

NEWSLETTER

Two cornerstones of change and transformation in the wine industry

Phil Bowes and Unathi Mantshongo have become synonymous with transformation and change in the wine industry and their significant roles in the development of the SA Wine Industry Transformation Unit NPC (TU) has been invaluable over the last few years.

Phil Bowes joined Vinpro as Manager: Transformation and Development in September 2015 and prior to the appointment of the new Transformation Operations Manager of the SA Wine Industry Transformation Unit NPC, Vinpro resumed the role of service provider to the TU.

Phil's role was to establish the company and forge consensus between members under the guidance of the chairperson. He played a pivotal role in transitioning it from a committee and established the Memorandum of Incorporation (MOI) for the company. Phil was also instrumental in conducting client due diligence and monitoring & evaluation procedures and to oversee initial client due diligence with relevant service providers. His role further included the appointment of the initial sub-committees for vetting purposes, the facilitation of joint action programmes for black owned brands, coordinate and manage consensus between parties who could make a strategic and financial contribution and to build a relationship between the TU and NAMC functionaries.

Under his supervision the standard operating procedures were established and the TU transitioned from the oversite of business unit transformation programmes (SAWIS, Winetech and WOSA) to an entity which would manage the transformation programmes itself. He further assisted the TU in embedding its processes as an independent company.



Unathi Mantshongo's involvement with the TU has been through her role as Vinpro Transformation and Development Officer since November 2015. Unathi's role was to assist Phil Bowes as the Vinpro Transformation and Development Manager with some of the operations of the TU such as the transformation stakeholder mapping and needs, the establishment of the TU values and processes and external wine industry value chain fundraising.

Unathi studied wine making, but through her involvement in the TU, she learned a lot about the business side of the wine industry and what it takes to sell the product once its made.

Although their direct roles in the TU came to an end, both Phil and Unathi will still be actively involved in transformation of the wine industry from Vinpro's perspective and will be liaising with Wendy Petersen, the new Transformation Operations Manager on this level.

Unathi handed over her responsibilities with a few words of wisdom to Wendy, "Everyone has their definition or understanding of what transformation is or isn't. This is still a very delicate space to be working in and it will be for a long-time. I would encourage her to trust herself! When your intentions are genuine, things fall into place."

Bayede! breaks through boundaries in local and international markets

With a vision to be the most recognized luxury brand globally, Bayede! consistently breaks through boundaries to position themselves in the international and local market. Their signature beading on their wines not only distinguishes their brand, but also contributes to black economic empowerment and sustainable jobs for 30 women from rural areas.

During the last year, Bayede! appointed an importer and distributor in Germany and Russia and their new ranges B Royal, Royal Zulu, Shaka Zulu and Lord and Lady of the Turf were developed specifically for these markets. Bayede also managed to export their products to Sweden and the DRC and their wines are listed in Africa through Shoprite Checkers.

In the local market, their wines were sold and listed in 550 retail stores in the last year, with further listings with major hotel groups Tsogo Sun, Marriot, Tour Vest, San Parks and Capello. Their bottle stats grew significantly from 104 078 in 2018 to 317 495 by their financial year end in 2019 and their target sales for 2020 is 400 000 bottles.

Bayede! also signed a supply and license agreement with Oude Molen for their Royal Cape Brandy.

Their quality wines reflects in the 5 gold medals they received at the Michelangelo International wine competition, several 4 start Platter Awards, a 93 score from Tim Atkins and the section of their 7 Icon Chardonnay that was selected for the Nederburg wine auction in 2018.

Bayede! is one of the beneficiaries of the SA Wine Industry Transformation Unit NPC and received grant funding which assisted them to reach their sales target in the 2018/2019 budget year with a revenue growth of 48 percent.

National Agricultural Marketing Council (NAMC) visit



The wine industry spent 29% of its statutory levy income on transformation in the recent reporting period and holds the number one position in the country compared to other levy paying industries in the Agricultural sector.

As part of their mission to review the use of private sector statutory measures, approved by the Minister of Agriculture on a quadrennial basis, a delegation of the National Agricultural Marketing Council (NAMC) paid a visit to a few of the TU beneficiaries, Paardenkloof Estate, Seven Sisters Farm, Thokozani Wine Company and Land of Hope Cellars in December 2018.

The delegation also held a meeting with a group of brand owners who do not have a home for their brand in order to gain an appreciation for their relevant challenges.

The NAMC delegation indicated that they were well pleased with the direction taken by the TU in supporting enterprise development in the sector.

Founding members and values of the TU

The SA Wine Industry Transformation Unit (TU) was founded by the National Agricultural Marketing Council (NAMC), Vinpro and the SA Liquor Brand Owners Association (SALBA) and established the following core values.



Key essentials of the TU funding rules

It is important to note that every application for funding and all disbursement of funds shall be approved by resolution of the Board of Directors.

The transformation levy provides grant funding only to eligible organisations that complies to the stipulated criteria.

Funding will be awarded to each applicant in each stakeholder group (listed under the TU considerations) on the basis of what it needs to develop to commercial level and in order to foster its potential to reach this level.

Wine brand owning (with or without a farm) applicants that produce or sell liquor products shall have a current, valid liquor license in their own name before their applications can be considered. Progressive proof towards a liquor license in the form of an application form that has been validated by the liquor board for approval will also be accepted.

The TU shall undertake periodic evaluations of the performance and administration of the active projects.

The application process for funding is a fair, transparent process and all applicant documents received are validated and accredited by a sub-committee before the applicant is considered for funding and before the applicant is introduced to the TU Board.

The application process and approval process for funding are streamlined to ensure a timeous process in line with the TU yearly cycle.

Upcoming events in the wine industry

Event	Dates	Description
Agri's Got Talent	Entries: 1 March – 20 May '19	A singing competition and life skills programme for agri workers in the fruit and wine industry
	Gala evening: 2 Aug '19	www.agrisgottalent.com
Wine Art Food Festival	4 May '19	A food and wine cultural festival
	Freedom Park, Pretoria	www.waff.co.za
South African Food Fest	September '19	South African Food & Wine Festival in Virginia, introducing South African wines to wine lovers in
	Virginia, United States	the United States
		http://www.southafricanfoodfest.com/

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