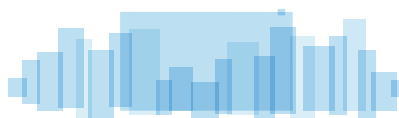


INVEST IN CAPE TOWN

CASE STUDIES



INVEST CAPE TOWN
COLLABORATE | ENABLE | PROMOTE



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD





'OUR TECH START-UP IDEA REALISED IN CAPE TOWN'

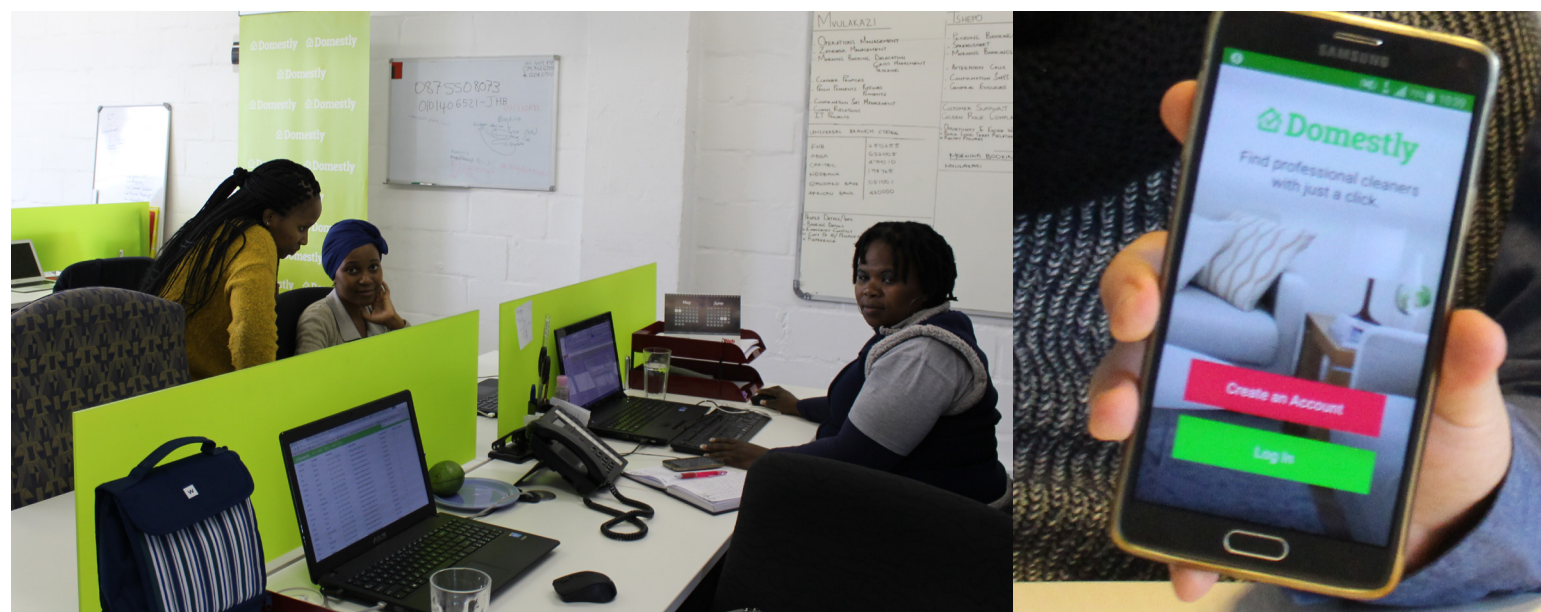
Thatoyaona Marumo and Berno Potgieter, co-founders of one of South Africa's most successful tech start-ups, are living their dream.

Marumo and Potgieter grew up in Johannesburg and Durban, never imagining to one day live or operate a business in Cape Town.

The pair launched Domestly, an on-demand cleaning market place app that has revolutionised the cleaning industry, after quitting corporate jobs in 2014. The app connects busy people to trusted, certified cleaning professionals. By connecting the cleaning professional's customer feedback directly to homeowners, Domestly makes housekeeping more affordable and accessible to everyone. The cleaners set their own rates, offering customers a range of rates to choose from; giving them the control over their earning potential. It is the only on-demand cleaning app in South Africa that allows the customer

access to view in-depth profiles of each cleaner. These profiles include ratings and reviews from other customers.

"Our story dates back to June 2014," says Maruma, the company's Chief Operating Officer (COO). "Berno approached me with the idea. He was in Durban at the time, working for a multinational FMCG company and I was doing corporate in Joburg. We would have meet-ups in Durban to brainstorm ideas, strategise and work on a game plan. One of the things we knew was that we had to actually prove this concept and test it. Berno built the product platform, which was very standard, literally a two-pager website. We then got a couple of cleaners, plugged them into the platform and waited to see what would happen. The response was overwhelming. It literally went berserk and we got to a point where we could actually close the two-pager site down and build a proper platform."



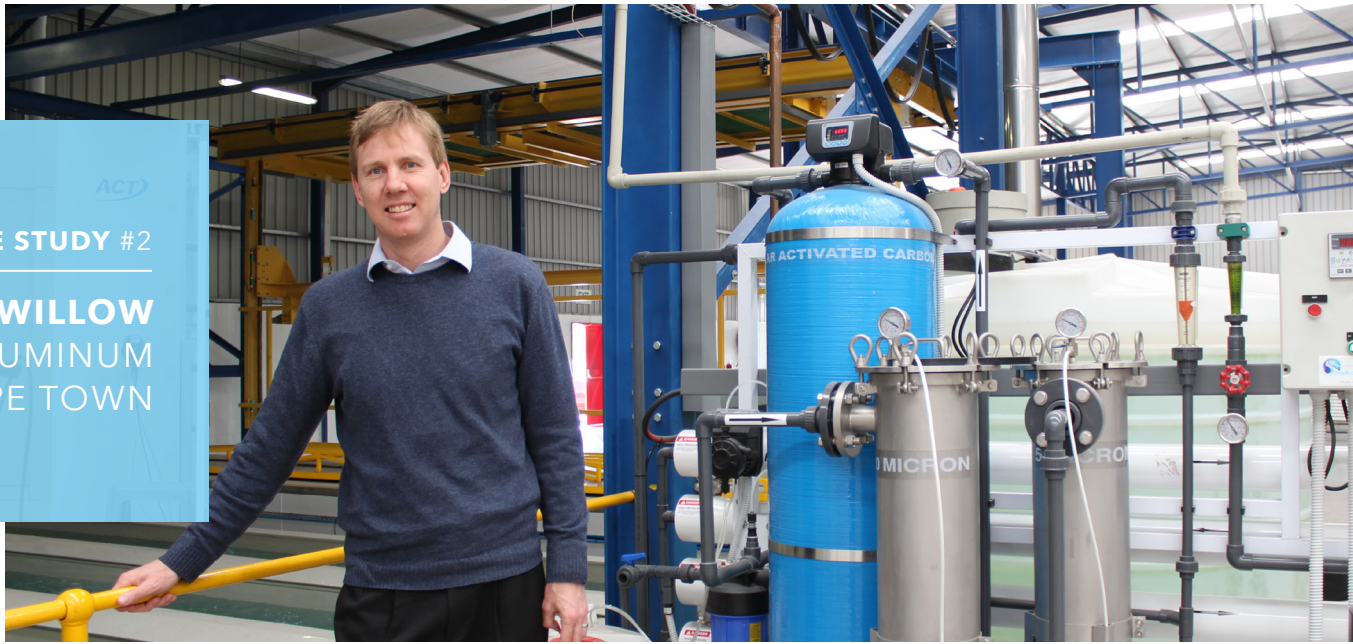
Off the back of the prototype, Marumo and Potgieter did extensive research and planning. “The big thing for us was funding,” says Potgieter, Domestly’s Chief Executive Officer (CEO). “This was a big and bold vision and it required a lot of fuel behind it. Once we secured the funding, we both quit our jobs, packed our bags and moved to Cape Town to launch our dream. And we’ve never looked back. We’ve literally been growing from strength to strength from there.”

Domestly is headquartered in Cape Town and has since its launch opened a satellite office in Johannesburg. Marumo says plans are afoot to expand operations to Pretoria and Durban by 2017. The start-up was recently announced 2016 App of the Year by MTN and won the Best Consumer App Award.

About their decision to be headquartered in Cape Town, Marumo says: “If you’re launching a tech start-up in Africa, this is the place to be.

It is the most mature economy in terms of tech support, so to be part of that community and that hub and that wave was very important for us. Funding was also a big agenda for us, and a lot of that capital is found here. Cape Town has the ecosystem, the community, the network. To tap into that was a big thing for us. We’ll expand our business to other parts of the country and continent, but we’ll never leave Cape Town.”

“The added advantage”, says Potgieter, is the large talent pool in the city. Cape Town has good quality universities, so we have access to young skilled professionals who are energetic and innovative. And as a bonus, the city offers a whole host of services, it is well-run and one of the most beautiful cities in which to live, work and play.”



INVESTOR HAS LOCAL GOVERNMENT ON SPEED DIAL

Having the assurance that any municipal issue will be resolved with a single phone call is what William Duk, managing director and shareholder of the Blue Willow Group, values most about his decision to invest in Cape Town.

Duk is a chartered accountant and winner of the 2012 Sanlam/Business Partners Entrepreneur of the Year competition. He manages several companies in Atlantis under the Blue Willow Group, which includes Plantation Shutters, Blue Willow Aluminium, Blue Willow Properties and Blockhouse Shutters.

In 2007, after an eight-year stint in the UK, Duk “stumbled upon” Plantation Shutters; at the time a small company on the brink of bankruptcy. On the spur of the moment, he decided to purchase the company, a then R3-million business, for R1. “That’s where my entrepreneurial journey started,” says Duk. Within five years, Plantation Shutters, which

designs, manufactures and installs adjustable window and door shutters, doubled the work force and increased its turnover tenfold.

But it didn’t end there. In October 2015, Duk and his associates saw a gap in the market and decided to expand their business. They invested almost R30 million in Blue Willow Aluminium, the first company in Sub-Saharan Africa to offer an environmentally friendly method of pre-treating architectural aluminium prior to powder coating. Today, the Blue Willow Group of companies employ 200 people, the majority of whom live in Atlantis.

“The businesses are doing well. I must admit, though, that the Blue Willow Aluminium investment would not have been possible, and the process certainly not as seamless, without the help of the City of Cape Town’s investment facilitation unit,” says Duk. “They were the champions, and supported us in a number of ways. One of things that really impressed



us was the expedited plan approval process, which took just 11 days. If you compare that to the normal run of the mill approval process, it was extremely quick. We had an enquiry about changing the entrance and reorientating the way people access the property. With things like that it's all about knowing who to speak to at the City. Through that single contact point, everything was facilitated seamlessly.

We also did a complete electrical upgrade, which took just three and a half months. Without that process being expedited, we would not have been able to operate. We had several enquiries and having a single office facilitate it, made things so much easier for us as the investor."

Comforting, says Duk, was that the support and enthusiasm continued after the initial investment was made. "Today, months after we've opened, I have the assurance that I can pick up the phone, call Stanley (Visser) or Christopher (Hewett), with any municipal enquiry and it will be resolved. You won't find that in any other municipality in South Africa." There is a lot of reliance on local government when embarking on a project as sophisticated as opening an automated processing plant in

line with international best practice. "There was a lot of reliance on local government," says Duk. "But it was hugely comforting knowing that we could turn to someone who felt our frustration if it wasn't going perfectly. The investment facilitation team was always there to assist. There's an ethos of accountability, from the mayor (Patricia de Lille) all the way down to the service staff. That was amazing."

Duk says the Johannesburg-based project team that installed the plant was sceptical about achieving the targets when told of the timeframes at the start of the project. "They thought there was no way we'd be able to achieve it because they've experienced similar projects in Johannesburg where 18 months after plans were submitted, they'd still be waiting for things to happen," says Duk.

"Cape Town is without a doubt a great place to invest. When one embarks on any big investment, one really needs the support of local government. If you're not sure who to speak to or engage with, it's one extra challenge you don't need. But the City of Cape Town has, through the single contact point, made things easier."

CASE STUDY #3

CENTURY CITY CONFERENCE CENTRE



USING 'BRAND CAPE TOWN' TO ATTRACT NEW BUSINESS

Things work in Cape Town. That's what makes this city so special, say Glyn Taylor and Gary Koetser, joint CEOs of the Century City Conference Centre.

The duo lead a dynamic team of staff at Cape Town's newest conferencing venue, part of Rabie Property Group's R1 billion Century City Square development. When they're not laying on events, Taylor and Koetser travel the globe to draw inspiration from the best conference centres in the world, but more importantly, promote Cape Town in order to attract new business to the city. The pair recently attended IMEX, a global meetings and incentives travel exhibition in Frankfurt and will soon head to Las Vegas for the North American edition of the show. IMEX is a one-stop shop for planners looking to book and organise worldwide meetings, events and incentive travel programmes.

"When we are on these international platforms, it's not about marketing this facility, it's about marketing the City of Cape Town," says Taylor. "We've got to reflect on the destination first. Cape Town is such a strong international brand,

we use it as our prime selling card... and only once we have our hook firmly in, do we tell you about this wonderful facility. The fact that we have an incredibly well-run city helps. Everyone is fighting to get to Cape Town. We bumped into the KLM country manager in Johannesburg recently, and all he spoke of was Cape Town, so we certainly are of paramount interest out there."

The Century City Conference Centre (CCCC) opened in February 2016. The facility presents event organisers with the unique prospect of a conference facility which can accommodate up to 1 200 delegates in one venue and up to 1 900 people in total, across 20 configurations of halls and meeting rooms. The conference centre and adjoining 125-room Century City Hotel was built in response to growing market demand, says Taylor. "The idea of the conference centre was born to sustain the business levels into the node. We'd seen delegate numbers at conferences in the area swell to beyond 400, and then we would lose them to bigger hotels and conferencing facilities in Johannesburg and elsewhere. There was this gap in the market, from the 600 -



1 000 delegate capacity, that we knew needed to be filled”.

Taylor believes the R1 billion Century City Square development, which the conference centre forms part of, is a strong indicator of investor confidence in Cape Town. “One thing we are immensely grateful for is our relationship with the City of Cape Town,” he says. “The City was of great help during the planning stages, especially around traffic flow and the extension of Sable Road leading off and onto the N1 highway. There’s a wealth of knowledge in the City of Cape Town which we could lean on.”

Most impressive, says Taylor, was that officials took a sincere interest in their business. “That was unique. When they’ve engaged with us, they’ve engaged meaningfully and that’s what makes this city so special.”

Koetser, the former general manager at the neighbouring Crystal Towers Hotel & Spa, says the new facility complements the Cape Town International Convention Centre (CTICC), which mainly hosts larger events. “This facility is not only filling a gap in the market, but also further cementing Cape Town’s position as one of the world’s most sought-after conference destinations.”

Koetser believes the staff make the Century City Conference Centre uniquely different. “They care, and go above and beyond to ensure that every event is a success,” he says. “We’ve had a philosophy from day one, to sell a personality rather than just bricks and mortar. It’s a culture we’ve created.” And it’s a culture that starts with the joint CEOs.

Koetser and Taylor are on the ground and accessible. The two spend most of their day in the conference centre foyer welcoming guests. “You won’t find us in an office,” says Taylor. “When we have big functions, you’ll even see us carrying some plates.” Everything is centred around the client, adds Koetser. “This facility was built with the event organiser in mind. We have a dedicated team of meeting and event planners to help event organisers work through the entire event, from start to finish. By the time the event organiser arrives on site, everything is prepared.” Taylor and Koetser estimate the new conference centre will host in excess of 72 000 delegates in its first year alone.

Century City Square comprises the Century City Conference Centre with a total capacity of 1 200 over 20 venues; a 125-room hotel; 51 apartments, restaurants and coffee shops; 1 330 parking bays and more than 15 000m² of offices in three different buildings. The development has generated more than 300 new jobs.



CASE STUDY #4

GESTAMP RENEWABLE INDUSTRIES (GRI)

HOW A MULTINATIONAL INVESTOR SETTLED ON CAPE TOWN

Gestamp Renewable Industries (GRI), the world's largest wind tower producer, first announced plans to open a factory in South Africa in 2012, but needed a location. After scoping sites across the country, the company settled on Atlantis, 40km north of Cape Town's central business district. The area had the correctly zoned and environmentally authorised land and was well-positioned with both the Cape Town and Saldanha Ports in close proximity, says GRI South Africa plant manager, Christiaan Botha.

Once the location was finalised, Botha expected a long and arduous journey that would entail having to cut through mounds of municipal red tape. But his experience was quite the opposite. "Once land was identified through GreenCape, we were immediately put in touch with City officials. We had a single contact point. They pulled together all the necessary role-players, which made the entire process easier and faster. The efficiency and speed at which this investment was executed is unheard of in South Africa."

Botha says working with the City's coordination

team shaved 18 months off the project initiation process. "That's the duration of an environmental impact assessment alone," says Botha. "We went from conception to being fully operational within 12 months. That's unheard of in Africa. The efficiency of the City's investment facilitation team, together with the enthusiasm of the service departments involved, was worth much more than the R1 million we received in incentives."

Another plus, says Botha, was the aptitude of officials. "They were knowledgeable and helpful, but most importantly understood our needs. From the moment we submitted our plans, to it being approved took only two weeks. The construction company that built the factory said they had never experienced anything like it. If it was anywhere else in South Africa, it would have taken months."

The City of Cape Town in 2013 introduced a series of incentives to help attract job-creating investment into Atlantis. This was later followed by the adoption of a city-wide Investment Incentives Policy.



The policy responds to the opportunity city principle as articulated in the City of Cape Town's Integrated Development Plan (IDP), providing incentives which help foster increased opportunities for economic participation through creating an enabling business environment.

The City focused on Atlantis as this community was in urgent need of assistance. Since implementation, the Atlantis area has seen a marked increase in new industrial investment. The City's incentive scheme consists of financial measures including an electricity tariff subsidy and exemption from land-use application fees, as well as nonfinancial measures such as the city helping companies obtain faster authorisation from the provincial department of environmental affairs and development planning.

The R350 million investment from GRI was the first to be attracted through the incentive scheme and facilitated by the City's Enterprise and Investment Department, which resides in the office of Cape Town mayor Patricia de Lille. The department's core function is to ensure an enabling environment for foreign investment and trade, and to ease the tension of doing business with Cape Town.

GRI's six factories around the world (in Spain, Turkey, India, Brazil, USA and South Africa)

produce about 1 300 wind towers a year. Of those, about 150 are manufactured in Cape Town. Tower sections of 90 tons, 38 meters in length and five meters in diameter can be accommodated at the Cape Town facility.

GRI South Africa brought more than 200 job opportunities to Atlantis. "Within a year, we've upped the number to 342 employees, of which about 300 live in Atlantis," says Botha. "We believe that we've made a significant difference in this community. About 300 households that would otherwise have been without an income, can now be sustained."

Botha says the company would invest in Cape Town again. He dispelled the myth that Cape Town, including council processes, shuts down over the December holidays. "What impressed us most was the eagerness of officials to assist, even at that time of the year," says Botha. "We started negotiating the purchase of the land with the City in December. Over the Christmas period we made the offer to purchase. In January, council approved and by March we had access to the land. The City of Cape Town, including the executive, understood the need to effectively and efficiently facilitate investment."

GRI specialises in the production of tower masts and components for large wind turbines and is a division of Europe's leading steel sector multinational Corporación Gestamp.