

August/September 2007

INDEX

- [Competitions & Exhibitions](#)
- [Craft Sector meeting](#)
- [CCDI AGM](#)
- [Formalise your business](#)
- [Markets, events and opportunities](#)
- [Shows & Awards](#)
- [The 'don't miss' Billboard](#)



Western Cape Craft Sector Newsletter

Competitions & Exhibitions

[Back to INDEX](#)

TRAGIC TWIST IN WIRE ARTIST COMPETITION

In a tragic twist in the wire+plus [this is my Cape Town] project, a Cape Craft & Design Institute (CCDI) initiative to encourage creativity and innovation among wire artists, one of the artists who moved from Zimbabwe to Cape Town a year ago, died of meningitis at Groote Schuur Hospital this week.



Takunda Gochera, who tragically passed away, before he could complete his Tree of Life wire artwork. His brother, Tawanda Gechera, and the other 10 wire artists, have determined to complete his work on his behalf.

TAKUNDA GOCHERA discovered his art talent as a child, when in primary school. As a student his artwork was taken to a gallery in Washington DC, USA. Despite the chances denied him to be able to continue his talent in art, Takunda never gave up and continued doing paintings and wood sculpture in his spare time. He started his wire art form in Zimbabwe and sold his work to buyers who resold them in South Africa. Last year Gochera decided to come to Cape Town himself and sell his own work to local and international buyers. He sold his work from door to door.

Takunda dreamt of recognition as a wire artist in his own right. At the time of his death, he was one of the ten wire artists selected to take part in the wire plus competition. The project provides the artists with exposure and recognition for their talent, and gives them an opportunity to grow as a sub-craft sector. Simultaneously the project offers Cape Town Tourism the opportunity to promote and reflect Cape Town in its many different facets.

At present the artists are producing large pieces of wire art on site at the V&A Waterfront. The art pieces will then form part of an outdoor exhibition during Tourism Month and culminate in an auction on 8 November 2007.

The artists are still very shocked at the sudden death of their brother, but the project continues. Takunda's wire art piece will still form part of the exhibition and the auction, as the other wire artists have offered to complete it.



Mariette du Toit-Helmbold, manager of Cape Town Tourism, and Nombulelo Mkefa, Director of Tourism, City of Cape Town, 'buy' their piece of Cape Town, depicted in the 'iKapa' wire artpiece, being created by Abraham Tapera. Abraham is working alongside the other 10 wire artists on site at the Blue Shed Craft Market, V&A Waterfront.

Andrew Dombuleni shows the curious and determined Thomas Morrison from Dubai how wire can be wound and shaped.



ICONIC [craft] COMPETITION

Entries for the **ICONIC [craft]** exhibition are streaming in. This promises to be one of the best exhibits of Western Cape craft, displaying iconic craft items by well-known and talented crafters. The wine cellar at Spier Estate presents a fascinating space to house this exhibition; and just across the river the Spier Contemporary Art Exhibition will be in full swing.

Crafters who have been honoured as Western Cape Icons are presenting items that epitomise the best innovation and design in their work over the years. The exhibition will be on from mid-November 2007 to mid-January 2008.

CCDI AGM

[Back to INDEX](#)

The Cape Craft and Design Institute will be holding its Annual General Meeting on 21 September 2007, at 11:00. The meeting will be held at the CCDI offices, on the 3rd Floor, 75 Harrington Street, Cape Town.

Craft Sector meeting

[Back to INDEX](#)

FOCUS ON THE MICE MARKET (the *WHAT market?*)

The next Craft Sector meeting will focus on the MICE market (meetings, incentives, conferences and events) and the potentially lucrative corporate gift market.

Amanda Kotze-Nhlapo, marketing manager, Events of Cape Town Routes Unlimited, will discuss the MICE market;

Rose Reddy, manager of GIFT, will reflect on what the mass corporate gift competition 'out-there' looks like, and the unique opportunity that exists for locally handcrafted objects of superlative quality and delivery. Don't miss this fascinating discussion.

Venue: 3rd floor, 75 Harrington Street, East City Cape Town

Date & Time: Wednesday, 5 September 2007, 1:30 – 3:00.

Formalise your business

[Back to INDEX](#)

At the August Craft Sector meeting, Patrick Brink of Integrated Business Solutions discussed the huge advantages to formalizing and registering one's business. Here he reflects on government's commitment to small business development, describes the various business options, provides tips on how to make the business decision, and discusses governmental structures, set up to help you succeed.

The dti's Executive Summary for the Small Enterprise Development Strategy, 2005 - 'Unlocking the potential of South African entrepreneurs' – states:

"After the political transformation of 1994, government adopted the White Paper on the National Strategy for the Development and Promotion of Small Business in South Africa (1995). This white paper created an enabling environment for the accelerated growth of small enterprises following a history characterized by the dominance of large, capital intensive firms and the continued neglect of small enterprises.

"The Integrated Small Enterprise Development Strategy presents the way forward for small enterprise development in South Africa over the next 10 years (2005-2014).

"The strategy is based on three pillars:

- **Promoting** entrepreneurship through campaigns, leadership training and awards
- **Strengthening** the enabling environment through more flexible regulations, better access to finance and markets, improved infrastructure facilities and business support
- **Enhancing** competitiveness and capacity at the enterprise level through skills training, more focused quality, productivity and competitiveness-support and the facilitation of technology transfer and commercialization of incubation."

A business that is set up as a legal entity has:

- Legal capacity, and is competent to have rights and duties
- Capacity to act, and is competent to contract
- Capacity to litigate - it has the capacity to appear in court as a party to a legal action. This protects the owners of the business. If the business is taken to court, for example, it is the business' assets that are at risk, not the personal assets of the owners.

When an entrepreneur or potential entrepreneur considers the registration of their business, they need to fully understand the different types of business entities, the different forms of ownerships and characteristics of each to make an informed decision. There are four types of businesses:

Sole Proprietorship

Characteristics

- Owned and managed by an individual
- No legal requirements for registration except for ensuring that owner is registered for income tax purposes
- Type of business traditionally used for managing a shop, consulting, hairdressers, taverns, and similar small business

Liability

- The owner is liable for all debts and claims against the business

Control and authority

- The owner has direct control over all decisions
- All profits go to the owner
- Free to make all decision and changes
- Business demands high level of commitment from owner in terms of time and his or her resources

Partnership

Characteristics

- Partnership can be owned by a minimum of 2 and maximum of 20 individuals
- There are some legal requirements
- By partnering with other person/s, there are more individuals to provide access skills and finance

Liability

- The partners are jointly and severally liable for the debts and claims against the partnership
- Personal possessions of partners are not protected from any claim

Control and Authority

- Partners have joint control and authority unless otherwise stated at the beginning of the partnership in an agreement
- Can lead to differences of opinion and in this regard the business is less adaptable to -changes than a sole proprietorship
- However, broader based knowledge, experience and expertise; this allows for improved management

Company

Characteristics

- Subject to the Companies Act 1973 as amended
- Able to better attract financing and investors

Liability

- Limited to paying up their share capital in full.

Control and Authority

- Board of Directors and formal Annual general Meeting to be held
- Board of Directors are guided by the Articles of Association
- The Annual General Meeting (shareholders' voting rights) has power to amend articles
- Voting rights correlate with number of shares held in the company
- More skills, bigger decision delays, focus on corporate governance
- The most "common" form of business registration is the Closed Corporation, consisting of 1-10 members. There are different options where to register, viz. on-line with CIPRO, at the various Red Door Centre's through Swift Reg or via accessing the Swift Reg website.

Close Corporation

Characteristics

- Type of business used for legal, medical and financial professionals Subject to Close Corporations Act 1984
- Have characteristics of both partnerships and companies
- Established by way of a founding statement containing details of members, proposed name, interests of members
- The name must end with CC

Liability

- CC is a legal person so members are not liable in their personal capacity
- Members are held jointly and severally liable in specific instances
- Exceptions to personal exemption: abuse of powers, fraud, etc
- Profit taxed as company tax and not in the hands of the member

Control and Authority

- Fiduciary duties (in good faith)
- Each member has authority to bind corporation to transactions

The CC's Accounting Officer will be able to help with any of the following accounting services

- Financial Statements
- All Tax returns
- UIF, PAYE, EMP returns and registrations
- Monthly or Annual Cashbook on Pastel
- Pastel Payroll services; and much more...

Some additional tips to the would-be entrepreneur on CC's

- It is not necessary to rush to register a CC - the entrepreneur can operate his/her business as a Sole Proprietor, you only need to register as such with SARS. However, once your business grows it could become more advantageous for the entrepreneur to register as a CC in order to tender for government procurement work (although being registered as a Sole Proprietor is legitimate and the entrepreneur may tender).
- With a CC the would-be entrepreneur needs to become more disciplined in administering his/her business. The entrepreneur must use a bank account that was opened for and in the name of the CC. All bank statements and cheques of all the CC's bank accounts must be kept. Make use of a Petty Cash account to keep record of all

amounts paid in cash. Simply keep all the invoices, paid in cash, in a separate file. Keep all other transaction invoices on behalf of the CC.

- Make sure that all invoices issued to the CC are in the name of the CC or its trading name, and not in the member's name. Keep all physical cash of the CC separate from your personal cash. Try not to use the CC bank account for your personal transactions. The CC continues to exist despite any changes in its membership. If membership changes, the change takes effect only on registration of the Amended Founding Statements.
- Members are not liable for the debts incurred by the CC. The members' liability is in principle limited to their respective contributions. All the members of the CC may act on behalf of the CC in the normal course of business. Please take note that their action commits the CC and may create problems in the carrying on of the business.
- A CC's financial records do not need to be audited by an auditor. This is one of the reasons why a CC is less expensive to run than a Company.

Vat Registration

- It is compulsory to register as a VAT Vendor if the turnover of the business is more than R300 000 per annum. This also applies if you expect that your turnover could exceed R300 000 per year.
- The entrepreneur may voluntarily register as a vendor if their turnover is less than R300 000 but more than R20 000 per year. The VAT application can only be done after the CC has been registered and the entrepreneur **must** have opened a bank account in the name of the CC.
- SARS **may not** refuse the entrepreneur to register the entrepreneur as a VAT vendor if he/she is legally obliged to do so. VAT is normally paid for the previous two months of trading. The entrepreneur/learner can get assistance at their nearest SARS office for assistance with VAT registration after their CC has been registered.

Red Doors and SEDA – to help you succeed

Government is ensuring that access to information and business support services are accessible to all, hence the provincial initiative of the Red (Real Enterprise Development) Door by the Department of Economic Development and SEDA (Small Enterprise Development Agency) on a national level. The main functions of SEDA, according to the National Small Business Act of RSA No 2004, Substitution of Chapter 3 of Act 102 of 1996, states the following in respect of SEDA:

"Functions of the Agency

10. (1) The agency must –
 - (a) implement the policy of the national government for small enterprise development
 - (b) design and implement a standard national delivery network that must uniformly apply throughout the Republic in respect of small enterprise development, integrating all government-funded small enterprise support agencies across all spheres of government
 - (c) design and implement small enterprise development support programmes in order to ...".

The act goes on to point out the various deliverables ultimately to assist entrepreneurs to develop their businesses, create employment opportunities, reduce poverty and inevitably grow the economy.

The Red Doors and SEDA are creating 'one-stop shops' for entrepreneurs and potential entrepreneurs to receive assistance, access information and advice regarding their

businesses. They are working closely with other government departments and initiatives, as well as public/private partners to ensure that entrepreneurs receive a holistic service assisting them to formalise their businesses and ensure that they prescribe to regulations in terms of tax compliance, company registrations, financial management, the Seta's in terms of the Skills Development Act, the labour laws in terms of the Basic

Conditions of Employment, the Employment Equity Act, etc.

Irrespective in which sector your business falls, that sector makes provision for ensuring that your business will be run legitimately!

Contact Patrick Brink on 021-761-7770 | 082-369-5971 | patrickbrink@telkomsa.net for your business queries.

Markets, events and opportunities

[Back to INDEX](#)

AMBIENTE INTERNATIONAL TRADE FAIR, Frankfurt, Germany - 8-12 February 2008

The dti is hosting a National Pavilion at Ambiente 2008 - a consumer-goods trade show - and offers support to export-ready producers of South African cultural products through their EMIA (Export Marketing & Investment Assistance) scheme. Ambiente will host more than 4,600 exhibitors from 85 countries and over 150,000 visitors from 128 nations. Visit www.ambiente.messefrankfurt.com for more information on the event.

The EMIA & National Pavilions incentives enable qualifying SA exporters to showcase their products in foreign markets in a cost-effective manner by contributing to their airfare, subsistence allowance, transport of samples and exhibition related costs. There are advantages to exhibiting on a National Pavilion, such as showcasing your products to buyers from around the world, matchmaking with foreign firms, benchmarking (comparing) your product to competitive products, and obtaining sales leads and securing export orders.

To qualify the following criteria you must:

- be a registered entity (have a Certificate of Incorporation/Partner Agreement/be a sole proprietor)
- have a tax clearance certificate
- be a registered exporter (have a Customs & Excise Registration Certificate)
- have an export marketing plan
- have a full colour product brochure
- have a company profile and company logo in high resolution electronic format
- have audited financial statements (sole proprietors to have 3 months' bank statements)
- person travelling to Germany to have a valid passport

The dti deadline for submission of applications: 7th September 2007 See www.thedti.gov.za for more information; contact Victor Makhele of the dti (Asst. Director: EMIA: National Pavilions) on 012 394 1034; or contact Nicola Dolby (Market Access: Retail & Export, CCDI) on 021 460 3944 | dolbyn@cput.ac.za.

CALL FOR CRAFT for the 4TH FESTIVAL OF ARTISTIC OBJECTS, POZNAN, POLAND - 7-9 December 2007

This is a flea market-type Festival of mainly Polish fine art, folk art and handicrafts, with art and craft workshops. The

emphasis is on Christmas decorations and gifts, with smaller, lower-priced items selling best. See www.festiwal.mtp.pl/en for more info.

The criteria for product selection:

- Christmas decorations or small Christmas gifts
- mid to lower range priced items (rather than high-end artworks)
- technical and design quality
- marketable and/or innovative designs
- products must be South African in origin and design content
- actual producers only (no traders)
- must have business cards/marketing material to send with the products

Product selection will take place on **Tuesday 18 September 2007, 9:30-12:30** at the CCDI, 2nd floor. **Bring** samples of the full range of products you would like to submit, retail prices of all your products, and an example of your business card/marketing material.

Contact Nicola Dolby (Market Access: Retail & Export) on 021 460 3944 | dolbyn@cput.ac.za for more information.



GIFT INVITES YOU FOR PRODUCT SELECTION

The GIFT corporate gift warehouse is increasing its product and sample range, and invites you to bring your products for selection. Product selection takes place every Wednesday for the whole day - no appointment is necessary - the GIFT team will be standing by to assist you.

Good orders are coming from the corporate market as GIFT becomes better known; the unique service offered in empowering local crafters and bring maker and market together is paying off to establish GIFT as the preferred gifting solutions provider.

Become part of the successful team, making and designing product for this niche market - commonly known as the MICE market (meetings, incentives, conferences and events). Contact 021 460-8374 for further information.

CALL FOR CRAFT for the CAPE TOWN FLOWER & GARDEN SHOW, Lourensford Wine Estate, Somerset West - 25 -28 October 2007

This is a flower and garden show with show gardens, demonstrations, stalls selling plant and botanical related items, food, wine and music. The CCDI is organising a craft shop in partnership with Cape Town Routes Unlimited,

combining craft and Western Cape tourism material on the stand.

The criteria for product selection:

- plant / flower / botanical / horticultural inspired products – either for use in the garden, or plant themed
- technical and design quality
- marketable and/or innovative designs
- products must be South African in origin and design content
- actual producers only (no traders)

Product selection will take place on **Thursday 13 September 2007**, 13:00-16:00 at the CCDI, 2nd floor.

Bring samples of the full range of products you would like to submit, as well as retail prices of all the products.

Contact Nicola Dolby (Market Access: Retail & Export) on 021 460 3944 | dolbyn@cput.ac.za for more information.

WESGRO EXPORTER DEVELOPMENT PROGRAMME LEVEL 1 – KICK START YOUR EXPORTING CAREER - 12 September 2007

Wesgro, the Western Cape Investment and Trade Promotion Agency, in conjunction with the **Cape Craft and Design Institute (CCDI)**, will be hosting an interactive, subsidised exporter development workshop, aimed at new and potential exporters. The workshop will deal with the nuts and bolts of exporting and will provide insight into what it takes to be successful in the export arena.

Topics discussed in Level 1 A and B:

Level 1A – Introduction to Exports – Why export? | Assessing company readiness | Export strategy planning | Influencing market decisions facing exporters | Export preparation

Level 1B – Overview for Beginners - Exchange control | Financial instruments and methods of control | Incoterms, costing and contracts of sale | Logistics and administration of the export process

For more information, and to attend, contact Cheryl Damons before 10 September 2007 on 021 487 8633 | cheryl@wesgro.co.za.

CALL FOR CRAFT for SPIER CRAFT MARKET

Calling all Western Cape craft producers! The Spier Craft Market will again open on the first week of October and run to the end of April 2008. This is a consistently

successful event at one of the Cape's premier tourist destinations and the organizers are looking for new products in beadwork, textiles, ceramics, glass, wood, paper, leather, recycled materials etc.

Anyone interested in applying, contact Sue Heathcock on 082 926 6169, Jan Lloyd on 082 518 6604 or Derrick Zolile Senteni on 072 334 4608.

EXPORT AGENT REQUIRED

John Rote, an American importer of craft, is looking for an agent with experience to assist him with procurement, product development, shipping logistics, and other matters relating to the export of craft. If you are interested in this opportunity, contact John on johnrote@gmail.com.

2010 - UPDATE

According to **David Frandsen**, executive manager: integrated marketing services at Cape Town Routes Unlimited, important markets to watch for Cape Town and the Western Cape for 2010, are -

- * Core: US, UK, Germany and The Netherlands.
- * Tactical: Australia, Japan, France, Scandinavia, Italy and Switzerland.
- * Investment: Nigeria, Brazil, Argentina, Korea, Belgium and Ireland; and
- * On the watch list: Ghana, Angola, Eastern Europe, Spain and Portugal.

Quoting SA Tourism statistics, Frandsen said projected visitor number increases by 2010 were as follows:

- * USA: 20% to 305 705, with R452m yield increase on 2006
- * UK: 20% to 610 040 (R1bn)
- * Germany: 30% to 369 310 (R957m)
- * The Netherlands/Belgium: 30% to 235 344 (R569m)

- * Australia: 20% to 111 745 (R144m)
- * Japan/Korea: 20% to 60 983 (R72m)
- * France: 30% to 151 554 (R309m)
- * Scandinavia: 30% to 135 020 (R283m)
- * Switzerland/Austria: 30% to 90 202 (R189m)

- * Nigeria: 20% to 43 777 (R72m)
- * Brazil: 100% to 59 776 (R225m)
- * Argentina: 200% to 26 253 (R122m)
- * Spain/Portugal: 20% to 74 461 (R104m)

Sourced from Now Media (Pty) Ltd 2007, Tuesday, August 28, 2007. Story by: Hilka Birns

Shows & Awards

[Back to INDEX](#)

SMALL BUSINESS WEEK

Small Business Week, held at the CTICC from 16-18 August, attracted larger crowds than was expected. The CCDI stand received more than 800 enquiries on starting or expanding a small craft business. A number of service providers also offered their services to the craft sector. The Picasso and Africa craft product display on the CCDI stand drew much attention; many expressed amazement at the creativity and originality of the products.

Lyndon Metembo, Rural Outreach Officer, on the CCDI stand – at the end of the day, both exhibitor and visitor needed to rest their feet!





WESTERN CAPE WINS BEST PROVINCIAL STAND AT ONE OF A KIND

The Western Cape stand was awarded the Best Provincial Stand at One of a Kind, prestigious partner expo to Decorex Johannesburg, held at Gallagher Estate from 8-12 August 2007.

Eighteen Cape crafters, producing ceramics, jewellery, bags, toys, leather accessories, and wire and mosaic art and décor objects participated on the stand, organised by the Cape Craft & Design Institute and styled by Sue Heathcock and Derrick Senteni.

The stand was judged on the criteria of First Impression (Does the stand have a "wow" factor), Layout (originality of design, finish, lighting, signage, movement and

excitement), Branding and company identification (promotional material and presentation of product) and Customer Orientation (neatness of stand, attitude to customers, questions asked about needs and evidence of follow-up i.e. relationship building).

The winning team, thrilled at their achievement, has voted One of a Kind a great opportunity to meet with both buyers and consumers, hold discussions and receive immediate feedback. Sales were over R80 000 with orders for a further R46 000 being received.

WESTERN CAPE'S MAGPIE WINS BEST INDIVIDUAL STAND AWARD AT ONE OF A KIND

Magpie Homefineware's stand was awarded 'Best Individual Stand Award' at the annual 'One of a Kind' Decor Show at Gallagher Estate in Johannesburg. Magpie wowed judges, buyers, and decor enthusiasts with its exciting display of innovative chandeliers, lighting designs and recycled products. This was the first time the 9-year old company exhibited at 'One of a Kind'.

The 'don't miss' Billboard

[Back to INDEX](#)

EXCELLENT CRAFT PROJECT AVAILABLE

For the past 10 years Linet Hauptfleisch has co-ordinated the Zuko Dolls craft group, buying and sourcing materials, doing quality control, and finding outlets for sales. This has always been her charity/hobby. Linet now wants to retire and spend time with her grandchildren & other hobbies, and is offering Zuko Dolls as an opportunity to someone with drive and energy.

Until now, Zuko Dolls has not been a registered business. However this means that anyone interested can take it over, with the women's approval, and turn it into one.



Zuko Dolls is a small craft group, producing handmade dolls, including an Archbishop Tutu doll (made with his permission), a traditionally-dressed Xhosa family (man, woman, girl and boy - though the men are not such good sellers as the women!), and various other dolls suitable as toys. Four women are involved in

the making of the dolls and clothes, and are experienced in producing the products. They live in Phillippi, Nyanga and Samora Machel. Linet has always cut the bodies and clothing and stored the materials, as the women work from their homes and space is at a premium.

The dolls are sold at various retail outlets craft markets in and around Cape Town. The dolls were approved for sale at the V&A Waterfront, and are sold on a permanent stall. Archbishop Tutu-dolls are sent regularly to Cathedral shops in the USA, while Umfazi and others sell in the UK.

Contact Linet on 021 531 2700 | mlhaupt@mweb.co.za for more information.

KILNS FOR SALE

JEANNETTE UNITE STUDIO needs more space and is selling 2 glass kiln metal frames for R1500 each. They are approx. 154cm long x 75cm x 43cm deep, top loaders, on a 57cm high metal frame base. Refurbishing these kilns will make them as good as new and will cost less than half of a new one - contacts for repair will be provided. Contact Jeannette on 021 465 3781 | 082 925 1834 | junite@iafrica.com.

FURNITURE - for sale at the CCDI

The CCDI is selling off some old display furnitures used at various shows. Come shopping!

- Coffee Table – R1400
- Denin-covered Chair – R1600
- X 2 Arm Rest Denin-covered gilt-edged Chairs – R2000 each
- X5 Black Cubes – R30 each
- Blue Big Cube – R60
- X2 Cupboards with 1 Door – R200 each
- Steal desk with chair – R200
- Wooden table – R1200
- Wooden table with 4 chairs – R2000
- Wooden Blue chair – R140
- Wooden gilt-edged dressing table with mirror – R2200
- X4 Black and grey Screen – R1500 each
- Plain material screen – R2200
- X18 Wooden panels – R10 each
- Side cupboard with 2 doors and drawers – R2200
- Mosaic placemat - R60
- Wooden Frame