SiMODiSA

START-UP

INDUSTRY REPORT: 2019

FOREWORD BY THE VICE-CHAIRPERSON

As the Deputy Chairperson of SiMODiSA, it gives me great pleasure in writing this foreword as we usher a new decade of entrepreneurship in South Africa. Last year we closed the decade with a 5 year review of what we as an organisation assigned ourselves to do in building an ecosystem that will nurture high impact, high growth entrepreneurs that are made in South Africa but built for the world. Entrepreneurship is the pulse and heartbeat of a growing and buoyant economy. Without great entrepreneurs to create jobs and build up the economy, we will continue to perpetuate a situation of poverty, inequality and unemployment. With the energy and the euphoria of hosting the first FIFA Soccer World Cup on the African continent in 2010, 2020 does not start this new decade on a happy and high note. Our economy has been straddling along quite poorly with low growth prospects. Our national resources and state owned entities have been battling to stay afloat, due to lack of leadership and corruption, amongst others. The level and quality of education has not been improving to a level where we are nurturing the next generation of global players and leaders. We are starting the decade in a weak and fragile position, but it is times like these we must highlight the importance of entrepreneurship in a society, and why it is important to rally behind efforts and initiatives that catalyze and amplify it.

SiMODiSA's mission is to facilitate a quantum leap in South Africa's entrepreneurship landscape, best illustrated by the goals of seeing thriving and competitive Angel investments that will seed ideas; Venture Capital that will help grow and scale businesses; and incubation networks resulting in more entrepreneurs growing further and faster and more jobs being created to build a prosperous nation. Part of our modus operandi is to tackle the most leveraged constraints in the ecosystem.

With generous support from First National Bank (FNB); the South African Venture Capital and Private Equity Association (SAVCA) and Clickatell, SiMODiSA wishes to elevate the voice of entrepreneurs as we collaborate better in the new decade with key ecosystem players and come together as a collective voice. We wish to unleash the power of the collective voice and collective action. We are aware that our national Vision 2030 is 10years from now and a lot still needs to be done. The annual ecosystem reports will be a reflection of the year that was and also set the tone and pace for the year ahead. We ask our partners, our members and supporters of entrepreneurs to contribute and share their achievements. We hope that you will find the first report of this new decade insightful and hope that you will join our entrepreneurship tribe.

Matsi Modise – SiMODiSA Vice Chairperson

Mmodise...

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THE TEAM

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POLICY & INDUSTRY

SiMODiSA
TechXit

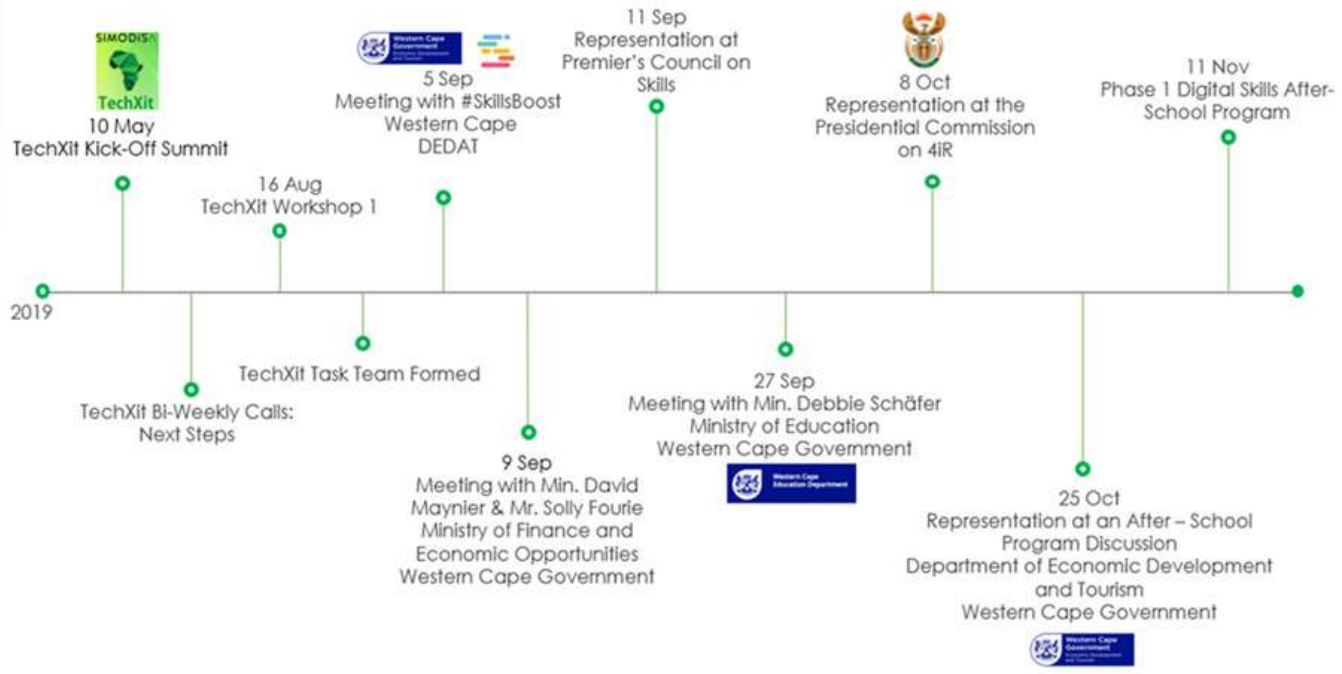
THE PROBLEM:

We believe there are thousands of 'unfilled' job openings in South Africa right this minute and in particular within the Technology skills arena. We have data from our partners LinkedIn, OfferZen, etc. that confirm that there are more than 200,000 Technology related job openings in South Africa today; with some companies losing up to 6 months before they can find a suitable candidate and land the skills that they need. Technology skill shortages, not policy, not funding, is the #1 growth constraint in the Western Cape.

OUR SOLUTION:

TechXit is the solution SiMODiSA and partners have launched in order to address this skills shortage. The program is two-fold; firstly, focusing on teaching high school learners digital skills through an After School program. Secondly, TechXit will also target school leavers, unemployed youth & graduates, as well as training & employment centers through our Young Adults program.

WHAT WE'VE BEEN UP TO:



COMPANIES AND PARTNERS THAT WE'VE WORKED WITH:

SPECIAL THANKS TO:

- OUR INITIATION TEAM:
  Michael Jordaan, Willem van Biljon, Jacques Pietersen, Adrian Basson and Lianne Du Toit
- OUR TASK TEAM:
  Alwyn van Wyk, John Thole, Jo-Ann Johnston and Fiona Tabraham
- PUBLIC SECTOR:
  Mr. Alan Winde, Minister Beverley Schäfer, Minister Debbie Schäfer, Minister David Maynier and their Teams

2019
POLICY REVIEW

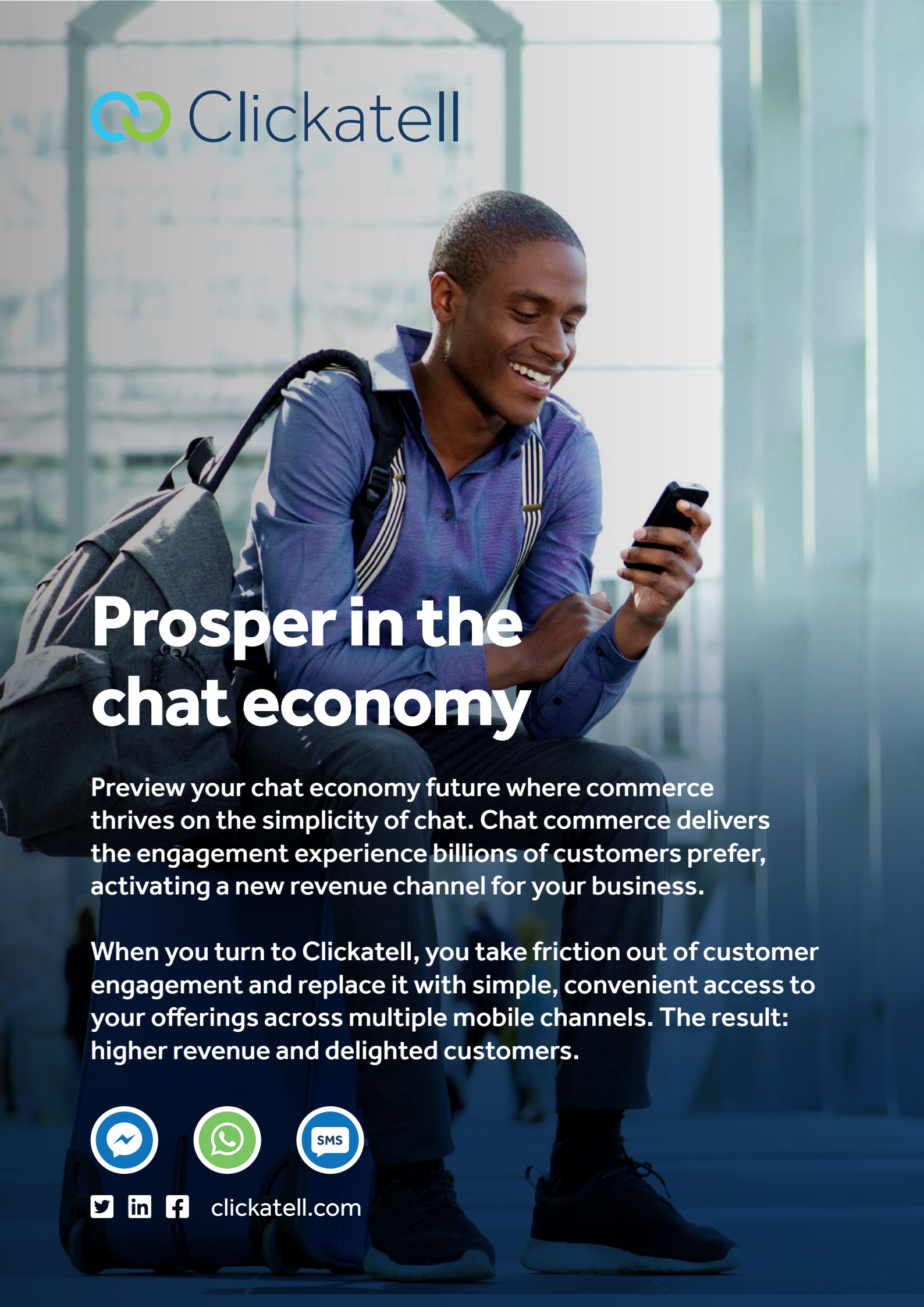
AUTHOR: SHELLY LOTZ

ACCESS TO FOREIGN CAPITAL FOR SME'S – DID THE POLICY CHANGES IN 2019 GO FAR ENOUGH?

Access to capital is a significant challenge facing many SME's which may ultimately stifle their potential for growth in South Africa. During 2019, policy makers have made a concerted effort to engage with Industry with a view to improve the investment landscape in the country. Following various engagements with industry over a number of years', National Treasury issued an Exchange Control Circular in 2019, which seeks to improve the regulatory and legal landscape for entrepreneurs looking to raise international capital.

Announced as part of the 2019 Medium-Term Budget Speech, South African individuals are now permitted to hold up to 40% of the equity shares and/or voting rights in a foreign company that holds investments or makes loans to a Common Monetary Area country (including South Africa). The competition for international Venture Capital funding is fierce, due to the significant benefits international investment brings such as access to larger overseas markets, know-how and skills development, exposure to deeper networks, and interactions with the leading technology companies (e.g. Microsoft, Google, Facebook etc.) which offer local SME's a boost in terms of their ability to successfully scale. In the case of developed markets (e.g. US, UK and Europe), where technology investments have been a core focus for a longer period of time, companies often obtain higher valuations than they do locally.

Prior to the 2019 Exchange Control Circular, South African domiciled entrepreneurs encountered exchange control barriers due to the prohibition of loop transactions. Entrepreneurs that wished to remain invested in the company following an investment from an international Venture Capital investor, were in the most part forced to sell their shares in the company, and could not benefit from any increased value in the company by staying invested following an international capital investment. The recent relaxation will assist many entrepreneurs, where they are able to attract international funding, but the 40% limit may still be overly restrictive. South African entrepreneurs are desperately looking to Government to make meaningful changes to the legislative environment which results in tangible support for entrepreneurs and the SME ecosystem. We are confident the 2019 exchange control relaxation is the first step in a larger reform of both the exchange control system as well as the South African entrepreneurial ecosystem, improving the chances of success for every person brave enough to risk everything to become an entrepreneur!



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THOUGHT LEADERSHIP

THE FUTURE ENTREPRENEUR

AUTHOR: ANDILE KHUMALO

THE 3 THINGS ENTREPRENEURS NEED TO SURVIVE THE NEXT 10 YEARS

Have you ever noticed how often you get asked about the future. Why do humans even do that? We already know that none of us can predict what will happen a year from now, let alone 10, yet we consistently ask and wonder about the future. Of course, the other inconvenient truth about being so concerned about the future is that many of us will never see that future due to a small little problem called death. But, also truth is that we don't live everyday worrying about dying, so being concerned about the future is a completely natural human instinct.

So, I'm going to look into my crystal ball, and based on what I know today, share my thoughts on what we, as entrepreneurs, need to survive the next 10 years in Mzansi.

1.CONTEXT

We live in a world that is more connected than ever before, and by all accounts, it's going to be even more connected in years to come. According to McKinsey, the number of connected devices in the world in 2016 was 18 billion. In 5 years time, that number is expected to be 75 billion. All this means that we will all live in one big country called "the world" where everything is connected. Geo-political shifts in countries thousands of miles away from us will impact us directly. Look at how much the relationship between The United States and China has impacted our own economy and currency. The new normal is for rich countries to be more inward looking, and rely less on their neighbors in a quest to regain autonomy. It's fast becoming a "me-first" world. Coming back home, things are likely to change dramatically on the political front. The policies we have lived with since 1994 may change dramatically as new players gain more political power and potentially even win national elections. It's critical for entrepreneurs to keep their ears on the ground and understand the context of the country and world they operate in, not least because it drives the decisions of their customers.

2. GUTS

In our domestic economy I think things are going to get worse before they get better. There are no quick and easy solutions to our electricity issues, economic structure issues, inequality issues and, unemployment issues. These are matters we need to get through and not over in order to really fix them. For that to happen many things will have to work in tandem, and we all know that our world is full of people with competing priorities and interests. However, as a wise man once said "one must never waste a good crisis". Entrepreneurs, more so than ever before, need to cultivate the courage to honour the convictions of their own potential. There is no room for self-doubt or self-pity. Why? Because no one cares. Everyone is too busy trying to solve their own problems. If you want to get ahead in the next decade, you need to have the guts to knock on every door possible to get your ideas, convictions, products, services, inventions, technologies, to be bought by a customer. In a world where there is very little money going around only the best pitched ideas, with real solutions to compelling problems will land the loot. If you are still in your bedroom trying to perfect your offering, you will be left behind. If YOU are ready, IT is ready!

3. COLLABORATION

No, I'm not saying you need partners in your business. You can absolutely be the 100% shareholder and sole director of your business. What I am saying is that very often to achieve something great, you need a great team with you. In a world that carries an unquenched thirst for autonomy, the value of diverse teams is too often underplayed. What great partnerships can do for your business is invaluable. The different backgrounds of the people, their different skills, cultures, outlooks, talents, motives –can add tremendous value to a business idea or innovation. So create the partnerships, find the people who can support you with skills you don't have, relationships you don't have, leverage you don't have, even the brand you don't yet have. If you prefer to work alone, that's okay too – perhaps consider creating partnerships at project or subsidiary level, and keep your autonomy at the top. But please do yourself a favour and seek ways to collaborate with other human beings. In any case, success is much sweeter when you have people to share it with.

THE STATE OF SCALEUPS IN SOUTH AFRICA

AUTHOR: JASON GOLDBERG

WHAT CAN BE DONE TO INCREASE THE NUMBER OF SCALEUPS IN SOUTH AFRICA

1. IS SOUTH AFRICA PRODUCING ENOUGH SCALEUPS?

There are a number of exceptional stories in the South African entrepreneurship landscape.

Yoco continues to blaze a trail, providing outstanding point-of-sale solutions for small retailers.

GetSmarter built a globally competitive EdTech business partnering with the world's leading universities;

Entersekt, a digital authentication firm, is scaling in Europe and North America, and is fast becoming a global trusted partner to Mastercard.

Spark Schools has scaled from 100 employees just five years ago to nearly 1 500 employees by 2020, and has plans to roll-out from 20 schools to 40 schools over the next few years with a very innovative educational model, which brings private-quality education to very low income and low income households at government school pricing.

HearX – a hearing diagnostics and assistance technology firm - has just secured investment from Bose as well as a major order from Walmart, positioning them as the first global distributor of over-the-counter hearing aid devices built on their proprietary technology.

These examples showcase what South African entrepreneurs are capable of – outstanding innovation that competes on a global stage and is the foundation of true scale.

Let's also not forget the success stories of past decades. Discovery, Outsurance and Investec are all firms that didn't exist 30 years ago and are now giants in their spaces. South Africa has – and continues – to produce outstanding scale-ups.

The 2019 FNB Business Innovation Awards, for example, included a number of very promising young innovation-led firms that we should expect to see scaling dramatically over the next decade. However, as promising as these stories are, the reality is that statistically, South Africa is not producing enough of these firms.

When we consider our unemployment crisis and the fact that almost all of the net-new jobs in an economy are produced by innovation-led, rapid growth firms, we need tens of thousands of Yocos to be succeeding in South Africa.

Sadly, we don't have that. In fact, South Africa's venture capitalists and risk-taking SME investors would struggle to compile a list of 100 truly ground-breaking, innovation-led firms with proven business models that can scale dramatically, creating hundreds or thousands of jobs, and thereby addressing the unemployment crisis in this nation.

We are certainly not seeing enough of the types of scale-ups we need in this country, although there are exceptions to the rule.

2. WHAT IS THE OUTLOOK FOR GROWING THE NUMBER OF SCALEUPS IN SOUTH AFRICA OVER THE NEXT DECADE?

To dramatically increase the number of scaleups in South Africa over the next decade, and thereby tackle our unemployment crisis, the first thing we need to do is reverse the current brain drain.

Our main challenge is that globally, most scaleups are led by highly talented 35 to 45-year old people who leave their corporate positions to launch innovation-led firms. This is the very same talent that corporate 'golden handcuffs' are designed to retain within industry, because they need those skills to survive in this era of technological disruption as well.

This means that there is a bottleneck-point in our economy, particularly in the 35 to 45-year old, very skilled, well-educated talent pool. These are the individuals who have managerial experience as well as exposure to break-through technologies that will change the future of industries and markets.

In South Africa, we have an additional element to contend with however – this is the very talent that finds it easiest to leave the country because their opportunities are numerous, and they are currently leaving in droves according to numerous different statistics.

The amount of this talent in the marketplace is the best lead indicator of the number of scaleups we can expect to see in five to ten years' time in this country, and that number is going in the wrong direction.

3. WHAT CAN BE DONE?

So, what can be done to change our current trajectory and increase the number of scaleups in South Africa? I believe there are four critical elements to turning this ship around:

MACRO FACTORS: We need President Cyril Ramaphosa's administration to succeed in eliminating corruption, sorting out the state-owned entities, reversing the fiscal decline of the country and generally increasing the attractiveness of this country for investors and the most talented people, both locally and globally. Sadly, without addressing those macro factors, everything else we do is simply moving deck chairs around on a sinking Titanic. However, I personally am quite optimistic that the current administration is doing a lot behind the scenes, and we will see the fruits of these labours over the course of the next few years.

ENRICH THE ECOSYSTEM: This shifts our focus from macro factors to our ecosystem. We have to ensure that as many of our scaleup leaders as possible succeed on a large scale, make a lot of money and create a lot of jobs in the process, and then reinvest some of their wealth in startups, as angel investors. The most productive entrepreneurial ecosystems in the world are 'led' by a network of successful entrepreneurs. We also need to attract more talent to entrepreneurship. To achieve this, we need to mature our ecosystem, crowd more capital into the space, and provide more effective accelerators and support to entrepreneurs. In short, we need to ensure that they are able to enjoy the fruits of many years of pain and sacrifice.

ALIGN E&SD: The Enterprise and supplier development (under BEE regulation) requirements on Corporate SA create a huge pot of funding to support entrepreneurs. At least 20% of that should go to backing Scale Ups. At present, my experience suggests less than 2% does. This is a major opportunity for scaling innovative firms and job creation, currently squandered.

MORE CAPITAL: I remain convinced that the most important catalyst for entrepreneurial and scaleup success is to crowd a lot more government-sponsored capital and support into building the entrepreneurship ecosystem, including first-loss funding for significantly more venture capital funds than we currently have in this country, resulting in a more densely-populated venture ecosystem and more sector specialists.

TECH COMMERCIALISATION (Really this time): We also need to dramatically improve our success rate in commercializing the extremely good technology research conducted in South Africa. There is currently a large divide between where research gets done and the commercial world where it's commercialized into innovation-led ventures. This gap needs to be bridged.

We strongly encourage government to come to the party in 10xing the role of organisations such as the SA SME Fund, which is admirably trying to seed multiple new venture capital firms and innovation financing models, and we need government to make it simple and easy to commercialise technology in this country.

Proudly championing private equity and venture capital

SAVCA is proud to represent an industry exemplified by its dynamic and principled people, and whose work is directed at supporting economic growth, development and transformation.

SAVCA was founded in 1998 with the guiding purpose of playing a meaningful role in the Southern African venture capital and private equity industry. Over the years we've stayed true to this vision by engaging with regulators and legislators, providing relevant and insightful research on aspects of the industry, offering training on private equity and venture capital, and creating meaningful networking opportunities for industry players.

We're honoured to continue this work on behalf of the industry.

SAVCA
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FUNDING & FINANCING

EVERY CLOUD
HAS A SILVER LINING

South Africa experienced another tough economic environment in 2019 with low GDP growth, negative market sentiment and severe load shedding which added more complexity to an already difficult business environment. These complexities can only be described as a dense cloud which can be seen on the horizon before an afternoon thunderstorm, bringing with it uncertainty and volatility which the thunderstorm creates.

We know, however, that there is calm after a thunderous storm and if every cloud has a silver lining, what would ours be? Two immediate things come to mind. Firstly, President Cyril Ramaphosa's drive to boost economic growth in South Africa saw R363 billion worth of commitments towards investment in the country being made by both local and international companies at the second investment conference held in Johannesburg in November 2019. If we can continue on this trajectory and if all these commitments materialise, it will have a significant impact on South Africa's growth prospects. Secondly, the value that venture capital not only brings to the long-term sustainability and growth of the economy, but also the direct value it offers the investee companies should not be underestimated. This was particularly evident at the second Southern African Venture Capital and Private Equity Association (SAVCA) Industry Awards where investee companies that prospered from venture capital and private equity investment were recognised.

Ten companies in three categories were shortlisted, and although there were category winners, all the shortlisted companies had a positive impact on job creation, the economy and social development. The investee companies commented on the value, beyond capital, that the venture capital fund managers brought to the table which included strategic insight, improved governance and financial oversight, access to networks/markets, operational excellence and industry expertise. To ensure we capitalise on these silver linings and for SA Inc. to remain an attractive investment destination, we need the stars to align. With the stars being policy certainty and government integrity, combatting corruption, macroeconomic stability and dealing with inefficient state-owned enterprises, our night skies would be far brighter than ever before.

I want to leave you with this thought, considering the exceptional growth the venture capital industry has experienced the past few years and the value it was able to bring amidst a very difficult political and economic period, just imagine what can be achieved when we see the dark cloud dissipating and the sun finally has the opportunity to shine.

THE 2019 FUNDING LANDSCAPE

According to the National Treasury, South Africa's economic growth is expected to rise slowly from 1.5% in 2019 to 2.1% in 2021. This is due to a fragile recovery in employment and investment, and a less supportive global trade environment. Small businesses do not have the resources available to larger organisations, and therefore have to navigate the many challenges associated with this weak economic growth.

It is noteworthy that in 2019 more than 15,000 SMMEs completed loan requests to access finance where only 11,000 SMMEs submitted loan requests in 2018. This reflects a positive growth mind-set on the part of entrepreneurs, who require business funding to grow their companies.

As would be expected, the location of the SMMEs seeking finance reflects the location of South Africa's economic hubs.

PROVINCE	PERCENTAGE
Gauteng	45%
Western Cape	13%
Kwa-Zulu Natal	12%
Eastern Cape	7%
Limpopo	6%
Mpumalanga	6%
North West	5%
Free State	4%
Northern Cape	2%

Since the inception of the Finfind platform in October 2015, finance to buy equipment, cash flow assistance and business expansion have consistently remained in the top 5 reasons why SMMEs are seeking finance. 2019 shows that these are still top reasons why small businesses want to raise finance for their business.

2019 top 5 reasons why SMMEs need finance:

1. To buy equipment
2. To buy stock
3. Cash flow assistance
4. Business expansion
5. To buy a franchise

The South African SMME sector is diverse and the funding enquiries came from a wide variety of industry sectors. Below is a list of the top 10 sectors of SMMEs that submitted funding requests.

- Restaurants, bars and canteens
- Construction
- Wholesale and retail trade
- Manufacturing/recycling
- Information technology, computers and related activities
- Recreational, entertainment, cultural and sporting activities
- Education
- Other community, social and personal service activities*
- Repair of motor vehicles, motorcycles and personal and household goods

*Other service activities refers to work such as washing and dry-cleaning of materials, renting of uniforms, laundry collection and delivery as well as dressmaking and carpet/upholstery cleaning. It also covers hairdressing and other beauty treatments including Turkish baths, sauna and steam baths, solariums, spas, reducing and slimming salons, massage salons and restrooms etc.; social activities such as escort services, dating services, services of marriage bureaux, genealogical organisations, shoppers, shoe shiners and porters etc.; funeral and related activities also falls into the other service activity sector.

Finfind has the most comprehensive, up to date database of small business funding in South Africa. This currently includes more than 550 different funding products from more than 300 funders. The funders and funding products are updated by a team of experienced researchers on a daily basis.

The good news is that there are more than 43 funds that specialise in funding assets such as equipment and machinery. Depending upon the type of equipment and its cost, the purchase of equipment can also be financed via a normal loan. There are 250 funding products that specialise in working capital. These loans can also be used to assist with cash flow, but other funders such as invoice discounters, contract funders and purchase order funders can also solve cash flow issues. This means that small businesses needing cash flow assistance have a pool of nearly 300 funding products that might match their needs. This is where the Finfind funder matching capability is invaluable to SMME finance seekers.

It is impossible for an entrepreneur to investigate all 300 funding products to find the one that best matches their needs. Fortunately, the Finfind platform automates the matching process, and once small businesses have answered the questions, the system returns a short list of funding products that the entrepreneur can apply for. This matching involves using the answers provided by the small business, and matching them against the lending criteria of each fund. Finfind provides the following benefits to SMMEs as it eliminates the high search costs associated with finding the right lender, and ensures entrepreneurs don't miss available matching funding opportunities. Finfind can be accessed 24/7 from any internet-connected device. Simply type www.finfind.co.za into your browser.

THE SA SME FUND

The SA SME Fund is a private sector led initiative born out of the CEO Initiative, a partnership between the SA Government and CEOs of the major corporates to stimulate the economy and create jobs. The shareholders of the Fund are 50 of South Africa's largest corporates and the Public Investment Corporation (PIC). Collectively, these shareholders contributed R1.4 billion into the SA SME Fund to accelerate economic growth and to create jobs.

The Fund is structured as a Fund of Funds, and is mandated to allocate R1.2 billion of investable capital to accredited fund managers – venture capital or growth oriented equity or debt funds – that invest directly in scalable small and medium enterprises. The aim is to develop and grow Black, mainly African entrepreneurs. The SA SME Fund is managed by the CEO, Ketso Gordhan, and a small team of investment professionals.

The SA SME Fund's objective is to – through its partner fund managers – invest 50% of its capital into Black African owned and managed businesses, with a further 25% being dedicated to Indian and Coloured owned and managed businesses, and the remaining 25% being at the discretion of the fund manager. The businesses that the funds invest in typically have an enterprise value of <R100m. The SA SME Fund has also invested in a number of activities aimed at generating pipeline for VC Funds in the ecosystem. These include the SA Innovation Summit and the Grindstone incubator.

As of January 2020, the SA SME Fund has invested in 11 Funds:

- 4Di
- A2Pay
- Digital Ventures Africa
- Knife Capital
- Masisizane Fund
- One Bio
- Pape
- Savant Capital
- Spartan
- Summer Place
- University of Technology Fund (UTF)

THE CEO CIRCLE

The CEO Circle was launched at the end of March 2019. It is an initiative of the SA SME Fund and is aimed at leveraging its shareholders and their collective resources to help scale 5 to 10 black founded and managed high growth, mid-sized companies (R50 million in revenue pa) into significant businesses of +R500 million in value in 3 to 5 years. These businesses will be given personalized pathways (access to capital, high quality mentors, and importantly, decision makers in our shareholder companies) to help them scale.

THE RECIPIENTS OF THE CEO CIRCLE ENTREPRENEURS AWARD 2019 ARE THE FOLLOWING 7 COMPANIES:

- Innovent
- SignCraft Africa
- Sentio Capital Management
- BT Industrial
- TST Interiors
- KELE Mining Solutions
- Siyeza Fine Chem

WHY THE SA SME FUND IS IMPORTANT:

The SA SME Fund is an important example of what corporate South Africa is doing to facilitate economic growth and the creation of sustainable jobs. The business community is a valuable asset in building a better future for the people of SA. Through its structure as a fund of funds, the SA SME Fund is able to direct capital to a large group of entrepreneurs through the many fund managers in which it invests.. This enables the Fund to ultimately have a more significant impact in stimulating investment activity in the start-up and small business space.

The SA SME Fund is helping grow the Venture Capital ecosystem - it is now one of the largest institutional players in the VC space in SA - and is helping seed and scale some catalytic growth equity and debt funds.

For more information about the SA SME Fund and its shareholders, visit www.sasmefund.co.za

SiMODiSA

BECOME A MEMBER

MEMBER BENEFITS:

- Seat around policy shaping table (positive impact on South African public policy)
- Curated access to the ecosystem
- Marketing
- Industry Expertise
- Engagements with key stakeholders

LEARN MORE: WWW.SIMODISA.ORG

A WORD FROM OUR MEMBERS

THE VALUE OF OUR COLLECTIVE POWER
THE ROLE OF SiMODiSA AS AN ECOSYSTEM AGGREGATOR

SiMODiSA START-UP

The current South African entrepreneurship is fragmented; there is no one voice that speaks on behalf the entrepreneur, especially on issues concerning policy. There is a need for the ecosystem to come together and speak with 1 voice, this way entrepreneurs are well represented when engaging with government and corporates; there is impactful policy lobbying and engagements with regulators; and we are able to make better policy submissions .

SiMODiSA re-affirms its commitment to bring together and represent the interests of multiple organisations in support of the development and growth of start-up's and scale-up's as a collective voice in order to maximise impact and change that will drive job creation and economic transformation for our country.

To achieve this, we are inviting individuals and organizations to join our community of members.

SiMODiSA will lobby and engage the government on policy related matters on behalf of our members. As part of our mandate to aggregate the ecosystem we created an online platform for everyone in the entrepreneurship ecosystem; www.venturecentral.co.za. Venture Central is a platform that aggregates tools, information, opportunities and resources available to assist entrepreneurs at each stage of their business. Entrepreneurs and member organizations can find the latest events and opportunities available as well as share information, events, tools and/or resources they would like to share with the ecosystem.

Members of SiMODiSA pledge their support and resources towards supporting entrepreneurs and SiMODiSA's efforts to:

- Bring together and represent organizations that support entrepreneurs
- Aggregate and provide resources that support entrepreneurs
- Lobby and engage the government on policy related matters collectively with its members

MEMBER BENEFITS

1. A 'seat' around policy shaping table (positive impact on South African public policy)
2. Curated access to the ecosystem (market access)
3. Marketing (Brand Awareness and influence)
4. Industry Expertise

Individuals and organizations can sign up for membership by visiting the SiMODiSA website: www.simodisa.org.

WORKSHOP 17

WORKSHOP17

BOOSTING ECONOMIC DEVELOPMENT THROUGH STRONG BUSINESS AND ENTREPRENEURIAL COMMUNITIES

Established in 2012, Workshop17 designs, builds and manages co-working and eventing facilities. Their mission is to provide entrepreneurs and established enterprises alike with an inspiring place to work, collaborate and build great businesses. In 2017, the company partnered with JSE-listed Growthpoint Properties in a 50/50 joint venture, expanding the Workshop17 brand to currently seven sites across the Western Cape and Gauteng with plans double in the next 3 years.

32 KLOOF STREET

The leading South African co-working brand, is celebrating the launch of their new site in the trendy and upmarket Kloof Street in Cape Town. Situated squarely in the centre of one of the Mother City's busiest estuaries, the 2 388m2 site at 32 Kloof Street opened its doors in September 2019. Located in one of Cape Town's trendiest business and lifestyle hubs, Workshop17's Kloof Street site offers five floors of human-centric and inspiring workspaces for everyone - from an individual worker needing a work desk, to enterprises requiring bespoke office solutions.

In keeping with the brands commitment to local economic development, for the Kloof Street branch, the company's in-house design team worked with talented local suppliers to produce a beautiful, contemporary setting that balances well-being and productivity; purpose-built to cater for affordable best-in-class hot-desking, café co-working, meeting rooms, board rooms and top floor café area with enchanting views of Cape Town and Table Mountain. In addition, members have access to brainstorming areas, pause areas, informal meeting booths, and lounges to encourage individuals to network and do business together.

In keeping with Workshop17's dedication to high quality service, the Kloof Street site features superb connectivity and technology with all the office fundamentals in place for a plug-and-play environment that provides full functionality for optimal productivity. The Kloof Street site is managed by highly skilled, dedicated on-site community managers. Workshop17 takes care of all customers' daily needs, so they can focus on what really matters – growing their businesses.

COLLABORATIVE WORKSPACE FUELLING ECONOMIC DEVELOPMENT

Open and collaborative workspaces are uniquely positioned to foster a thriving business ecosystem that encourages productivity, creativity, innovation, ideas and collaborative working. Workshop17 sites also connect members by holding regular public events supporting entrepreneurship, learning and networking in various fields.

"The success of our brand has been driven by our passion to help build an inclusive ecosystem of exciting businesses and entrepreneurs that are working to shape a powerful, prosperous Africa. We are driven to create a working environment and community that is inspiring and helps members to become the best they can be in their work." says Workshop17 CEO and co-founder, Paul Keursten.

THE FUTURE IS BRIGHT

For two years in a row, Workshop17 has been awarded the title 'Best Co-working Space' at the Southern Africa Startup Awards, receiving recognition for its services, support and resources to fast-growing start-ups, as well as creating a culture and environment that fosters innovation.

For more information about Workshop17 and to view all their locations,
visit www.workshop17.co.za

THE HOOK-UP DINNER

THUD, A SUB-SAHARAN AFRICA MOVEMENT OF EMERGING ENTREPRENEURS BROUGHT TOGETHER BY THREE CORE VALUES: CONNECT | ENGAGE | CONTRIBUTE

We are anchored by these main pillars: community, education and investment. We do this in over 14 countries across Africa and in partnership with entrepreneurs, DFI's, corporates, government entities and most importantly eco-system builders.

THE HOOKUP DINNERS

We have monthly hook-ups in different cities in the country and in the UK. These networking sessions (Hookup Dinners) are broken down into three segments namely, pitching, networking and masterclass sessions.

We believe that pitching is an opportunity for ideas to be tested for Innovation, against real competitors and audience; gain visibility, momentum, realization and attract investments.

This, followed by the network mixer, a 'speed dating' of a business kind, an exercise that allows entrepreneurs to connect and exchange business cards/ ideas. Lastly, the master-class, where notes are exchanged by the panelists that go deeper into their entrepreneurial journey.

INVESTMENTS / FUNDING

THUD is also a partner at The People's Fund, an asset-based crowdfunding platform that seeks to unlock capital growth constraints for startups in emerging markets. Through this platform we are able to take entrepreneurs through various channels of funding that are available for them.

We believe in solving our own problems as entrepreneurs and therefore the theme of less aid, more trade is critical to our success in Africa and beyond. Seeing the lack of financial literacy has positioned us well in equipping the regular entrepreneur with skills that he/she can use to scale in business. Our philosophy is that collaboration is the new innovation.

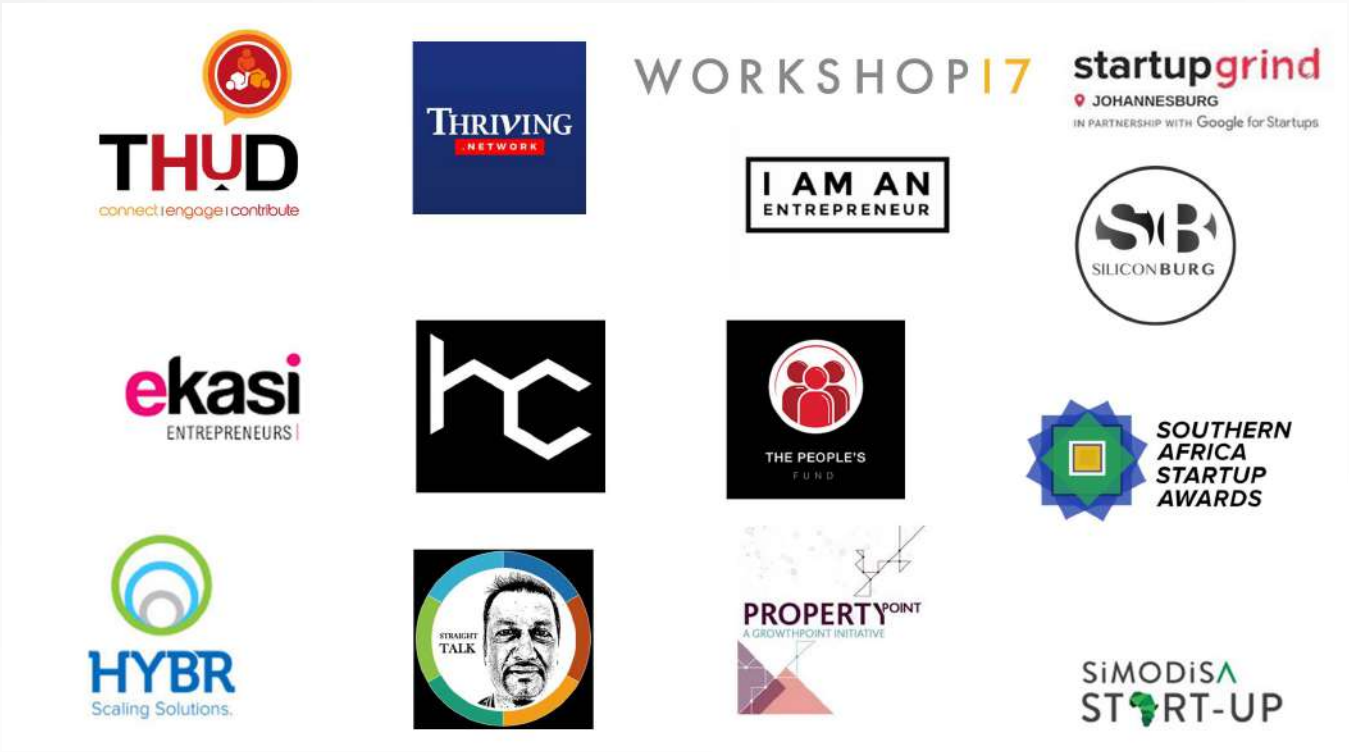
We have made it our business to understand what is happening at grassroots levels across servicing multinationals who have an interest in SMME Development and financial inclusion.

In servicing the "bottom of the pyramid" entrepreneurs (i.e. entry level startups), we are intentional on educating startups of the opportunities to trade, that exist across Africa and create connections between stakeholders that can scale startups.

Our 2020 theme focuses on problem solving. Entrepreneurs who are great problem solvers within any business are the best prepared to solve their customers' needs effectively. We are convinced that problem solving is a learnable trait, rather than just a birthright, and that is where we come in, to equip the entrepreneur with the necessary skills to solve their own and in return others too.

OUR FOUNDING MEMBERS

SUPPORTERS OF ENTREPRENEURSHIP



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