGRAPHY OF SOURCE-SPACE.
           MOVE S-INDEX TO QUALIFIER OF SOURCE-SPACE.
      *
      *
       LOAD-TARGET-SPACES.
           MOVE ORTHOGRAPHY (T-INDEX) OF TARGET-TABLE
               TO ORTHOGRAPHY OF TARGET-SPACE.
           MOVE T-INDEX TO QUALIFIER OF TARGET-SPACE.
      *
      *
       PARITY-EVEN SECTION.
       START-PARITY-EVEN.
           ADD 1 TO TOTAL-SYL-PARITY-EVEN.
           PERFORM LOAD-SOURCE-SPACES.
           PERFORM LOAD-TARGET-SPACES.
           MOVE 'SYLLABLE PARITY EVEN : POTENTIAL COGN
               TO COMMENT-SPACE.
           PERFORM PRINT-SORT-LINE.
      *
      *
       PARITY-BLANK SECTION.
       START-PARITY-BLANK.
           ADD 1 TO TOTAL-SYL-PARITY-BLANK.
           PERFORM LOAD-SOURCE-SPACES.
           PERFORM LOAD-TARGET-SPACES.
           MOVE 'SYLLABLE PARITY ERROR : SOURCE & TARG
               TO COMMENT-SPACE.
           PERFORM PRINT-SORT-LINE.
      *
      *
       PARITY-SOURCE-BLANK.
           ADD 1 TO TOTAL-PARITY-SOURCE-BLANK.
           PERFORM LOAD-SOURCE-SPACES.
           PERFORM LOAD-TARGET-SPACES.
           MOVE 'SYLLABLE PARITY ERROR: SOURCE PHONETI
               TO COMMENT-SPACE.
           PERFORM PRINT-SORT-LINE.
      *
      *
```

OK Bazaars (1929) Limited

Directors: S. Cohen, Hon. LL.D. (Rand) (President), R. J. Goss (Chairman), J. M. Kahn (Managing Director), K. E. Coote, A. A. Fabig, G. W. Hood, H. R. Horwitz, G. Manne, J. Melville Pels, B. D. Steyn, K. R. Williams (British).

Preliminary Profit Announcement

for the year ended 31 March 1980.

1. GROUP EARNINGS AND DIVIDENDS

The unaudited group earnings for the twelve months ended 31 March 1980, compared with the previous year, are as follows:

	Year ended 31 March		
	1980	1979	increase
	R000	R000	%
Sales	762,371	588,472	30
Profit before taxation	32,832	25,060	31
Taxation	13,774	10,319	
Profit after taxation	19,058	14,741	29
Preference dividends and outside shareholders	115	118	
Earnings attributable to ordinary shareholders	18,943	14,623	30
	Cents	Cents	
Earnings per ordinary share	159,1	122,8	30
Dividend per ordinary share			
Interim paid 14 December 1979	23,0	19,0	21
Final payable 4 July 1980.	62,0	47,0	32
	85,0	66,0	29

Note:
The results of a minor foreign subsidiary have been brought to account on an equity accounting basis and the 1979 figures have been adjusted to make them comparable with the current results. The effect of this change is not material.

2. COMMENT ON RESULTS

These trading results are considered to be very satisfactory. A pleasing aspect of the Group's performance is that the Hyperama Division made a positive contribution to the improved results.

An aggressive marketing and pricing policy led to a decline in gross profit margins which were offset by an improved merchandise mix and the effective control of costs.

3. DIVIDEND

The final dividend for the year has been increased from 47 cents per share to 62 cents per share, making a total for the full year of 85 cents per share (1979 - 66 cents).

4. FUTURE PROSPECTS

All indications are that the level of consumer spending will remain strong during the coming year. In addition to this, the directors are confident that the Group will maintain its competitive position and therefore expect to achieve a satisfactory increase in earnings for the coming financial year.

By order of the Board,
J. B. Parnall, *Secretary*

DECLARATION OF DIVIDEND

NOTICE IS HEREBY GIVEN that final dividend No. 97 at the rate of 62 cents per share in respect of the financial year which commenced on 1 April 1979, has this day been declared payable on 4 July 1980, in the currency of the Republic of South Africa to all holders of Ordinary shares registered in the books of the Company at the close of business on 23 May 1980. Non-resident shareholders' tax of 15% will be deducted where applicable.

The registers of members will be closed in Johannesburg and London from 24 May to 1 June 1980, both days inclusive, for the purpose of the above dividend.

By order of the Board
J. B. Parnall,
Secretary

Registered Office:
OK Buildings,
80 Eloff Street
Johannesburg, 2001.

29 April 1980.

Transfer Secretaries:
Hill Samuel Registrars (S.A.) Limited,
The Corner House,
63 Fox Street,
Johannesburg, 2001.

TM 8/5/80

30

Financial Mail May 2 1980

Toyota close gap on VW

DD 2/5/80 (30)

JOHANNESBURG — Vehicle sales in the first quarter of this year compared with the corresponding period last year indicate just how dramatically consumer confidence has increased.

There have been significant increases in the sales of both passenger and commercial vehicles in the first quarter and the indication is the trend will be maintained through the rest of the year.

Toyota has had the most dramatic rise in both passenger and commercial sales and has moved itself fifth to second place in overall sales.

Volkswagen takes over the lead from Sigma in total market sales in the first quarter with a total of 14 375 units. Toyota, only 148 units behind Volkswagen, slots into second place with Sigma (14 039) in third spot. Datsun is fourth and Ford Fifth.

Toyota has made dramatic inroads in the passenger car market, increasing its volume by 59,7 per cent in the first quarter. This moves Toyota into fourth place in the passenger car market.

Volkswagen maintains first position in the passenger market with a 19,3 per cent increase, followed by Sigma, whose sales rose 8,6 per cent, and Ford, which lifted its sales by 7,7 per cent.

Datsun drops to fifth place in the passenger car market.

The only losers in unit terms in the higher passenger car market are Mercedes Benz and Fiat.

In commercials, which rose 19,8 per cent in the first quarter, Toyota, which has dominated the sector for the past seven years, has further strengthened its position by lifting its sales by a whopping 44,4 per cent. This gives Toyota nearly 27 per cent of the total commercial vehicle market.

Datsun increased its sales of commercials by 26 per cent, allowing Toyota to stretch its lead in this sector.

Ford lifted its sales of commercial vehicles by 33,3 per cent to fill third place and General Motors and Sigma take fourth and fifth positions respectively.

Most of the leading motor manufacturers are suffering from stock shortages at present, but Toyota's chairman, Dr A. J. J. Wessels, expects the shortage to ease within the next three months. — DDC.

30 2/5/80

67 . but that is academic in terms of the shares marketability. Pyramid Lefic is, however, more marketable and, at 5000c to yield 6.4%, is more attractive.

FOSCHINI/LEFIC

30

Fashionable earnings

FM 2/5/80

Activities: *Operates a 468-strong chain of fashion clothing stores, including Markhams and Pages as well as American Swiss Jewellers. Lewis Foschini (Lefic) holds 50% of the equity.*

Executive chairman: *Stanley Lewis; managing director: H Mathew.*

Capital structure: *970 000 ordinaries of 50c; 200 000 6,5% cum prefs of R2. Market capitalisation: R46,6m.*

Financial: *Year to December 31 1979. Borrowings: long- and medium-term, R7,1m; net short-term, R9,0m. Debt:equity ratio: 52,6%. Current ratio: 2,1. Net cash flow: R7,1m. Capital commitments: R1,8m.*

Share market: *Price: 4 800c. (1979-80: high, 5 000c; low, 3 650c; trading volume last quarter, 2 500 shares). Yields: 16.2% on earnings; 6.7% on dividend. Cover: 2.4. PE ratio 6,2.*

	'76	'77	'78	'79
Return on cap %	33 4	32.7	32.4	30.0
Turnover (Rm)	80 6	87.9	97 8	112.3
Pre-tax profit (Rm)	8 0	9.0	11.1	13 0
Gross margin %	9.9	11 7	12.4	13 2
Earnings (c)	466	529	659	775
Dividends (c)	192.5	216	270	321
Net asset value (c)	2 008	2 280	2 670	3 131

The group has tied up long-term credit lines worth R10m during the past year by way of unsecured loans and a debenture issue, which should ensure that future growth costs will be kept to a minimum. And further expansion is certainly on the cards.

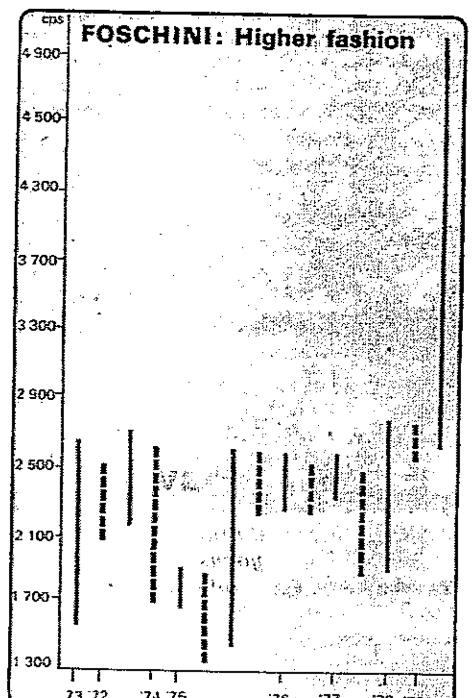
Executive chairman Stanley Lewis believes that, providing the opportunities present themselves, new store openings and extensions to existing stores should continue at about the same rate as last year. In 1979, 40 new stores were brought on stream, bringing the total to 468.

Since year's end, trading has been "up to expectations" in all sectors of the group's activities, while the Foschini subsidiaries have made a greater contribution to sales than in the past, though off a lower base. Lewis is hesitant to make forecasts of performance for the remainder of the year although he is confident that prevailing market conditions will lead to a good year.

The balance sheet is reasonably strong and cash flow has risen from R6,1m to R7.1m over the year. However, the debt:equity ratio has also risen fairly sharply over the same period from 40% to 52% though that is far from excessive. Return on capital eased in 1979 from 32,4% to 30% though this is still a very satisfactory level. Stocks rose more than 20% over the year (compared with a 14.8% turnover increase) and may perhaps be too high, though Lewis points out that demand is traditionally higher in the second half of the year.

However, the perennial problem in the clothing industry of tight margins and strong competition seems to have been at least partially overcome, and the gross margin has widened from 12.4% to 13.2%. Nevertheless, though pre-tax profit rose more slowly than it did in 1978, consumer spending advances following the Budget, should accelerate this year's profit growth.

The tightly held share has been steady for the past couple of months. At 4 800c, it yields a reasonably attractive historic



2/5/80

USED CARS

Black beauty

Though new car sales are heading for record levels this year, the used car market could, for the first time, be worth even more. But it will be a close run race

as stock shortages are already starting to pinch both markets.

All this points to a picnic for both new and used car dealers this year. Volumes will be high, but discounts to buyers will be low as there will be barely enough stock to go around.

Last year, sales of new passenger cars, light commercial vehicles and minibuses reached some 300 000 units. At an estimated price of R6 560 each, this puts the new car market at R1.96 billion. More than double the number of used vehicles in the same categories were sold — just over 700 000 units. At an estimated average price of R2 550 a unit, used vehicle sales came to R1.79 billion.

In the past four months, car manufacturers have increased their sales estimates for the year by nearly 10%, and many insiders doubt they will be able to meet the demand. Plant capacities will in some cases be stretched to the limit and the skilled labour shortage will become more critical.

The slump in new car sales between 1976 and 1978 will soon hit the used car market as it will cause severe shortages of the used car models most in demand. According to Oscar Peruch, MD of motor consultants Meade & McGrouther, another factor contributing to the expected shortage of used cars is that companies, which buy around 60% of all new cars, are now

Landey . . . we're here to make a profit

keeping them for an average three-and-a-half years instead of the two years which was the norm in the fat days before the recession.

New car and light commercial sales hit an all time high of more than 350 000 units in 1975. They then rapidly sank to well below 300 000 units before climbing again to the 1971 level of 300 000 in 1979. Used vehicle sales rose from 476 000 in 1971 to more than 700 000 in 1979. These figures show that a fairly constant supply of new cars is generating an ever-increasing quantity of used cars.

Car men attribute this to cars being built to last longer. Added to this, speed restrictions are cutting down on wear and tear over a given distance travelled. But the biggest factor in lengthening cars' lives is the black buyer, who is tending to enter the market at the bottom end. Says one dealer: "Many cars which would normally have gone to the scrapheap are now getting an extra 20 000 km of life in the hands of a black owner."

The latest AMPS survey shows that 16.7% of cars, light commercials and minibuses are owned by blacks, as against 74.1% by whites. But the balance is shifting, and some authorities predict that before the end of the decade, more privately owned vehicles will belong to blacks than whites.

There are other spurs to the growth of used car sales, and even the demand for larger cars is picking up. Says one dealer: "Many companies are giving their employees smaller cars, but it's not fun to take the whole family and the nannie on holiday in a small hatchback car. So a lot

OK BAZAARS 2/5/80

More to come (30)

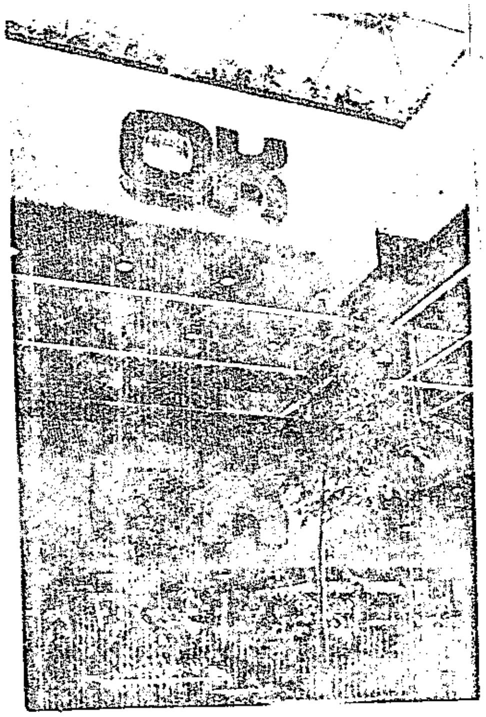
Growth rates at OK Bazaars accelerated sharply in the second half of the year to end-March under the impact of increased consumer spending and the benefits of four new outlets, including two Hyperamas.

The increase in turnover during this period improved to 42% from 15.5% earlier, pre-tax profits to 36,9% (19,2%) and earnings per share to 33,1% (21,3%), to give overall increases of around 30% across the board for the full year. Dividends moved in line, and the 85c total, after a 62c final, is covered an unchanged 1.9 times by earnings of 159c (123c). The 1979 payout was 66c after a final of 47c.

A pleasing aspect of the group's performance, according to the directors, is that the Hyperamas made a positive contribution to the improved results — a reference to the restructuring which took place the previous year, involving the consolidation of the management of the hypers into the conventional stores. Previously, they had been run as a separate operation. Also, the two new hypers, in Roodepoort and Pretoria, are better situated than the first two.

With consumer spending expected to remain buoyant this year, the company is looking to a further improvement in results. Evidence of a swing towards more profitable lines, such as consumer durables, where the company scores on financing as well, suggests that a repeat of last year's 30% growth rate might not be too much to hope for. On this basis, dividends could reach 110c, which would make the share still worth buying at the present 1 400c.

Brian Thompson



OK . . . more customers and new outlets

e aims to cash in on heid detour

By JENNIFER MORAN

With a bit of luck, Charlie Ayob is going to make a lot of money out of apartheid.

Because he is Indian, the Group Areas Act has pushed him right outside Louis Trichardt and if his application to open a filling station goes through, he'll be coining it from motorists on their way to Zimbabwe and Venda.

But white rivals object

S. Times

30

16/5/80

Eight years ago Mr Ayob received the first notice that he had to move his business — a car sales company — out of town.

Indian traders were being moved to a new Indian business centre on the outskirts of Louis Trichardt.

Then two years ago a road was built so that travellers to Zimbabwe would bypass the town instead of passing through.

Suddenly the out-of-town site allocated to Mr Ayob was a virtual gold-mine.

Situated 500 m from the highway, it would be the nearest garage from the route.

But white garage owners in the town are objecting to Mr Ayob being granted a licence.

After a meeting of the 12 owners, objections were sent to the Department of Community Development, which has the final say on whether his venture can go ahead.

Mr Jan Fouche, secretary of the department, said there was "no objection whatsoever" to Mr Ayob establishing his business on the new site.

"We never indicated any disapproval of this project. We are not even considering the matter.

"Mr Ayob is moving to an Indian area and as far as granting a licence for a petrol station is concerned we are not involved," Mr Fouche said.

Mr Ayob's business in town was a car-selling business with no facilities for petrol or repairs. Now that he proposes to sell petrol as well, other garage owners are fighting his application.

Objecting garage owners referred the Sunday Times to Mr Piet Rossouw, secretary of the Northern Transvaal division of the Motor Industries' Federation.

He said that white garage owners were not objecting to Mr Ayob's garage on a racial basis.

"It is simply that there is no room for another garage in the area. No matter who applied, there would be objections."

But Mr Ayob, a general dealer, motor dealer and insurance agent, claims there is some racial bias.

"If there was nothing racial in it why can't I join the Motor Traders' Association?" he said.

"Their objections on the grounds that I didn't operate a petrol station in the middle of town are ridiculous. I couldn't get a garage there because of the laws.

"If it wasn't for the Group Areas Act I would have bought a garage in the middle of town years ago. I couldn't get the premises to do repairs or sell petrol."

Not all the garage owners are against Mr Ayob's application.

Mr Basil Thompson, owner of Thompson Motors, said he had no objection.

"If he wants to go into business and thinks he can make a living, I say good luck to him," he said.

"If a man is in a position to open a business, he should be allowed no matter what his colour or creed.

"My business might be affected, but it's a free enterprise and if he can get a licence he should be allowed to go ahead."

RAPPORT 4/5/80

30

Stadige groei nou verby

OK gaan vanjaar R1 000 milj. haal

DIE OK behoort vanjaar die eerste kleinhandelgroep in Suid-Afrika te word wat 'n omset van meer as R1 000 miljoen behaal.

Mnr. Meyer Kahn, die besturende direkteur wie se tweetaligheid 'n voorbeeld vir menige sakeman is, is vol vertroue dat dit moontlik is. Om hierdie syfer te bereik, sal die groep se omset met 28 persent moet groei. Die boekjaar tot einde Maart se verkope was R762 miljoen.

Ná die afgelope jaar se styging van 30 persent in die omset, sal groei soos dié die OK terugplaas waar dit hoort: aan die boonste end van die kleinhandelsleer in Suid-Afrika.

Voor mnr. Kahn 2½ jaar gelede oorgeneem het, het die groep jare van lustelose beweging getoon. Die omsetstyging was in sommige jare laer as die styging in die inflasiekoers en die verdienste het selfs by geleentheid gedaal.

Suid-Afrikaanse Brouerye kon nie baie tevrede gewees het nie. Toe hy die OK 'n paar jaar gelede oorgeneem het, was dit sekerlik nie gegrond op 'n vooruitsig van onveranderde of selfs dalende winste nie.

Hopelik is hierdie neiging nou iets van die verlede. Die maatskappy wat in sy eie kontroles begin verstrengel het, het weer 'n kleinhandelaar geword en die resultaat spreek vir homself.

Die verdienste per aandeel het in die jaar tot einde Maart met 30 persent tot 159,1c (122,8c) gestyg en die totale dividend is met 29 persent tot 85c (66c) per aandeel verhoog. Dit was die eerste groot styging sedert 1974.

Mnr. Kahn het vandeesweek aan Sake-Rapport gesê hierdie verbetering is bereik ondanks die afskrywing van die oprigtingkosté van twee hiperamas. Die twee nuwe hiperamas by onderskeidelik Roodepoort en Pretoria het net vir ses maande in die nuwe boekjaar sake gedoen, maar is reeds winsgewend as die oprigtingkoste nie in ag geneem word nie.

Dit is in teenstelling met die hiperama in Durban wat 'n paar jaar gelede geopen is, maar vanjaar eers winsgewend sal word. Dié winkel se omset het die afgelope jaar met 32 persent gestyg en 'n verbetering van minstens 20 persent word vir vanjaar verwag.

Die hiperama by Germiston het sy resultate gehandhaaf — ondanks die opening van Eastgate, die buitengewoon groot winkelsentrum daar naby.

Die hiperafdeling was die afgelope jaar vir 12,5 persent van die omset verantwoordelik — dit wil sê vir R94 miljoen. 'n Styging van R150 miljoen word vanjaar verwag. Hierdie syfers sluit die vleis van R12 miljoen uit wat die winkels vanjaar verkoop het.

Bouwerk aan die vyfde hiperama sal na verwagting aanstaande jaar begin en die winkel behoort voor Kersfees 1981 voltooi te wees. Die mikpunt is om uiteindelik ses of sewe sulke winkels te hê, maar die verkryging van geskikte grond is 'n probleem.

Volgens mnr. Kahn toon die hiperamas 'n voorbelaste opbrengs van 2,5 persent op omset. Die gewone OK-winkels se syfer is 5 persent.

Die ketting van 147 OK's sal in die tweede helfte van die boekjaar met ses uitgebrei word. Vier nuwes word in 1982 beplan.

Benewens hierdie uitbreiding beplan die groep 'n nuwe reeks winkels wat op meubels, huishoudelike toebehore en hardeware sal konsentreer. Die eerste word aanstaande jaar as 'n proefneming in Durban geopen en sal 3 500 vierkante meter beslaan.

Hoewel die winkels op afsonderlike persele gehuisves sal word, sal dit as afdelings van die hiperamas beskou word. 'n Omset van sowat R5 miljoen word per winkel verwag.

Dit kan 'n bykomende R100 miljoen by die omset voeg, want as alles goed verloop hoop die groep om oor die medium termyn twintig van hierdie winkels te open. 'n Voorbelaste wins van 9 tot 10 persent is hieruit moontlik, wat R9 tot R10 miljoen kan beteken.

Mnr. Kahn skryf die groep se herstel hoofsaaklik aan twee faktore toe: mededingender pryse en die beter voorkoms van die winkels. Hy sê die resultaat is duidelik — kopers het eenvoudig met hul voete gestem.

Hy wil nie voorspellings oor die huidige jaar se verdienste maak nie. Maar al styg die verdienste met net 20 persent, teenoor die verwagte omsetstyging van 28 persent, sal die verdienste per aandeel tot minstens 191c verbeter. As die dividenddekking onveranderd gehou word, wat waarskynlik is, behoort aandeelhouers minstens 102c te ontvang.

Op die huidige aandeelprys gee dit 'n potensiële opbrengs van 7,2 persent, heelwat hoër as die winkelsektor se gemiddeld van 5,3 persent. Dit maak die aandeel aantreklik — met die veronderstelling dat die aandelemark nie nou voor 'n afwaartse fase staan nie.

— Gert Marais

00	*	1	85.60
00	*	0	.00
00	*	1	90.40
00	*	0	.00
00	*	1	48.80

ABC shuts stores —opens others

STAR 5/3/80

(30)

Outgoing chairman of ABC Shoe Mr E Manne said in the annual report that during the year 10 new stores were opened and nine closed.

Since the end of the financial year three more have been opened and another one closed. Four closures brought about by the reorganisation of Greatermans could in the short term cost about R150 000 a year in pre tax earnings, but in the long term this has been mitigated by successfully negotiating additional options for lease extensions in the remaining outlets which ABC operates within the organisation.

Retained income as at January 1 had grown from R25 782 to R35 491.

Internal	External
(2)	(3)

Covering up imports of winter coats

Sun Times 11/5/80 (30)

IMPORTERS are maintaining a wall of silence in an effort to suppress disclosures regarding a key area of the clothing retail trade.

Ironically, the main beneficiaries in the affair are South African blacks, who obtain high quality, though second-hand, pure wool winter coats at a fraction of the retail price they would otherwise have to pay for a new SA-made garment.

The affair concerns the importation of at least 600 000 used overcoats from Europe so that blacks can face the winter frosts which hit the highveld this time of the year.

Essential

Keeping warm costs money and an average black's weekly wage would not stretch to buying a new locally-made woollen coat — an essential item for most workers who labour outdoors, in unheated premises, who leave home at the crack of dawn and return late at night.

Cheap second-hand winter overcoats are, not surprisingly, in great demand and it has been estimated that this small segment of the rag trade accounts for an astonishing R5-million at retail level.

To meet the blacks' demand

By VERA BELJAKOVA

for winter warmth at low cost, some five clothing wholesalers act as large-scale importers of second-hand coats — the only used clothing item legally imported into South Africa.

Understandably, the importers are anxious to keep the subject under wraps, because they face severe criticism from the South African clothing industry, which would like to monopolise the overcoat trade.

Similarly, the mines and security companies who buy the most, are not anxious to publicise the fact.

Most dealers have been operating for many years and describe themselves as suppliers of part-worn overcoats, mostly made from 100% heavy woollen tweeds.

Second-hand civilian coats, mainly imported from Germany, Belgium and Holland, sell wholesale for about R5 each.

But army and air force serge greatcoats, raincoats and trenchcoats cost about R12 each from the wholesaler.

(FOB prices for last year, however, averaged a little under R2 a coat.)

The price discrepancy between the civilian and military coats is due to the scarcity of military greatcoats in Europe, whose armies have steadily been diminishing during the last decade, as well as to the vogue of dressing up soldiers in synthetics.

Only Norway, Sweden, France and Italy still issue woollen greatcoats to its army, whereas the British, Dutch and Belgian soldiers no longer wear such weighty apparel.

Prohibited

Importing of second-hand clothing is prohibited in SA, but successive governments have exempted the used greatcoat in order to clothe the country's lowest income group, which would otherwise need to resort to blankets.

Import permits are required for the civilian coats, and a Board of Trade certificate for importing military coats.

Duty payable is 40% per coat or 25% of its FOB price, whichever is the greater.

Not surprisingly, the local garment industry views this trade with anathema, and would dearly love to be protected against such imports.

The National Federation for the Clothing Industry feels the mines and other industry leaders should support the SA rag trade, but the industries, of course, might retaliate by not providing warm clothing for their workers.

pieces of paper or other mate-
ght into the examination room
s are so instructed.
ot to communicate with other
th any person except the invi-
wer book is to be torn out.
s must be handed to the com-
n invigilator before leaving the

4. Do not write in the left hand margin.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

MAY 10 1980

Township business is vibrant...

ARGUS. 10/05/80

340

30

IN spite of the hardships and restrictions, business in the townships is a vibrant, colourful affair and appears in many forms — from noisy supermarkets to messy back yards where beer is brewed and sheep heads are boiled while fly-bedecked chickens are offered to would-be takers.

On the pavement outside the shopping centre in Langa the crowd is coaxed into a midmorning dance by a blind accordion player and everyone seems to have at least a cent to give him for his trouble.

Window dressing does not exist as the windows are all barred and so small that no one can look in.

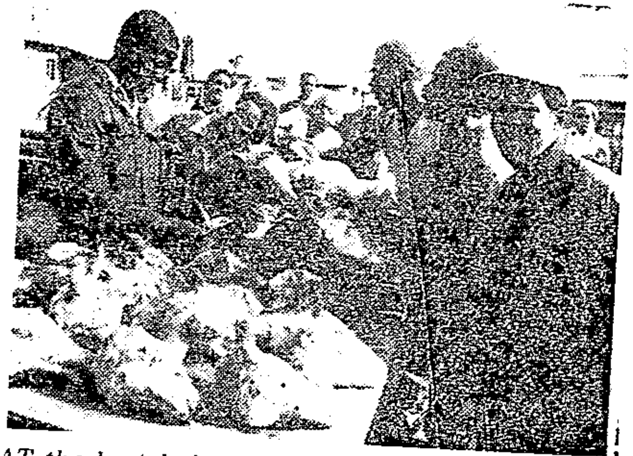
Most of the fittings are of a fairly primitive nature as the shopkeepers had to completely restock and refit their shops which were burned down during the 1976 unrest.

Mr Merriman Nonkonyane, a portly gentleman wearing a brilliant caftan has done the seemingly impossible by dividing his shop into two and letting the one half to a barber.

Business is not only confined to the three-piece-suited Wepcoc delegates.

Outside the shops tables are set up selling everything from furniture to

THIS shop has everything — except profitability.



AT the hostels less appetising and less hygienic food is prepared.

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

(1)	Internal (2)	External (3)
6.	9	
8	11	
9d	9.	
Examiners' Initials		

vegetables.

Across the way in the bachelor hostels trade in food takes place in horrific conditions.

In a sea of mud and grime sheepheads are shorn of fleece and boiled along with offal.

Beer is brewed in large drums and the air is filled with the fetid smell of fermenting liquid mixed with smoke from open braziers. Greasy chickens grub around for titbits in this open air chamber of horrors.

The commercial spirit is present in the townships — it is an exciting and personal affair to shop and, next to schools and churches, it is the hub around which township life revolves.

BLOCKED BY POLITICS!

Argus 10/05/80

(30)

(340) (321)

Black businessmen speak up

By Miles Clarke

LANGA trader Mr Merriman Nonkonyane . . . 'I don't blame our people for not shopping here.'

CAPE TOWN'S black businessmen would dearly like to talk business when they meet but somehow politics always manages to creep in.

This is not difficult to understand when you realise that a man who employs 65 people in his Langa supermarket is not allowed to live with his wife and children because they were not born in Cape Town.

SHARED IDEAS

In the plush comfort of a city hotel this week members of the Western Province African Chamber of Commerce (Wepcoc) gathered to share ideas.

It was in sharp contrast to the drab barracks-like 'shopping centres' in the townships where these men and women try to offer some competition to the supermarket giants in the city.

Right down to the beauty contest to elect Miss Wepcoc (to go on to the Miss Nafcoc contest at Sun City later this year) the conference was much the same as any meeting of business people but under it all political issues continued to rankle.

Even a discussion on the basics of shoplifting and merchandising brought angry reaction from the businessmen who feel completely blocked at every turn when it comes to expansion and development.

Whites see blacks as 'sophisticated slaves' was the opinion of one outwardly urbane delegate while another declared the reason the shops are kept small so the black entrepreneur would not make a large profit.

Mr Thomas Mandla, vice president of Wepcoc, owns a butchery. An affable man he clearly delights in the cut and thrust of community and business affairs.

ANGRY

But he is an angry man: 'I am tired of concessions,' he says, 'what does it matter if I can go and eat in a fancy hotel while my people are denied basic rights?

'My daughter has a Bachelor of Science degree and all she can do is teach. She does not even like teaching but she simply could not get a post anywhere in business for the sole reason she is black. We tolerate but we do not accept.'

Like all small traders Cape Town's black businessmen are faced with all the usual problems of limited credit and buying power with little display area.

They appreciate they are protected to some extent from white traders operating in their area but wish to be given the chance to be businessmen, not black businessmen.

Pick 'n Pay slows — but still well set

(30)

ROM 6/5/80

Financial Editor

A PROFIT increase of "at least 15% to 20%" — that is, well below the level of recent years — is forecast for this year for the Pick 'n Pay retail chain by the chairman, Mr Raymond Ackerman, in the annual report.

He also tells shareholders that the group might reduce the dividend cover.

Mr Ackerman says: "With the gold bonanza filtering into all sectors of the economy we enter the decade with far greater disposable income available to all consumers.

"We are confident that this will lead to far more buoyant retailing conditions than has been the case in the past few years.

"There are already signs that this is occurring judging from the strong turnovers experienced by the company in March.

"I am hopeful that the coming year should prove to be a strong and profitable one for Pick 'n Pay."

But Mr Ackerman cautions: "In recent years we have achieved annual profit increases of a third or more.

"Because of our substantial profit base this may prove more difficult in the future."

He says: "I am, however, confident that this year is one with which shareholders will have every cause for satisfaction and I feel certain we can forecast a profit increase of at least 15% to 20%."

COMMENT. Given a likely inflation rate of 14% or so this year, it is clear that Mr Ackerman is not anticipating major real growth in spite of the booming economy.

So, as that reflects the impossibility of keeping the now large Pick 'n Pay chain on a growth path it could sustain in earlier years, it is worth considering whether the market may no longer be able to value the shares on yields that have been traditionally been among the lowest.

Hands off Soweto, white firms told

(30)

RDM 6/5/80.

Pretoria Bureau

BLACK traders will oppose any move by white-controlled companies to trade in urban areas because their presence will cause a "volcanic situation", says the chairman of Blackchain Limited, Mr J J S Lesolang.

Mr Lesolang said in an interview that black traders, particularly in Soweto and on the Reef, were strongly against White trading giants establishing bases in black urban areas.

It would be an "onslaught on small businessmen".

And he alleged: "They are using our people as fronts."

"I am not sure that they are aware that they are creating a volcanic situation by forcing their businesses into Soweto to trade when blacks are not allowed to trade in white areas," he said.

Mr Lesolang said white companies were fully aware that Nafcoc and Soweto traders had opposed the establishment of township outlets by white-owned chains in the past.

He said he deplored their lack of interest in helping blacks in their struggle for economic upliftment and a better quality of life.

8/05/80 ARGUS

80

Retail trade's impact

By Stewart Cohen, managing director of Ackermans

RETAILING has for many years played a vital role in the economic life of the Western Cape, and the majority of the country's chain store groups have their head offices here.

The interaction between retailer, manufacturer and consumer represents a vital and intricate relationship. A prosperous retail sector has a dual effect: On one hand it provides a livelihood for employees of both retailer and manufacturer; on the other it facilitates consumer purchasing, helps stimulate economic growth and contributes to elevating general standards of living.

The role of retailing in the 1980s in the Western Cape is a critical one. On the manufacturing side, textile and clothing industries predominate, accounting for a third of the total employment. On the retailing side and according to the last Census, 368 272 people were employed in retailing in South Africa, earning salaries and wages of R378 984-million — a significant part of which was earned in the Western Cape.

The growing impact of the retail trade is enhanced by the fact that the Western Cape is historically the home base of many of the country's largest and most successful retail chains. Firms such as Woolworths, Pick 'n Pay, Foschini, Truworths, Grand Bazaars, Pep Stores, Clicks, Garlicks, Stuttafords and Ackermans mastermind their operations from Cape Town.

The Western Cape is also a strong purchasing area — in 1977 of a total value of sales of R10 615-million in South Africa, the Western Cape alone accounted for R1 119,1-million.

For many large retailers, the Western Cape represents an area from which, of overall turnover, 10 percent is consumed and 25 percent or more is supplied. These trends are likely to predominate in the 1980s with retail trade sales at today's prices reaching over R2 000-million in the Cape Peninsula.

The Western Cape is characterised by a reduction in the rate of expansion in employment opportunities and a high metropolitan growth rate, a problem which will inevitably accentuate itself in the 1980s. Without the considerable role to be played by retailing in the next decade, the situation could well be far worse. Retailers will endeavour to expand and prosper, in so doing creating more employment opportunities, stimulating greater consumer spending and fulfilling their critical role in the Cape's economic future.

The retailer and manufacturer are partners, and each is dependent on the other to a greater degree than ever before. The forward looking retailer will continue to build a lasting relationship with reputable manufacturers and much of the growth in the Western Cape will be dependent on a high level of co-operation between these two sectors.

Mr Stewart Cohen

Y CANDIDATE MUST enter in
n (1) the number of each question
ered (in the order in which it has
answered); leave columns (2) and
nk.

	Internal	External
	(2)	(3)
		12
		8
D	9	9
ami- ers' tials		

otes, pieces of paper or other mate- brought into the examination room idates are so instructed.

are not to communicate with other or with any person except the invi-

n answer book is to be torn out.

books must be handed to the com- or to an invigilator before leaving the n.

id to possible exclusion from the

47a

Vervaardig in Suid-Afrika

DA

DD 9/5/80

Traders to form new body

EAST LONDON — A meeting to form a chamber of commerce in Mdantsane will be held at the Mdantsane [illegible] on Sunday.

The convenor of the meeting, Mr [illegible] M. Kwinana, said yesterday it was important that all businessmen be in attendance.

Office bearers for the chamber would be elected at the meeting and members [illegible], he said.

Business organisations [illegible] currently [illegible] to establish chambers in each [illegible] of the homeland.

All the chambers will belong to a mother body which will be affiliated to the National [illegible] Chambers of [illegible], the national black businessmen's body.

The chamber [illegible] Mdantsane businessmen [illegible] belonged to [illegible] Chamber [illegible] was [illegible].

[illegible] meeting [illegible] — DDR.

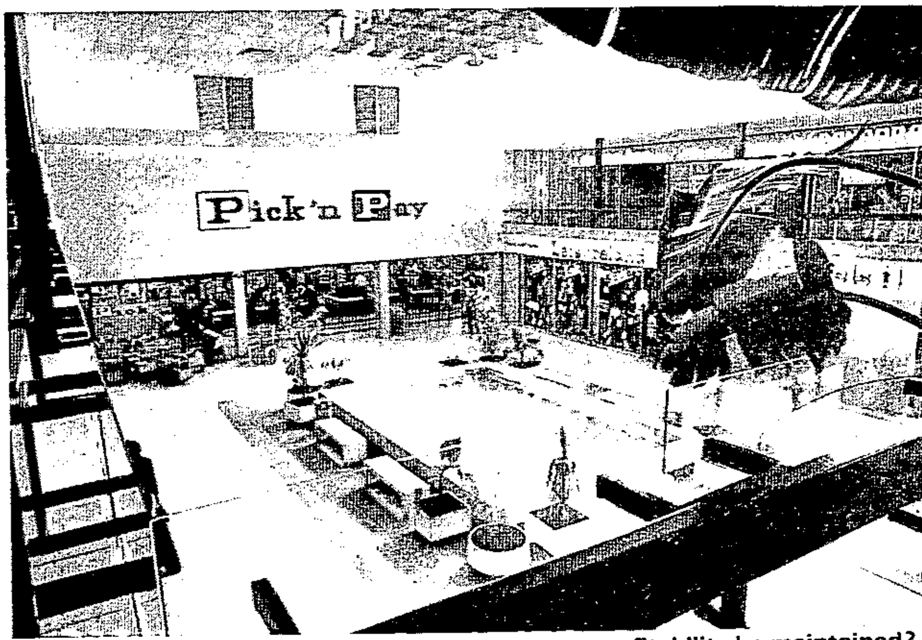
FM 9/5/80 (30)

PICK N PAY

Growth continues

Activities: *Mass food retailer, operating five hypermarkets and 45 supermarkets. Directors own 33% of the equity.*
Chairman and chief executive: *R D Ackerman*
Capital structure: *2,3m ordinaries of 50c; 392 000 prefs of 50c. Market capitalisation: R87,4m.*
Financial: *Year to February 29 1980. Borrowings: long- and medium-term. R11,2. Net cash: R16,7m. Debt: equity ratio: 26,6%. Current ratio: 0,93. Net cash flow: R13,1m. Capital commitments: R15,8m.*
Share market: *Price: 3 800c. (1979-80: high, 3 950c; low, 2 400c; trading volume last quarter, 27 000 shares). Yields: 12,7% on earnings; 4,2% on dividend. Cover: 3,0. PE ratio: 7,9.*

	'76	'77	'78	'79
Return on cap %	45.2	36.6	41.7	38.5
Turnover (Rm)	260	330	467	555
Pre-tax profit (Rm)	7.6	10.6	15.5	19.4
Gross margin %	2.9	3.2	3.5	3.7
Earnings (c)	198	268	393	482
Dividends (c)	65	86	120	160
Net asset value (c)	649	872	1 192	1 581



Pick n Pay moving into the country . . . but can profitability be maintained?

Just as on the retail level Pick n Pay aims to satisfy the widest possible range of consumer tastes, so in its annual report it appears to have succeeded in offering analysts of almost any persuasion enough meat to support their diverse views.

Proponents of the theory that the group is going ex-growth will be happy with chairman Raymond Ackerman's forecast that profits will improve by only 15% to 20% this year — the smallest annual increase since 1972.

Others, however, can equally point to the improving margins being achieved as the hypermarket programme develops, substantial improvements in productivity and trading density and an accelerated store development programme as indications that, for the next few years at least, growth should remain well above average for the industrial sector.

The truth is probably somewhere between these two extremes. As Ackerman admits, with a turnover base of over R500m it is becoming increasingly difficult to provide the sort of growth which characterised the company's formative years when there was still plenty of scope for development in the main urban areas.

Now, however, certainly on the supermarket side, the thrust is of necessity turning more to smaller towns and country areas. And while this is potentially a huge market in its own right, it is reasonable to question whether such stores can achieve the trading density — and, hence, profitability — of their urban counterparts.

The company's view is that they can, although it concedes that there are some logistical problems as regards deliveries and also added costs such as fuel (whether borne by the company or its distributors).

As far as the current year is concerned, however, it would seem that Ackerman's forecast will be comfortably beaten. With inflation expected to remain above 10% and increased consumer expenditure flowing from the Budget, a 15%-20% growth rate would be achievable even without any further expansion of trading area.

But, since the year-end, the group has already opened its Port Elizabeth hyper and a supermarket in Pretoria, while the Johannesburg South hyper is expected to come on stream by December. With other openings and expansions, it is probable that the group will be trading from about 125 000 m² by the end of the year, a 16% increase on the 108 000 m² at February 29.

The new hypers should, furthermore, ensure a continuation of the improved profit margin trend of the past few years, as higher margin goods such as hardware and textiles come to form a larger proportion of total turnover.

It is noteworthy that since the first hyper was opened in 1976, the gross margin has improved from 2,5% of turnover to 3,7%.

Financially the group is sound: borrowings are still a low 27% of permanent capital and cash holdings increased by more than R1m to R16,7m, despite the decision to invest in additional stocks in an effort to hold down prices.

In recognition of this, dividend policy is being revised, and over the next few years cover will be lowered progressively, probably to around 2,5 from the present 3.

On last year's earnings of 482c this would mean an additional 33c in dividends, an increase of almost 21% on the 160c actually distributed.

If earnings this year improve to 600c (up about 25%) and dividend cover is reduced to 2,8 times, the payout could be 215c (up 34%) to yield 5,7% at the current 3 800c market price. This is low for the industrial sector, but still attractive for a company of this calibre. *Brian Thompson*

ADVERTISING 230 FM 9/5/80

Into the box

Television, the juggernaut of advertising media, has strengthened its grip on the advertising market despite a 38% rates increase. Last year advertisers rushed to fill all vacant slots and pushed up box spending by 44% to more than R56m.

Latest Adindex figures show that total spending on all media in 1979 reached R289,6m, an increase of 21,1% over 1978. Television's share of this market, already more than that of any other single medium, increased from 16,3% to 19,4% to reach R56m. This is marginally greater than the total spending on all English language daily newspapers, and easily exceeds the combined total of R34,7m spent on radio services.

Advertising expenditure in trade magazines, country press and black publications, all increased by more than 30% to outstrip the rest. Spending on cinema advertising rose by 39%, but from a much smaller base.

Revenue for trade magazines rose 33.1% to R18.9m. Rates increases were responsible for part of this, as was growth in circulation by new weeklies such as *Industrial Week*, *Mining Week* and *Engineering Week*, in a market traditionally dominated by monthlies.

Revenue for the country press grew by 30.3% to R11.9m. Ad men say this is due to more aggressive advertising by the big retail chains for their new outlets in the platteland.

Black publications increased their revenue by 31.6% to R12.1m, due mainly to higher rates based on massive circulation increases. Last year the circulation of the leading black magazine *Bona* increased by 45.5% to 268 234 copies an issue. Circulation of *Drum* went up by 25% to 107 225 copies and *Pace*, which is less than two years old, has already hit a circulation figure of 121 374.

Outdoor advertising revenue rose by only 14.8% to R13m. The feeling in the industry is that this could grow substantially if more outdoor sites were available. Says one ad man: "Soweto is fully plastered with billboards, and in the white areas it is hard to put up more because there are so many restrictions."

Growth in advertising revenue for radio was the slowest with an increase of only 3.2%, but this is entirely because all available slots are booked.

The real loser in the media race is the white daily press with a growth of only 12.3% to R74.8m — a figure well below the total industry growth rate of 21.1%.

30
9/5/80

PEP STORES

Shrinking margins

Chairman Renier van Rooyen predicts that fuller employment in the current year will mean definite growth in sales for Pep in spite of rising inflation, although it is still questionable whether there will be a proportionate improvement in profits.

A plus factor must obviously be the decision to discontinue the Papillon boutique chain which has been a thorn in the group's side ever since its acquisition in 1976. On the other hand current expansion plans in the Pep, Half Price and Shoprite chains are concentrated mainly in the highly-competitive Transvaal market, and the group may therefore continue to experience problems with profit margins.

For the year to end-February, earnings amounted to 140c per share, up 13% from the 123c of 1979 — a disappointing growth rate compared to the 25% increase in total sales.

Pre-tax margins continued to slide, as they have done consistently since 1975, and were down from 7.9% to 6.9% although, according to Van Rooyen, this occurred mainly during the first half when costs were affected by a reorganisation of Papillon.

It was the failure of this reorganisation to produce improved results that led to the decision to scrap the operation. By year's end 34 stores had either been closed or sold, leaving a further 18 to be dealt with in the current year.

There was very little expansion in the rest of the group: 19 Pep stores were opened and three were closed; Half Price opened five and closed ten; and the Shoprite chain was maintained at the eight stores acquired at the start of the year. The group thus had about 495 outlets at the year-end against 509 in February 1979.

For the current year Van Rooyen envisages opening 20 new stores in the Pep and Half Price groups, and five Shoprite supermarkets.

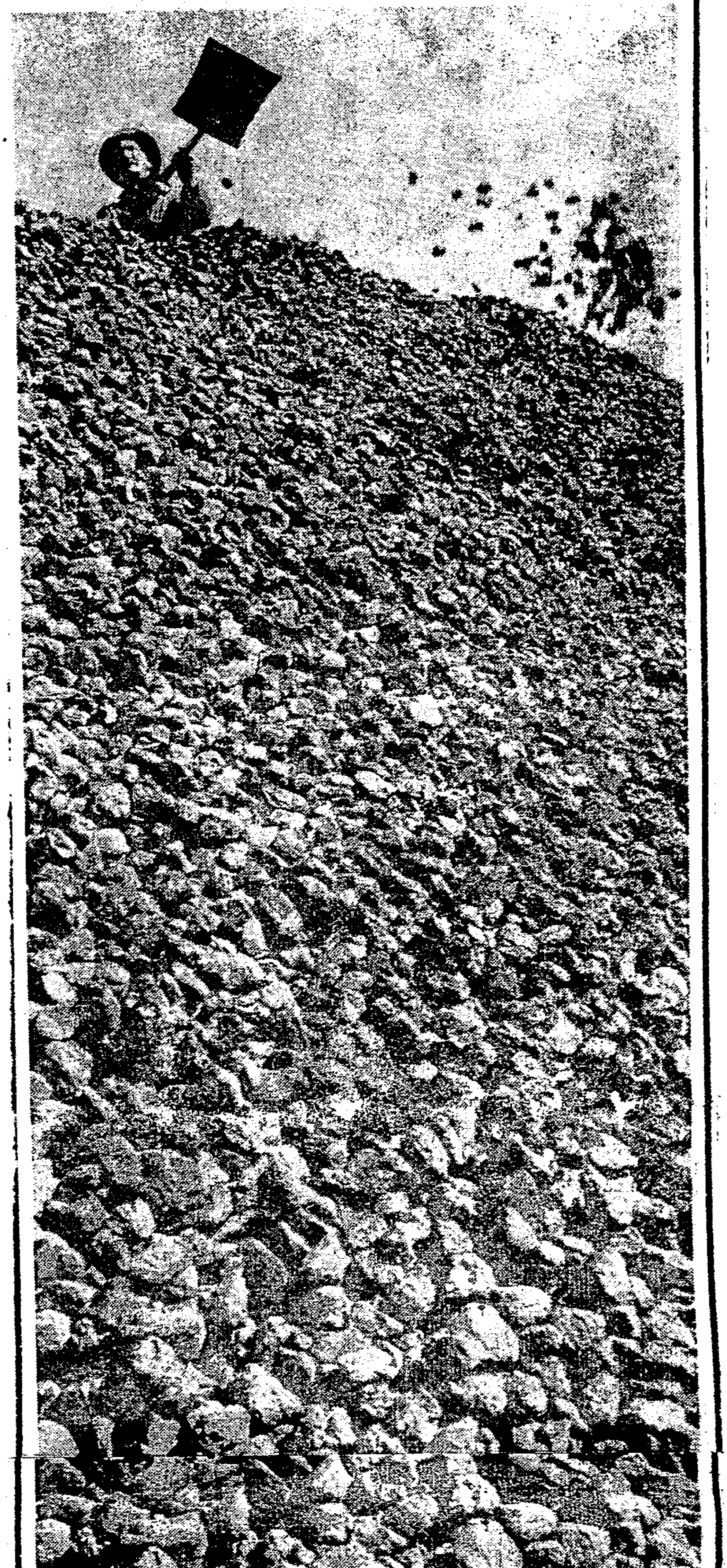
Although the group operates entirely from leased premises, Van Rooyen says the new stores will not add to the leasing and interest bills. This looks reasonable considering there will be virtually no increase in the total number of outlets operated by the group, after the closure of the remaining Papillon stores.

The company's growth rate has slowed considerably since the early Seventies and no estimate is given for this year's earnings. With predictions of increased consumer spending and higher wages for Blacks, however, sales should increase substantially.

Although Pep is now growing from a larger base, shareholders will probably be wary of another set of lacklustre results especially after last year's stodgy dividend increase to 60c (55c). At 620c the share is fully priced.

80

12/5/80



It might look like a lot of coal, but it's coke. And Mr Harry Nash, shovelling away at the top of this pile, is depending on it to help offset the critical coal shortage facing the Reef as winter begins to bite. Transport delays have left merchants with only four percent of their needs, they say. Black consumers will be worst hit. ● Picture: Mark Peters.

STAR 12/5/80 (269) (270)

SAR acts to shift coal in Reef shortage crisis (30)

By Kevin Murray, Transport Reporter

The Railways has moved extra staff into the Transvaal in a bid to ease the critical coal shortage on the Reef.

Coal merchants in Johannesburg say they are only getting four percent of their total daily requirement — with all their stocks already exhausted.

Mr Wilfred Stoloff, chairman of the Transvaal Coal Merchants' Association, said today hospitals, schools, major industries and thousands of consumers had already been hard hit by the shortage.

The problem is hold-ups in the transport of coal from Witbank to the Reef. Rail trucks are sitting at the coal fields fully loaded and waiting to be brought down to Johannesburg.

But a Railways spokesman said today the traffic blockage had been caused mainly through a serious staff shortage.

"We have now moved in staff from other areas to help ease the situation as soon as possible."

In the last week about 20 percent of a total backlog of 162 000 tons of coal for the Reef had been cleared up.

But, Mr Stoloff said: "We need enough coal to supply all users and stockpile ourselves, in case of future hold-ups such as these. At the moment this is an impossible task for the Railways."

W Cape awaits snoek bonanza

13/05/86

WESTERN CAPE commercial fishermen are anxiously awaiting their annual bonanza — the height of the snoek run which usually reaches a peak in June-July.

Sea Fisheries officials say that large concentrations of snoek have been reported in the St Helena Bay area, 'but it will require a good north-westerly wind for them to make an appearance nearer Hout Bay and Kalk Bay.'

Shoal spotting aircraft report the presence of plenty of anchovies and other bait fish off the Western Cape seaboard and it should only be a matter of time before boats start making good hauls of snoek.

Official records show that most of the 1,3-million snoek landed last year were boated towards the end of the season, which closes on July 31.

Records also show that the record catch of 4,6-million snoek was made after north-westerly gales had lashed the Western Cape in 1976.

Cars boom to April sales record

(30)

RDM 14/5/80.

By SIMON WILLSON
Industrial Reporter

LAST month was a record April for car sales in South Africa. Sales totalled 22 642 — an increase of 27,8% over the figure for April last year.

But some observers say the sharply rising demand of the first quarter will lead to supply bottlenecks and static sales later in the year.

Returns for last month include Sigma Corporation which insisted on releasing its sales figures independently of the figures compiled by Naamsa (the National Association of Automobile Manufacturers of South Africa).

This does not signify an end to Sigma's differences with Naamsa, which began last year when Sigma quit the association because it received no backing from Naamsa for a plan for selective relaxation of the local content requirements.

Sigma released its figures in Pretoria yesterday and Naamsa issued its in Port Elizabeth. The figures showed Sigma had regained the market leadership with 5 015 units.

This was a 45% increase over its March sales and a 54% increase over the April 1979 figure.

Behind Sigma in the overall sales are Volkswagen with 4 582, Ford with 2 914, General Motors with 2 576, Toyota with 2 387 and Datsun with 2 158.

The Volkswagen Golf still topped the individual model popularity stakes, selling 3 121 units, 197 ahead of its arch-rival, Sigma's Mazda 323, which sold 2 924.

The market leadership of these two sub-compact economy models received a jolt from General Motors new Opel Kadett, which came in third at 1 536, shading the fourth-placed Ford Cortina, which sold 1 413.

April marked a marketing milestone for BMW, whose car sales topped 1 000 for the first time.

BMW's 1 004 sales last month took its 1980 sales to 3 514 — 26% higher than the same period last year, and represents a boost in the demand for up-market executive cars.

BMW's marketing director, Mr Vic Doolan, said BMW sales had been helped by the competitive market for executive personnel, which meant that fleet-owning companies were taking a fresh look at the prestige car as an executive motivating factor.

"The executive concept, entailing factory-engineered and guaranteed options, such as air conditioning, radio-tape deck and sunroof, is meeting with a response far more positive than we expected," Mr Doolan said.

He added that BMW sales might be affected over the next two months by restricted availability.

The April figures continue the cumulative rise in sales this year following the March total, which was 17 672 — 13,8% up on a year ago.

The unfaltering upward curve means a revision of the motor industry's prediction, made at the end of last year, of sales for 1980 of about 230 000.

After a modest January increase of an annualised 9,3%, the February sales increase this year compared with a year ago shot up to 24,9%, and the industry revised its 12-month sales estimate to 240 000.

Hard on the heels of the February fillip came the stimulatory Budget in March, and suddenly a 1980 sales total of 250 000 — which would be a record — was being seriously considered.

The April figures confirm that on the demand side 250 000 is possible. The only question mark now rests over the supply side.

Manufacturers seem to have underestimated the sales surge and do not have sufficient showroom stocks. Component manufacturers have encountered capacity shortages. Shortages of skilled labour are also restricting the capability of manufacturers to expand with the increasing demand.

Commercial vehicle sales last month were a more modest 6,7% up on a year ago at 9 323. But when this figure is incorporated into a January-April aggregate the total at 38 203 is a more impressive 16,3% greater than the sales over the first four months of 1979, and augurs well for the rest of the year.

The commercials figures are also notable for a change at the top, in which Datsun has overthrown the established market leadership of Toyota by selling 2 556 vehicles compared with Toyota's 2 461.

The rest of the commercials pack still trails the Japanese leaders, headed by General Motors with 1 131 and Ford with 1 079.

Datsun can expect to retain the market leadership over the next few months because Toyota has run into supply problems.

Toyota's marketing director, Mr A J Wessels, said Toyota had suffered from a shortage of stock in April and sales would probably also be limited in May by a shortage of vehicles. He expected the supply position to improve by June.

● BMW SA will pay its first dividend on last year's results, the only BMW overseas subsidiary to pay out for 1979, it was announced in Munich yesterday.

BMW's managing board chairman, Mr Eberhard von Kuenheim, said BMW registrations in South Africa rose 18% last year to reach a market share of 3,9%. Turnover rose 17% over the same period.

COBOL-CURRENT

```
           PERFORM PRIMING-READ.
           PERFORM TEST-RECORD-TYPE.
           PERFORM INPUT-PROCESS UNTIL END-OF-FILE-DETECTED.
                                                    CLOSE-SE
```

ASSOCIATION FOR CHRISTMAS CLUBS

(30 S Post 15/1/80

SUNDAY POST Reporter

AN Association of Christmas hamper clubs is to be formed to protect customers following the recent collapse of several hamper clubs.

One of the country's leading hamper clubs, based in Johannesburg, has drawn up a code of ethics and a constitution for the association. It was assisted by the Board of Trade and Practices.

In the past six months three hamper clubs were placed under liquidation. They are the Super World Christmas Club in Johannesburg, the Alabama Club in Cape Town and the Carnival Xmas Club in Durban.

In some instances the clubs continued collecting money from customers while already under liquidation.

On at least two occasions, the Johannesburg-based American Savings Hampers had to rescue stranded customers by undertaking to redeem whatever stamps customers had against the liquidated company.

There are more than 10 major hamper clubs in the country, most of them based in the Transvaal.

A spokesman for the organisers of the union confirmed a meeting with the Board of Trade and Practices had been held to assist with the drawing up of the constitution and the code of ethics.

"We envisage an organisation which will oversee the progress of the individual company. Clubs will also be required to pay a deposit to ensure that there is enough to pay out customers if it has to close," the spokesman said.

So far, the spokesman said, only one major Christmas hamper club had indicated its willingness to join.

Other clubs in the country are expected to join soon: "We have sent a draft of the constitution and code of ethics to all the hamper businesses in the country and hope to get a response soon," he said.

Earlier this year other hamper companies had called for more stringent legislation regarding the business in the belief that this would protect both subscribers and those companies whose trading was in order.

```
RT-FILE
A OPEN
-FILE-
FORM C
FORM C
ERFORM C
ORT-AREA
 ASCENDING KEY
   SA-TARGET-CORR
   SA-SOURCE-CORR
   SA-CORR-SYL-P
   SA-BLOCK-SEQ-
       USING SOR
       GIVING SO
N-OF-CORRESPONDE
RM CORRES-PRIMIN
RM CORRES-TEST.
RM CORRES-MAIN-R
NTIL END-OF-FILE
-CORRESPONDENCES
RM CORRES-SOURCE
UNTIL END-OF-FILE
ESSING.
FILES. PERFORM
RT-FILE.
FILES.
*****************
******** SELECTI
*****************
READ.
```

```
           READ MASTER-FILE AT
               MOVE ' NO DATA SUPPLIED: FILE ERROR ABORT'
                   TO PRINT-LINE
              (WRITE PRINT-LINE AFTER ADVANCING PAGE) GO TO E
               STOP RUN.
           MOVE SPACES TO SORT-RECORD.
           MOVE BLOCK-SEQ-NO OF DUMMY-RECORD
               TO CURRENT-BLOCK-SEQ-NO
               TO BLOCK-SEQ-NO OF SORT-RECORD.
      ***********************************************************************
       INPUT-PROCESS SECTION.
       START-INPUT.
           IF RECORD-ALREADY-READ
               MOVE 'NO' TO RECORD-ALREADY-READ-FLAG
               MOVE SPACES TO SORT-RECORD
                              TO SORT-LINE
               PERFORM TEST-RECORD-TYPE
```

INFORMAL SECTOR 30 Fm 16/5/80

Flower power

"There is an urgent need for a relaxation of the minimum requirements for trading in the CBD, its immediate surrounding areas, and Soweto," says Keith Beavon, Professor of Human Geography at Wits.

The plight of the city's hawkers and, more recently, flower sellers (also subject to hawking regulations) have long been a focus for Beavon, who has spent two-and-a-half years researching informal sector activity in the city.

Says Beavon: "It is desirable that standards are high, but also highly unrealistic. City Council obviously finds itself in a quandary situation — there has to be some sort of control over downtown trade, so operators in the informal sector can reasonably be expected to adhere to some sort of control; but one cannot expect the same requirements to be met by both the formal and informal sectors, or for the required standards to be the same."

Life is difficult enough for flower sellers who operate under hawkers' licences and are therefore obliged by law to move 25 metres every 20 minutes. But it is even harder for those who wish to obtain permanent stands. There are 23 in the city, and only 13 are covered. Since the beginning of this year, Johannesburg City Council has been allocating stands on a direct cash-in-hand tender basis, in an attempt to deal with the demand. However, predictably there has been increasing dissatisfaction with this system by flower sellers, some of whom are paying in the region of R3 000 to obtain a stand, the money tendered widely regarded simply as a penalising practice from which no other businessman in the formal sector suffers.

Harold Rudolph, PFP councillor, says: "The 2 m by 2.5 m stands are costing the flower sellers more per m² than the most prestigious offices in the CBD."

Flower sellers . . . stands cost more than prestige offices face-to-face

CAPE AFRICANS

fm 14/5/80 (30)

Trading problems

Cowering beneath the cooling towers of Athlone power station, the African ghettoes of Langa, Guguletu, and Nyanga try to remain invisible. Their mere existence is a reminder to the NP's "White Cape" ideologues that the vision of Verwoerd was less than perfect. In mythology the spirit of the fairest Cape is frequently presented as an immense, brooding, black giant. So it is today.

There is a single historical factor which has led to the current distortions and disruptions of the social fabric. It is the coloured labour preference policy for the Western Cape. Government has decreed that the brown Afrikaners shall have first refusal on available work. The African's place is at the back of every queue, regardless of qualifications. And employers may engage them only if they furnish documentary proof to the authorities that no suitable coloured is available for the job. The system is hated — indeed, coloured people themselves have indicated in various surveys that the market should determine who gets the job, and what the rate should be.

In the townships, insecurity of tenure, apprehension of arrest and the R50 fines have become the way of life. There is no 30-year lease, no 99-year leasehold — no Louis Rive to give the promise of permanence and a better quality of life.

Because of policy constraints, most blacks in the Peninsula live on the dodge — even those with Section 10 rights. To live and work — to trade — in such an environment is therefore hazardous.

With the aid of a small grant, Henry Smal, senior researcher of the Institute for Entrepreneurship and Management at the University of Stellenbosch Graduate School of Business, is trying to create a framework for survival and growth for the townships' 177 businesses.

Shops, like the houses, are owned by the Western Cape Administration Board and let at about R50 a month. Tenants may make structural alterations to increase trading area, but subject to board approval.

The plethora of statutory constraints, especially uncertainty about licence renewal, has an inhibiting effect on merchandising techniques and business innovation. Businessmen, most of them old-timers, are deeply conservative, but it derives from a fear of breaking the law should they attempt to do something out of the ordinary.

There are no well-defined shopping centres, the nearest to one being Langa's Business Centre One, comprising 29 shops. The overall physical impression is one of extreme drabness.

Although Smal notes 62 general dealers, classification is at best an approximation. "It is difficult to, for example, decide whether a shop is a cafe or a grocer. Groceries turn up in the most unexpected places: in the watchmaker's shop, in the undertaker's parlour."

He says problem areas are so standard that, with very few exceptions, they are uniform in the black business community:

- The speciality function of the businesses are ill-defined through unfocused product categories;
- Low stock situations (in some shops less than R1 000);
- Highly restricted product ranges;
- Lack of trade credit (general merchandise is purchased exclusively from Makro, Metcash and the leading millers, of whom only the latter extend credit — not more than seven days);
- No bank credit;
- Unattractive merchandise displays (shop lay-out is generally based on the counter system, which helps to control shoplifting, but requires more counter-hands);
- Unattractive shop interiors (in an increasing number of cases burglar-proofing is erected between customers and merchandise); and
- Lack of elementary bookkeeping systems (Smal says he has now instituted night classes on how to read a balance sheet).

The potential market is big enough. The population, floating and settled, could be as high as 250 000, and with a low incidence of car ownership, it could be expected that the captive market would be high. Yet more than 80% of black spending leaks to white shopping areas.

The high concentration of people at shopping centres over weekends is a plus factor for the future, says Smal. There are only two clothing shops, one garage, one bicycle shop and no chemists. Because no credit is offered, consumer durables and semi-durable lines usually sold on term deals, are notably absent.

Pricing of milling products, fruit, vegetables, fish and meat are competitive with "white" supermarkets, but manufactured grocery lines purchased through wholesalers are not competitive, and sales are low. Cleaning materials are 12%-33% more expensive, manufactured grocery lines up to 50% more expensive.

Insurance cover, if you can get it, is costly: 6% of value of goods. The high incidence of forced entry could be overcome by allowing tenants to build flats on top of shops.

Doing business . . . what colour is the money?

SOWETO BUSINESS

Blacks only?

FM 16/5/80 (30)

Following the proposed involvement of white business interests in the development of a CBD in Jabulani, Soweto, and shopping complexes in black areas, organised black business is to petition the Co-operation and Development Minister Piet Koornhof to intervene against these moves.

The Soweto Chamber of Commerce and Industry, which held an extraordinary meeting on Sunday to register its protest against white capital becoming directly involved in black areas, will also seek legal advice with the intention of declaring the applications by Checkers-Greatermans to open shopping centres null and void. Soweto Community Council chairman David Thebahali has confirmed the applications have been received.

The grounds upon which actions to nullify the applications are based are the following:

- The availability of sites in Jabulani was not advertised and thus the Soweto Council allegedly contravened a procedural requirement.
- Government's decision to allow white business interests to participate directly in black areas through a 49-51 partnership arrangement with blacks has not been enacted and so makes the proposed projects extra-statutory, it is claimed.

The Chamber feels that on issues affecting business developments in Soweto, blacks have a right to be consulted first, and given the prior option of initiating and executing projects, since Soweto is a black area. Moreover blacks are excluded from opening up in other areas.

Christopher Mageza, a Chamber executive member heading the sub-committee soliciting the intervention of the Minister, and seeking legal advice, tells the *FM* that "we want to get the Minister to know that there is an objection to the establishment of shops by white traders and Soweto Holdings. The matter was not sufficiently known to blacks. They were not therefore given the right to exercise a free enterprise option."

A major spinoff in the furore is the resolve taken in last Sunday's meeting to mobilise black capital and community support for the establishment of wholly black-controlled businesses. "Let us sell our small businesses and amalgamate," a speaker pleaded and pointed to the need to bolster Blackchain, a supermarket formed by a consortium of black traders.

Dr Nthato Motlana of the Soweto Civic Association told the meeting he would involve his association in any moves to stop the entry of white capital through "fraudulent means." Motlana emphasised that Soweto Holdings, reported to be the black side of the partnership, is a "fraud" since no blacks at this stage can raise the 51% of the R2m earmarked for the Jabulani shopping complex. He called on black businessmen to form controlling companies and the black community to support black business projects.

FM 16/5/80

RESALE PRICE MAINTENANCE

Bookworm turns

30

The long saga of breaking government control on the price of books in SA seems finally to be drawing to an end.

Says Tjaart van der Walt, Secretary for Commerce and Industries: "Unless Minister Schalk van der Merwe decides to reverse the decision, resale price maintenance (RPM) will fall away from June 30."

Book sellers are confident that the Board of Trade's 1978 recommendation that RPM be scrapped will win through this time and, indicating a change of heart, the Book Traders' Association has said it will stand by the decision — despite the fact that it still opposes the move.

Some large retail outlets are already cutting prices while others are compiling stock lists in anticipation.

CNA as well as Checkers are offering a cut price range of books, with prices 25% to 33% lower. Says Peta Lombard, Checkers' public affairs manager: "We feel 90% confident that the decision will not be reversed and have a limited range of cut price books on our shelves already." These include authors such as Wilbur Smith, Louis L'Amour and James Hadley Chase.

But, says Lombard, it is only a beginning. "We're taking this slowly to begin with and are offering only soft covers."

Other chain store retailers are less optimistic. Says Raymond Ackerman of Pick n Pay: "We've reduced prices on two occasions in the past and our supplies have been cut. We're getting ready but are waiting for the law to change."

Ackerman, in response to industry accusations that larger chain store outlets will not stock academic books, particularly those used in higher education, says: "We will concentrate on soft covers and certain specialised books on subjects such as gardening and cooking, but we will be stocking a limited range of text books as well."

Hedley Gordon of City Books Too is keeping a low profile. "One's never sure about these things," he says cautiously, "but I think the move is imminent."

He's also pessimistic about what benefits this will have for the consumer. "In America and Australia prices did not drop immediately and in some cases they increased."

But, he points out, some book prices have dropped by up to 12% since the budget when the 7.5% surcharge was scrapped. "There'll be hiccups in prices for a while and then they'll even out, but immediate effects are always difficult to forecast."

The Book Traders' Association still opposes the move but no further representations to the government to postpone the date once more have been made. Says president John Banks: "Although we feel it's not the right decision, the trade will rise to the occasion and adapt to it."

66% enough for local content

RDM 16/5/80.

Own Correspondent

PORT ELIZABETH. — Further mandatory increases in the local content of vehicles will not be in the interest of the industry or the economy, says the managing director of Volkswagen in Uitenhage, Mr Peter Searle.

He says the local content programme has achieved the objectives set by the Government. To go beyond the present 66% programme would need heavy capital investment without increasing employment materially.

"The fact that South Africa still imports up to 34% weight of its vehicle components gives it bargaining powers overseas where jobs are at stake and have to be protected. This bargaining power would fall away if South Africa became totally independent of overseas sources."

The reasons for introducing a local content programme nearly 20 years ago were to build up foreign investment in South Africa, to bring overseas expertise here, build up employment and found a component industry. This had been achieved, he said.

Volkswagen supported the 66% level, but it was not in favour of further mandatory increases.

Existing incentives allowed manufacturers to go beyond this level if they found it economic. Rapid technological changes overseas could not be applied totally in South Africa because of the difference in sales volumes, and a mandatory higher local-content level would make it costly for manufacturers to keep pace with the rest of the world.

The cost of tooling up for new models would make it difficult for manufacturers of low-volume cars to continue production, said Mr Searle.

Sales of new cars in South Africa are expected to grow by at least 10% next year and sales of trucks and commercial vehicles by even more, says Mr Clive Warrilow, marketing director of VW.

He expects small cars to take between 50% and 60% of the market next year. Based on the current prediction of 250 000 new car sales this year and 118 000 commercial vehicles and trucks, this would give a total vehicle market of more than 400 000 units next year, with cars accounting for at least 275 000 units.

Mr Warrilow said he believed that car sales would gain further momentum next year because tax relief would apply only from July this year, public-sector salary and wage increases had not yet been applied fully, and higher profits would lead to demands for substantial salary and wage increases in the private sector which would be met.

"There is a direct correlation between private consumption expenditure and car sales. Over 20 years it has been found that for every 1% increase in spending, there has been a 1,4% increase in the vehicle population."

He said the sales slump in 1976 and 1977 had caused a huge delayed demand for new cars "far beyound the market that is now being talked about".

In addition the black car market was growing at a considerable pace. Black car owners were trading up to new cars or late model used cars and those entering the market were going for older models. This had caused a demand for used cars, making it easier for new cars to be sold.

Dealers were giving bigger trade-in prices, even on older models which were no longer scrapped but reconditioned.

There had also been an improvement in the minibus market which had grown from a monthly average of 590 in 1978 to nearly 800 in the last quarter of last year.

Breaking down the new car market in the long term, he said large luxury cars would account for about 20% and small, fuel-efficient cars for 55% to 60%, with medium-sized cars taking the balance.

Referring to the introduction of front-wheel drive, transverse engine models this year and another next year to make a total of five on the South African market, he thought there would be room for all, but he foresaw difficulties for the survival of conventional small cars.

Mr Warrilow said VW would import a number of luxury Sciroccos. The Golf Cabriolet would be assessed for local manufacture and a few Audi Quattro four-wheel drive cars would be brought to South Africa for demonstration.

Daar uit 'n posi-
sie ou moet ons
onbe meerderheid
Engel
Die t hom volg.
Suidw irk Mudge in

Seminar aims at better business management

(30)

Post 20/5/80

By MESHACK MOTLOUNG

FIFTY TWO traders and shop assistants attended a seminar aimed at improvement in business at the Jerry van Vuuren Hall in Standerton this week.

The seminar was called by a soft drink company to give advice to black traders.

The two day seminar was attended by representatives from Ermelo, Langverwacht, Secunda and Standerton.

Apart from the Coca-Cola Bottling company the Barclays National Bank of S A was also represented. It advised on finance, insurance, leasing and loans.

The soft drink company representatives spoke on the functions of management, the attitude of management to staff and to the customers.

"You have to give every consideration to your customer, because he is your master. He pays you and without him your stock could remain on your shelves for months" said Mr Johan Bothma, the district sales manager of Coca-Cola.

Mr Ron Venter, the training manager said: "The name of the game is profit, and we are in business. But as your sales increase, do not necessarily increase in price, as you will be chasing away customers," he said.

Mr Ali Mokoka of Barclays spoke about insurance and loans.

Miss Susan Mncube won 20 cases of coke in a raffle. Mr Richard Vilakazi and Abel Maboea won 10 and five cases respectively for the second and third positions.

Mr Harry Palmer, the chairman of Sakhile township passed the vote of thanks on behalf of the local traders and shop owners.

Is
Maa net bewaarheid
wor rs aanvaar
en ord.
En e witman as
volv verswelging
is e skep en aange-
blaas is. Die nuwe jong geslag wil ... hierdie vrees
nie. Wat hulle betref is kleur hoegenaamd nie meer 'n faktor nie.

Dit sou tragies wees as die Eerste Minister op hierdie kritieke stadium die gemoedstoestand van die wit kiesers sou onderskat. Die meerderheid blankes weet in hulle harte dat apartheid 'n doodloopstraat is. Hulle wag angstig en ongeduldig op positiewe leierskap.

Ons moet luister na wat gesê word in Stellenbosch, deur kultuurleiers, deur skrywers, deur die swart jeug.

Ons moet met oop oë kyk en verstaan wat in Zimbabwe aan die gang is. Ons moet luister en besef dat ons nou voor dié keuse staan: ons moet kies tussen apartheid en 'n oorlog wat niemand kan wen nie óf ons moet ons hande uitstrek na ons swart broers en vir onsself en ons kinders 'n permanente en onbedreigde toekoms skep in die enigste land wat ons het.

LANGUAGES

1978

Ξ

0

SWER

5213143452

PENALTY	TOTAL SCORE	PE S	CORRECTED MEAN
.00	13.00	* 5	52.00
.00	24.00	* 9	96.00
.00	25.00	* 10	100.00
		* AB	.00
.00	24.00	* 9	96.00
.00	22.00	* 8	88.00
.00	20.00	* 8	80.00
.00	21.00	* 8	84.00

7

1

85.14

85.14

Scotts on way back

(30)

(A) 20/5/80.

Financial Reporter

SCOTTS Stores continues to feel the surgeon's knife while struggling back to health.

The group has reported a net taxed profit of R67 000 for the year to February 29 compared to an operating loss of R1 529 000 and write-offs of R2 213 000 in the previous year.

On the surface that looks like a setback from the R226 000 net profit reported at the half-way mark last year.

However, the chairman, Mr W D Fielding, assures shareholders that "normal trading in the second half of the year showed a substantial improvement over that reflected for the first half of the year."

He explains: "During the year disinvestment took place in a number of areas.

"This contributed to an improved cash flow which enabled borrowings to be reduced by R2 600 000.

"As part of the plan to restrict operations in the Transvaal, 25 stores have been closed, the regional office has been disbanded and two warehouses have been eliminated.

"Where trading continues in trade-out circumstances it is not always possible to determine the final costs or reduced revenue arising therefrom but making allowances" profits were up.

Mr Fielding says: "The directors have considered it necessary to increase stock provisions and to write-off debtors by an amount, additional to normal charges, of R915 000 for the group.

"Due to this additional amount and the other factors mentioned above, the improvement in trading profits is not reflected in the final profit before taxation for the past year.

CDM 22/5/8[illegible]

Schemes to aid black business

(30)

Staff Reporter

AN EXHIBITION to promote new manufacturing schemes to enable black businessmen to compete with their white counterparts or take the initiative will be held at the Milner Park Show Grounds in Johannesburg on May 28.

It will be under the auspices of Southern Transvaal Chamber of Commerce (Soutacoc) Industrial Committee.

According to the mouthpiece of the National African Federated Chambers of Commerce (Nafcoc), African Business, the exhibition is to give Nafcoc's manufacturers in the Soutacoc region an opportunity to display their products to a wider section of potential buyers.

More than 35 manufacturers will participate. About ten companies will also exhibit consumables, service items, and other commodities that might be of interest to the black manufacturers.

The chairman of Nafcoc's Southern Transvaal Industrial Committee, Mr B O Sibeko, said it was important that as many Nafcoc members as possible [illegible] advantage of the [illegible].

[illegible] that the black back-[illegible] industrialist would not survive if he [illegible] a market for his products.

Mr Sibeko said that the Transvaal alone had at least 1 000 manufacturers who wanted to promote [illegible] and improve their present lines.

Nafcoc surveys have revealed that there are clothing manufacturers, motor mechanics, knitters, welders, leather workers and others who were desperately in need of assistance.

Mr Sibeko felt such an exhibition would help to create viable markets for the black industrialist and manufacturer.

19	SMITH C D	[illegible]
20	VERMEULEN MISS S A	2100
21	WALSH MISS S J	2105
22	WEBER K E	2110
23	WILLIAMSON MISS B K	2115

Wm Hunt expects Kadett boost

(30) RDM 21/5/80

Financial Reporter

WITH the introduction of the Opel Kadett in April, Dr H Khazam expects that Williams Hunt's market penetration and profit will benefit in the current financial year.

He says in his chairman's review for the year to February 25, 1980, that the past year was difficult. Although turnover increased, unit sales and profit margins declined.

To improve profitability central city showrooms in Johannesburg and Cape Town were closed and their operations were combined with other branches. The Springs and Ladybrand operations were closed.

Towards the end of the year, vehicle sales improved and this, togther with the economies, resulted in the motor division's again operating at a profit.

The turnover of Motor & General Supplies increased by 16% and operating income was up 11%. New agencies have been acquired to offset the lower volume of motor vehicle spares.

Tarrys turnover was higher, but profit was lower.

Farmec's income was better than in the previous year, but the poor harvest resulted in some debtors not being able to meet their obligations. The provision for doubtful debts has been increased.

The net attributable profit last year was R3-million compared with R2 600 000 the previous year. Earnings a share were 34,1c (30,2c) from which dividends of 11c (10c) were paid.

RDM 21/5/80

Late trading: Shop workers set conditions

30 31 135

By STEVEN FRIEDMAN
Labour Reporter

THE National Union of Distributive Workers, the sole union representing white shop workers, says it will "consider" agreeing to Saturday afternoon trading — subject to certain conditions.

This decision is contained in a resolution adopted this week at the union's bi-annual conference in Cape Town. The text of the resolution was released in Johannesburg yesterday.

The union says it has adopted the resolution in response to "the recent agitation for late night and weekend trading sponsored by the South African Property Owners Association, among others".

The resolution argues that claims that longer shop hours will benefit consumers are "a blind" to enable property owners to make greater profits.

It says longer trading hours will not serve "the real interests of consumers".

For the past few years unions representing shop workers of all races have waged a constant battle against the extension of shop hours.

Some employers, together with other groups, have been urging longer shop hours, arguing that this would be in the interests of consumers.

The final decision on the issue rests with provincial administrators.

Some major stores are, however, opposed to longer shop hours, arguing that such a move would merely increase stores' costs.

The conditions which the resolution has spelt out for the introduction of Saturday-afternoon shopping are:

- That shop workers are assured of a five-day, 40-hour working week with two consecutive full days off;
- That "satisfactory" public transport is guaranteed for workers or that employees guarantee to provide "satisfactory transport arrangements", and
- That Saturday afternoon work is remunerated at "special rates of pay even if it falls within the normal shift of the worker".

The resolution adds that, if longer shop hours than those being considered by the union are "foisted on the public", it will demand that Government, provincial and local authorities institute similar hours to those in shops "so as to enable the public to attend to their personal affairs".

The resolution parodies arguments for longer shop hours by arguing that the opening hours of official institutions "should not unduly inconvenience the public, including tourists and holiday makers" and should therefore be in line with shop hours.

It says shop rentals in many shopping centres are linked to turnover and that the "agitation" by property owners was thus "clearly motivated" by a desire for higher rentals and thus greater profits.

Longer trading hours will only lead to an increase in the cost of consumer goods and will also increase "the social evils which trade unions and others have fought to minimise", the resolution says.

30

Sampro won't deliver goods

SALES and Marketing Promotions (SAMPRO), a company which offered its black recruits heaven and earth but failed to deliver the goods, is now also unable to return their joining fees.

After SAMPRO was exposed by **POST** some of the members tried to retrieve their money. The company did not refuse to refund them. To show their good intentions they wrote letters to all their members in Johannesburg promising to refund them.

However weeks went past without the company fulfilling its promise. Out of desperation one of the members took the company to court in an attempt to get his money back. Judgment was granted against SAMPRO for R235 plus costs, and a warrant of execution issued.

The warrant of execution was returned by the Messenger with an endorsement that he had not found sufficient disposable property to satisfy the judgment. The only assets on their premises were to have the value of R10.

Another member, Mr Norman Mazibuko has been battling to get a refund of R1 085. This despite the fact that first his wife, Rebecca, and then his lawyer were told that a cheque worth that amount was in the post.

In his affidavit Mr Mazibuko says; "Since April 17, my attorney has been trying to obtain the return of my R1 085 as undertaken by Marais (Mr S Marais is the sole director of Sampro).

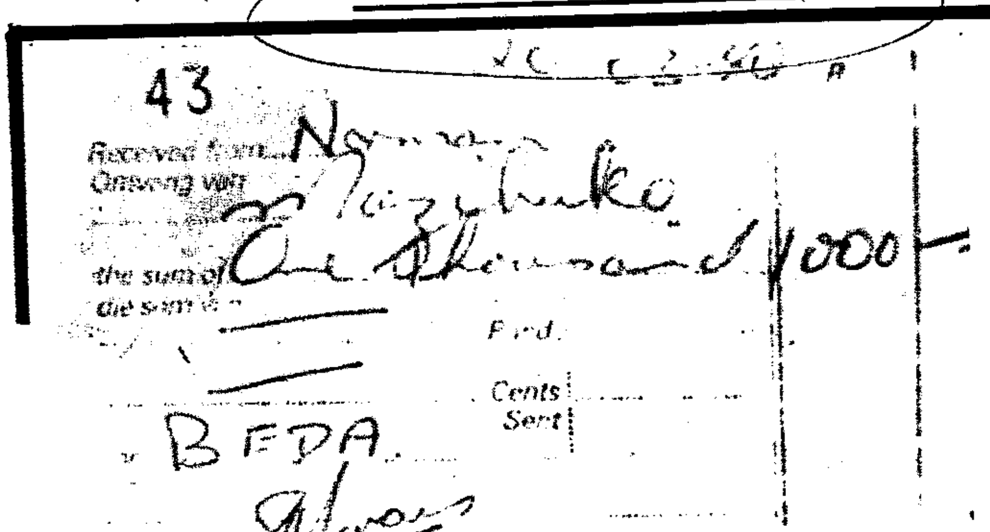
My attorney has made over forty telephone calls to Mr Marais Johannesburg and Roodepoort offices and to Mr Marais and has left frequent messages at all these places for Marais to telephone him.

Marais has not responded to any of these messages. My attorney has been given evasive and contradictory answers when he has attempted to find Marais."

Mr Mazibuko says Mr Marais has in the past recruited members by promising a wide variety of benefits. "It seems that Mr Marais' business is directed mainly at black people, many of whom may be unsophisticated and highly susceptible to approaches of this sort," said Mr. Mazibuko.

"It is in the interests of members and other creditors of Mr Marais that a trustee be appointed to take charge of the assets of Mr Marais and establish what has been done with the membership fees and money obtained from members of the public," Mr Mazibuko said.

Mr Steven Marais.



43

Received from/Ontvang van Norman Mazibuko

the sum of/die som van One thousand 1000-

Rand

Cents/Sent

BEDA

This is a receipt issued to Mr Norman Mazibuko by SAMPRO It does not reflect the name of the company or the address. At the bottom is Mr S Marais' signature.

Firm under liquidation

A PROVISIONAL liquidation order was granted against Sales and Marketing Promotions (SAMPRO) yesterday in the Pretoria Supreme Court.

The action against SAMPROM was instituted by Mr Norman Mazibuko of Emdeni South Soweto. SAMPRO whose sole director is a Mr Steven Marais was indebted to Mr Mazibuko in the sum of R1 085. Mr Mazibuko and his wife joined the company in the hope that it would build them a house.

Mr Mazibuko said after joining the company he never received the assistance he was promised. Efforts to get his money have since failed. His lawyer was given evasive answers when he made representations on his behalf.

Many people are believed to have joined this company. They were recruited by agents of the company. When it became apparent that the company would not fulfill its promises they demanded their money back.

The order made in court yesterday provides for the urgent appointment of a provisional liquidator.

Post 21/5/80

Director's hot denial

By PHIL MTIMKULU

ALLEGATIONS that Sales and Marketing Promotions (Sampro) was a dubious company were hotly denied by Mr Steven Marais, a director.

He said Sampro had met its obligations to its members.

Disgruntled agents said they were not paid at the end of March and became suspicious.

Using vernacular and simple illustrations Sampro promised attractive benefits to its members, they said.

It promised them financial assistance for building a house, buying a car, legal fees, starting a business, parolling people and for bursaries.

The Johannesburg office was run from the fourth floor of Colosseum building. The offices were sparsely furnitured.

The company was not listed in the telephone directory and the address was a box number at Randburg.

Receipts were issued from plain books obtainable at stationery shops.

Mr Marais said there was nothing fraudulent about the company. It had helped a lot of people with financial problems. It was listed as a company in Pretoria.

But a week later, POST interviewed five members of the company who were all dissatisfied.

They said that after paying the entrance fee and a deposit towards the assistance they wanted, they did not hear again from the company.

NTERGROUP STUDIES
(Limited by Guarantee)

NIVERSITY OF CAPE TOWN
RONDEBOSCH
UBLIC OF SOUTH AFRICA
7700

The Tow
Town Ha

March 1980

Dear Si

We are p
bulletin ... rly ... of the Constructive Programme of the Centre for Intergroup Studies.

We aim to reach as many as possible of the influential citizens of important towns and cities throughout South Africa. We should, therefore, be most grateful if you would let us have the names and addresses of members of the Council of your municipality.

We enclose a stamped and addressed envelope.

Yours faithfully

S. A. Turner

Mrs Shirley Turner
Projects Officer
Constructive Programme for Sound Intergroup Relations

Chain stores supported

(30)

RDM 22/5/80.

By HAROLD FRIDJHON

ASSOCOM does not appear to be opposed to chain stores and supermarkets getting more favourable prices from suppliers than those given to smaller outlets.

In a memorandum to the Competition Board, considered by this week's meeting of the executive council, Assocom says that discrimination in the prices or conditions of sale of commodities is an important and integral part of the free enterprise system. It results in a high degree of competition throughout the distribution chain from producer to consumer.

With the emergence of mass merchandising, the degree of "discrimination" has increased. By reason of size some large buyers are able to negotiate lower prices and more attractive conditions of sale than their competitors.

"This is competition at its best and, in the distributive trade for example, in order to remain competitive, entrepreneurs operating smaller retail outlets have been quick to retaliate by making use of 'distribution houses.'"

(This means group buying schemes.)

Referring to complaints about price discrimination in the food sector, Assocom draws attention to the dependence of many manufacturers on the pricing policies of the agricultural control boards.

The Competition Board is asked to examine the extent to which the monopolistic position of these boards exerts undue pressure on the cost structure of food manufacturers.

In its memorandum, Assocom says that mass merchandising is a fact of modern economic life and that price discrimination will continue at the instigation of the buyer or the seller. It considers that this is in the public interest.

The Competition Board is urged to exercise its power to resolve any difficulties through negotiation with interested parties. Any abuses that there might be can be handled under existing legislation.

Post 22/5/80

30

Petrol row

THE Soweto Council has pledged to help petrol dealers in their fight to buy and own the garages they operate.

Mr Richard Maponya, chairman of the recently formed Black Garage Proprietors Association, said the council promised in a meeting early this month that they would ultimately let operators own the garages.

He said however, that black garage owners were angry at the petrol companies who have shown reluctance to agree to pay bonuses to them than to the administration boards.

They were also not happy about the response they got from various community councils who also seemed reluctant to part with ownership of the garages because they claimed the stations were their main sources of income.

Mr Maponya, said this week that black petrol dealers were losing thousands of rands in bonus money which is being paid to administration boards by petrol companies.

The West Rand Administration Board — responsible for Soweto — was getting at least R88 000 a month.

He said his organisation was to request the Government to give them the right to buy the garages. This would enable and entitle them the right to be paid the rebate being paid the boards.

remarkable linguists, at ease in English and Afrikaans as well as two or three African languages; but, particularly with the written word, operating in a language which is not your own - and far removed from your own - is a considerable handicap.

In Brave New World the system works. Social conditioning and hypnopaedia - the endless repetition of discriminating slogans while the child is asleep - ensure that 'the child's mind is these suggestions and the sum of the suggestions is the child's mind'. When Lenina, an Alpha, remarks that khaki is 'a hideous colour' she is 'voicing the hypnopaedic prejudices of her caste' : in South Africa the proponents of apartheid have not needed to use hypnopaedia to induce these prejudices. But in Brave New World the conditioning works for the Epsilons too : the Epsilon liftman smiles up 'with a kind of doggily expectant adoration into the faces of his passengers'. In South Afr ... being the universal Epsilon response.

... the system does not work. You ... ey are inferior, and you can ... up to a point in time, a time now ... erge from their schooling with doubts ... ammas, Deltas and Epsilons are ... e educational systems imposed on ... chools and universities the more ... nd the situation has become the

... ndful of children from other races ... her more significant number of

... the 'black' universities of Fort Hare, ... the Western Cape, ... or English ... ial). ... e three ... d there ... tate, the

Chamber chief is a man of many parts

Post 22/5/80

30

THE newly elected vice-chairman of the OFS African Chamber of Commerce, Mr Daniel G Choeu was born in Bloemfontein where he received his primary education and later took a teacher's course at the Modderpoort Institution.

He left after two years and in 1943 started a commercial course at the Indaleni High School, Natal, which he completed in 1947.

During 1948 and 1949 he was trained as a medical inspector at the Institute of Hygiene and Social Medicine, Merebank, Durban, and then worked as a health assistant in the Pretoria district.

He returned to Bloemfontein at the end of 1950, married and worked as a municipal health inspector in the city until 1964 when he joined his aged father in the family butchery business.

In 1965 he did a course in journalism, concentrating on novel writing and the following year won first prize in the country in the Education Department's novel-writing competition in black languages.

In 1966 Mr Choeu joined th Mangaung Chamber of Commerce and was elected secretary.

Until recently — when he was forced to resign because of pressure of too many commitments — Mr Choeu was secretary of the Bochabela Branch of the BophuthaTswana Democratic Party and also secretary of the central committee.

A staunch church member, he has been a warden of St Patrick's Church of the Province since 1972.

Widowed twice, Mr Choeu has three sons and two daughters. The eldest son, a graduate, is a principal clerk in the Department of Health and Social Welfare at Mmabatho.

Mr Choeu has written more than 50 dramas for Radio Setswana and many stories for magazines and radio.

Sou ... car ... su ... pa ... ab ... in ... th ... th ... fc ... Tl ... n ... b ... Al ... tl ... I ... m ... H ... l

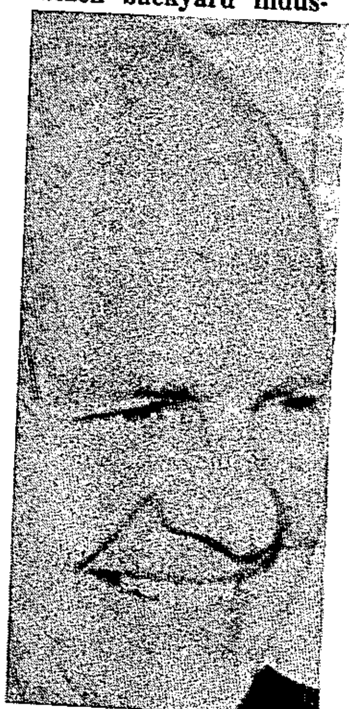
BUSINESS POST

A time to show your wares, backyard man

(30)

By WILLIE BOKALA

GROUPS of small black backyard industrialists and manufacturers will exhibit their products at Milner Park Showgrounds, Johannesburg, for two days next week.



Mr John Knoetze, chairman of the West Rand Administration Board.

The exhibition has been organised by the Industrial Committee of the National African Federated Chamber of Commerce (Nafcoc) as part of their drive to help the small businessmen in black areas display their products.

PROJECT

It is also part of a project started by the committee to help find a market for the products of the small independent and frustrated manufacturer in the townships.

The exhibition at the Show Grounds starts on May 28 and will run until the next day — May 29. The show will be opened officially by Mr John Knoetze, chairman of the West Rand Administration Board.

Nafcoc's Industrial Committee, which was formed three years ago, seeks to bring black backyard manufacturers together and build them into strong and competitive businessmen.

PROBLEM

The problem before had been, according to Mr Ben Obed Sibeko, chairman of the Southern Transvaal Industrial Committee, that Nafcoc could not organise in this field in the past because of legislative restrictions.

These restrictions had given whites all the rights to compete among themselves and prosper while blacks were refused the right to compete openly and market their products.

The Southern Transvaal alone had over 1 000 of small manufacturers. Nafcoc, through its industrial committee, could help these frustrated people by:

- Trying to find a market for their products.
- Organising capital and building them into big businessmen.
- Running educational courses for them and then recommending them to banks who will help them in their business.
- Organising the know-how for them and sending consultants to advise them in their businesses.
- Helping them with displaying their products.
- Negotiating for trading sites for them so that they can have bigger places to operate.

The problems these people face is that banks are offering them short term loans on even bigger interest rates and most of them find it difficult to manage their business.

Mr Ben Obed Sibeko, chairman of the Industrial Committee.

MOTORS

Upside potential

(30) FM 23/5/80

April car sales figures hit yet another record high. NAAMSA figures show total new car sales at 22 642, the highest total for April on record, and a 27.8% gain over the year-ago period. Commercial vehicle sales advanced only 6.7% to 9 323 (8 737) but, taken with the new passenger unit sales, more than justify the recent optimistic forecasts of the industry.

These solid indicators to record new car sales in 1980 are boosted by the alleviation of the short-supply situation which resulted from cautious forecasting late last year. And record sales should, hopefully, mean record profits for many of the companies in the motor industry.

Brokers have been recommending selective buying on the motor board, which could result in a re-rating of some of the listed companies. The sector has been tipped by at least one broker as having the greatest growth potential this year, ahead of the next recovery favourite, building and construction, which could lag until recovery is evident in profits.

Not surprisingly, the motor industry has been a slack performer with the crippling fuel price hikes since 1973 and the measures introduced to curb vehicle usage in SA. Last year, total sales grew by 3.4% to 314 067 units comprising 213 270 passenger vehicles and 100 797 commercials. And only six months ago, forecasts put sales at 335 000 units this year, including 230 000 cars. Now however, the recent strong sales have produced revised forecasts of a record 250 000 passenger units from, for example, GM's Lou Wilking. But though he is enthusiastic that "there is enough demand to hit an all-time record of 250 000 cars," he warns that "supply is the question."

Industry sales peaked at 363 606 cars and commercials in 1975 before sliding to a 256 801 low in 1977, when 166 764 passenger vehicles and 90 037 commercials were sold. The upturn began in the third quarter of last year, when sustained demand began filtering through to the sales floors. Monthly sales were exceptionally high at 26 128 passenger units and 12 654 commercials prior to gst. But thereafter total volumes dipped to around 25 000 units monthly. Since September the sales curve has been up, and when passenger car sales started moving up to 20 000 a month, supply shortages developed at the manufacturing end of the business.

Motor sales during this year's first quarter began to beat previous records. Total sales in January-March increased 14.8% to 88 321 (76 937) units, including a 19.8% rise in commercials to 28 880 (24 100) and a 12.5% passenger advance to 59 441 (52 837). February was an all-time record for that month, as 20 349 cars were sold. It was also the highest single monthly sales figure since the 26 128 sold ahead of gst in June 1978.

And the trend is up across the board. First quarter revenue of motor vehicle and accessory retailers, according to the Department of Statistics, increased 24.9% to a seasonally adjusted R1 504m (R1 204m). This rise looks set to continue. Used car turnover, according to the D of S, totalled R49.7m in January compared with R48.9m in December 1979 and R41.1m the previous January. And this latter trend should continue to have a favourable impact on the accessory and parts dealers.

The profit picture has shown a corresponding improvement. Total net profit of vehicle and accessory retailers fell to R84.6m (R88.2m) in 1979 according to the D of S survey, in part reflecting the unusually high sales during 1978 ahead of gst and last year's price cutting as dealers tried to move stocks in the wake of huge petrol price increases. But when this year's first quarter figures become available, there will almost certainly be a significant improvement if the listed companies' performances are anything to judge by. Figures released by the D of S indicate the uptrend began in the last quarter of 1979 producing a total net profit of R27.8m compared with R22.4m in the corresponding previous period and R17.3m in the September quarter.

Car sales . . . cruising to new peaks

P.T.O.

THE AFRIKANER

A sturdy sapling (30) FM 23/5/80

Looking back, one could say the turning point came with the establishment of the Trust Bank. An Afrikaans-orientated undertaking stepped out into doing business not only with the Afrikaans-speaking, but with all South Africans.

Today it's increasingly true of Afrikaans business in general.

No longer is Volkskas an Afrikaans-only bank. If its English advertisements are insufficient to prove this, its tie-up with Legal & General should. And the Volkskas group's industrial leasing arm is headed by an English-speaker, while its merchant bank goes to great lengths to punt its

bilingualism in all sectors of the market.

Saambou-Nasionaal building society actively seeks business among the English speaking, calling itself Saambou National.

Federale Volksbeleggings has bought into Greatermans, taking Afrikaans business interests for the first time into major retailing.

General Mining, basically Afrikaans orientated, is in there battling with the big ones, having absorbed Union Corporation, long a bastion of the English-speaking establishment.

Gone are the days when Afrikaans business was insular, wrapped in a self-protective shield like a delicate plant that needed to be sheltered from the ravages of a harsh climate. It has grown into a sturdy stripling, well able to fend for itself.

With this has come a new breed of Afrikaans businessman. No longer is Johannesburg for him a symbol of a hostile, English-dominated business world to be avoided. He is in there pitching.

"The Afrikaner has made great strides in the past 20 years," observes Hendrik Sloet, recently elected head of the Afrikaanse Handelsinstituut. "The Afrikaans speakers have come to Johannesburg. Afrikaans schools, Afrikaans churches and the Rand Afrikaans University show this."

The Afrikaner began his move into the business big time from a base founded on the service professions. They were attorneys, auditors, architects, teachers and, above all, civil servants. "A nation of officials," says Sloet. Gradually, they began entering the business and industrial fields, using their legal, educational and administrative expertise as an entrance ticket. Slowly, they built up capital and steadily they developed expertise in worlds that were once quite foreign to the average Afrikaner. The financial institutions they had built on a base of laager-type exclusivity began to look outside.

With this move, came a switch in economic philosophy, too. A generation ago the typical Afrikaner was essentially a socialist, as were his institutions. Fear of open competition in the free market drove him to form co-operatives and to start undertakings founded on concepts of cultural self-help rather than profit-making. The names themselves bear testimony to this — Volkskas (the people's bank), Saambou (build together).

AHI's Hendrik Sloet . . . we've made giant strides

"As we gained experience and enjoyed the benefits, a whole new orientation began," points out Botha Strydom, an executive manager at Saambou-Nasionaal. "The pioneers of 50 years ago had what one could call a social-democratic type of approach. Today's generation is free-market orientated.

"And this has filtered through to the average Afrikaner, including those concerned with politics.

"It has been a natural evolutionary process that has brought the Afrikaner to the point where he has confidence in himself and can compete openly with the huge non-Afrikaner enterprises."

The effect on political thinking has been dramatic. In recent years the National Party has turned from doctrines in terms of which racial politics dictated economic thinking into a greater acceptance of the role of private enterprise. This trend became most evident in November's Carlton Hotel summit between the country's top businessmen and Prime Minister P W Botha.

Strydom draws an interesting parallel with blacks whom he believes will go through the same phases of development as has the Afrikaner. Already self-initiated, protective institutions such as the African Bank and the Blackchain supermarket have been started. Politically, the approach is basically socialist.

Making the grade

"He, too, will have to learn to stand on his own," adds Strydom. "The faster we can get him to believe in the free market, to provide work for his own people and to make the South African economy stronger, the better. We are not opposed to this, we believe it is right. The quicker he can learn to compete the better it will be for the whole country."

But the Afrikaner himself has not yet fully made the grade.

"I think one must be realistic enough to say that the Afrikaans-speaking businessman is still far behind the non-Afrikaans speaking businessman," observes Sloet. "For example, there are not yet enough Afrikaans-speaking entrepreneurs.

"I think the Afrikaans speaker has come very far when one considers from where he started. He worked his way up right from the bottom. But a lot still has to be achieved before one can say that the roles of the Afrikaans-speaker and non-Afrikaans-speaker in business are equal."

Up to now, the greatest stumbling block for the Afrikaans businessman has been capital. But he is overcoming that. Perhaps the major hurdle now is retailing, where Afrikaners are largely unrepresented. "There are only two Afrikaans-speaking clothing store managers in Johannesburg," says Sloet.

There can be little doubt, however, that the Afrikaner will, in time, make his mark on this field, too.

The invasion of Johannesburg has been successful. Entrenchment lies ahead.

ADVERTISING FM 23/5/80 (30)

Ad indaba

Fear of restrictions and excitement over new technology were dominant themes when the 1 100 unhidden persuaders from 34 countries gathered in Durban this week for the 27th World Congress of the International Advertising Association (IAA).

Conspicuous by their absence were SA's two best-known international businessmen Anton Rupert and Harry Oppenheimer who withdrew due to — quite genuine, the *FM* is assured — overseas commitments.

British Airways chief executive Gerald Draper said that unless advertising did its own policework effectively the authorities would step in and do it for them. IAA president Bob Devine, vice president of Readers Digest, said this was not due only to the growth of consumerism but also to a far greater awareness by people the world over of goods and value. "Hell hath no fury like a supermarket shopper who's been cheated with false claims or an automobile purchaser who doesn't get what he pays for," he said.

Draper pointed out that spirits and cigarettes may not be advertised in some countries while in others there is a ban on such diverse items as records and tapes, cars, confectionary, margarine, and even advertisements for religious groups. Coca Cola vice president and corporate marketing director John Georgas complained that "in some cases the labels of our packages look like a biology textbook."

False claims

In some cases the US Federal Trade Commission has gone as far as to make advertisers pay for "corrective" advertising for making false claims.

Innovations on display include an impressive live satellite relay from London to demonstrate the ease of communication in the global village. It enables advertisers to reach world markets and already the US has a "super station" relaying satellite programmes.

As part of its drive to raise standards the IAA is introducing three qualifications: a basic advertising certificate; an advanced advertising certificate and an international advertising diploma to become available next year.

Another major point that emerged at the conference was the broader front on which advertising is beginning to operate. Devine pointed out that in the past two years the industry "has dived deeply into PR" primarily to "take a firm hand in the peripheral things that make the whole image of the company acceptable to its consuming public." As an example he cited the decision in principle taken by J Walter Thompson to buy Hill and Knowlton, the largest PR firm in the world.

Mauro Falles of Brazil was elected new president of IAA at the congress.

SCOTTS STORES (30) FM

On the mend 23/5/80

As expected by the market, Scotts Stores maintained its recovery in the year to end-February, despite extraordinary losses and provisions whittling away most of the trading gains. However, there was some investor disappointment that no indication is given on dividend prospects. Ordinary dividends have now been passed for two years and anything more than a token payment is unlikely this year.

The year's R97 000 pre-tax profit (R745 000 loss) is lower than the R258 000 reported at the half-way stage. Interim earnings were reported after losses of R900 000 in the cash store chain, and a further R915 000 was chopped off trading profit in provisions for stocks and debtors, says chairman Felix Fielding. Thus at the trading level, profit was in the region of R2m (R928 000).

These losses, provisions and write-offs were largely a result of poor first-half trading in the Transvaal cash stores and the subsequent closure of 25 outlets during the second half. This leaves around 25 cash stores in the Transvaal. Fielding says "one or two" more may be closed this year, while the Cape Fifth Wheel boutique operation is also being reduced. No expansion is planned and emphasis is on "consolidation and tidying up."

Scotts also appears to have turned the corner with greatly reduced liquidity problems. The cash flow squeeze arose from operating losses in ill-conceived expansions as well as the need for mark downs to move stocks. Thus in 1978 and 1979 losses were incurred by Scotts and a stringent financial policy was imposed on the group by its bankers. This strict control is being maintained, and, with improved trading and the funds realised on the sale of certain properties and the Cashmart chain, the outlook for liquidity is good.

Fielding says R2,6m of total borrowings was repaid last year while the group's indebtedness to its bankers fell even further as some switching occurred. At end-February 1979 total interest bearing debt was R11,6m — 145% of equity (before including the subordinated debentures). The group plans to bring the gearing ratio down to 60%, and with total borrowings now R9m, Fielding says the target should be met this year.

Earnings this year depend on the consumer recovery and whether there will be any further write-offs. Fielding says the footwear, wholesale and retail operations in the Western Cape made "substantial" profits last year and that the cash chain should show a "modest" profit in 1980.

Last year's modest 8,3% turnover increase to R70,4m (R64,6m) reflects the effects of the write-downs needed to move stocks. But with no "material" losses or provisions expected, a substantial earnings improvement is in prospect.

Cash flow constraints should be reduced, though with debt reduction being given priority, the best shareholders can expect this year is a token payment. There is unlikely to be a sufficiently large profit from the cash chain to make significant use of [illegible] losses this year, but the stage seems set for strong profit advances into 1981, provided the consumer spending recovery is maintained. The share is [illegible] which appears to discount most of the recovery. But it is a fair bet that upside is on the cards if the interim report confirms the profit rehabilitation.

DONALD CAMPBELL

FM 23/5/80 30

Store story

Who better to run the Frasers organisation than a country boy? Donald Campbell grew up in Aliwal North (not far from the original company headquarters) and has retained an unassuming, rustic air. He still seems not quite comfortable in the big city.

Sitting in his simply furnished office which "has also not changed much since the Wepener days," Campbell tells of his 30-year career with Frasers, the 400-outlet retail and wholesale chain.

He started as an accountant and completed articles with a local firm before buying a printing works in Caledon. "My first lesson in cash flows," he says. "We had no money at the time and had to borrow. So did the company." The business was doing well — a 70% return on capital — but was ploughing back profits to repay loans. He shrugs. "We just couldn't survive."

It was at this time that Campbell saw the Frasers' job advertised. "They wanted an internal auditor. I applied and was amazed when I got the job. While I had written my finals twice, I hadn't actually qualified.

"The company later told me that they were sorry that they had given me the position as they had found someone better qualified. Anyway there I was and that was 30 years ago."

Frasers, obviously no longer disappointed that they appointed Campbell, promoted him to financial director and then to MD in 1972. He became chairman two years later.

"It was a funny company. Deposits were tremendous but they were not being used. I felt returns either had to go straight to the shareholders or be used to expand the firm and make more money.

"We began expanding the base. It met with some opposition," he admits.

And it certainly has paid off. While other companies were tightening their belts during the recession, Frasers was expanding. Today turnover has topped R100m in six months, and growth is 40% annually. "It is my philosophy," says Campbell, "that in bad times you can stand on your head but there is only so much business. Prices are good when

Campbell . . . prices are good when people are gloomy

people are gloomy. One hasn't got the finance to expand when things are booming — you need the money for stock.

"We were also lucky. We were cushioned by the mines whose activities are not affected by the local economy."

The mine stores' image — Frasers has "had the concession for years" — has changed substantially. "They have grown into complexes and become an exciting place to go. There are even restaurants attached," he says enthusiastically.

Does Frasers operate a monopoly? "Yes and no," says Campbell carefully. "Prices are fixed by our warehouses," he concedes easily, "but with shorter working hours and easier access to the cities our prices have to be competitive if we want to do business. The mines also keep an eye on us, they don't want unhappy workers."

Even with the protections given Frasers, it decided in 1966 to become more competitive and moved into the credit market and furniture retailing.

But it wasn't all success. In 1969 it moved into the office furniture game. "It was a complete disaster," he says quietly.

How did they survive the wholesale business while other firms went to the wall? "I suppose our secret is complementing the retail and wholesale operations. Initially the wholesale side was only to serve our own branches.

"There is still a role for the wholesaler — especially with the economic upswing. Factories' order books are full and they don't have time for the small buyer. The small trader also needs easy credit and accessibility."

How did he get from being a reluctantly employed auditor to chairman of the company? "Nothing exceptional," he says, diffidently. "I work hard and have a tremendous interest in the firm.

"It's a romantic business. We don't operate in a concrete jungle. Shops are located on top of mountains and in the midst of plantations — we've airlifted to the oddest spots," he says.

Assocom disposed to constellation

RDM 23/5/80

By HAROLD FRIDJHON

THE Prime Minister's concept of a constellation of Southern African States has been broadly endorsed by the Association of Chambers of Commerce, which says in a policy statement that bold and positive action is needed — and desirable.

Conditions for the success of the concept will depend on two principal factors:

- **Economic prosperity:** This in the long run is indivisible both within South Africa and the Southern African region.
- **Political stability:** This in the circumstances of South Africa and the region as a whole is a prerequisite for business confidence.

Assocom notes that there is an interdependence between economic performance and political stability.

The achievement of both political and economic goals requires the active participation of private enterprise in the widest sense to give all racial groups a stake in the system.

Every effort must be made to meet the reasonable aspirations of the underprivileged groups in society. Promises, however, must be tempered by a realistic appraisal of available resources and what can be achieved in a limited timespan.

Asked at a news conference what were the reasonable aspirations of the underprivileged groups, Mr Raymond Parsons, executive director of Assocom, defined these as "legitimate aspirations to improve their quality of life and to give all race groups a say in a future political framework".

Mr Parsons stressed that expectations should not go beyond South Africa's resources.

Outlining the action required, Assocom says that recently introduced socio-economic policies must continue to be followed. This means that by raising the growth rate, business confidence will be strengthened, private investment will be stimulated and new job opportunities will be created.

Further progress will have to be made to phase out racial discrimination particularly on the economic, educational and labour fronts. This action must be taken by both Government and the private sector.

A necessary step will be ensuring that there is consultation and negotitation with the effective and recognised leaders of all racial groups in the interest of political stability.

Any new political framework should entrench that the basic economic unity of South Africa is maintained order to ensure the long-term viability of the economy.