



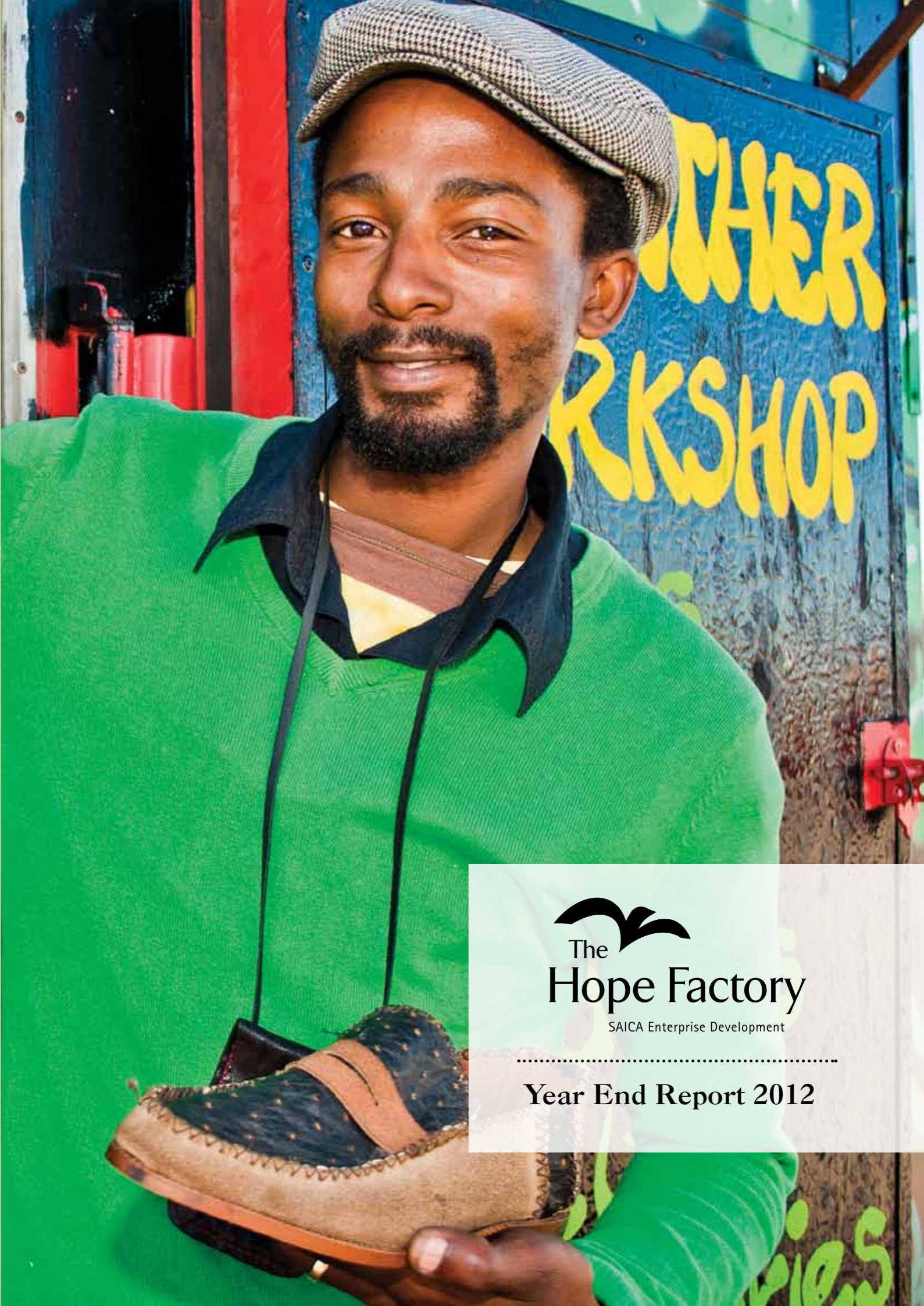
The Hope Factory Team

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www.thehopefactory.co.za

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Year End Report 2012

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2012 has indeed been yet another exciting year for The Hope Factory. By the end of this year, The Hope Factory will have had well over 1000 people come through our various programmes over the past 12 years. Of these participants, more than 70% have remained financially productive and they in turn have directly supported approximately 5000 people. We are proud of this profound impact!

In this year alone, we have assisted 48 entrepreneurs in Port Elizabeth to register their new businesses with a number of new registrations still pending. We have also been developing a 'pipeline of entrepreneurs' in the region, with 78 potential entrepreneurs having attended the Equipping: Start Up (pg 5-6) and Equipping: Business Development Programmes (pg 7-8).

Entrepreneurs who have registered their own business, been through one of our appropriate business training programmes and have developed a solid business strategy with the help of their individual business mentor then qualify for The Hope Factory Entrepreneur Support Programme in PE. You can read further about some of the services offered as part of the PE Entrepreneur Support Programme on (pg 12-14) and (pg 17-34). In the past year we have further trained, supported and equipped 42 existing entrepreneurs and 15 Hope Hub entrepreneurs for growth through this programme.

The measured impact on the businesses is the following:

- 95% of all the businesses have implemented a budget
- 95% of all the businesses now have accurate financial record keeping systems

- 54% of the general businesses and 92% of The Hope Hub based businesses have experienced a growth in turnover in the past year
- 86% of these businesses now have a coherent business strategy or plan
- 64% of these businesses have increased their market share
- 36% of general businesses and 64% of The Hope Hub based businesses have experienced a growth in profit in the past year.

As you are probably aware, the draft revised BBBEE codes were released by government in October this year. Be assured that The Hope Factory team have investigated all aspects of the codes, and the implications they may have for you the funder, especially in the areas of Socio-Economic Development, and Enterprise Development. The time frames involved are that the current codes remain as is for 2013 and the new codes will only come into effect some time in 2014. One of the major changes suggested is that of a newly created priority element: Enterprise and Supplier Development (40 points) which is a combination of the existing BBBEE Codes Preferential Procurement and Enterprise Development elements.

In line with these proposed changes to the codes, The Hope Factory is proud to announce that the new Johannesburg Entrepreneur Support Programme (pg 15-16) will include both Enterprise Development and Supplier Development – with the possibility of being able to offer places on this programme to your current or potential black suppliers. Please feel free to contact us should you have any black suppliers that you would like to put forward for this programme. We are also investigating other elements in the proposed codes that you may be able to earn your points through us in the future.

It is only through the investments from you, our stakeholders, the passion of The Hope Factory staff, and the enthusiasm of the entrepreneurs themselves, that we are able to continue to create and grow businesses in South Africa. We would like to say a very big thank you for choosing to continue to pioneer with us and help grow a brighter entrepreneurial future for our country.

Liz Zambonini

Liz Zambonini
CEO: The Hope Factory

Annie McWalter

Annie McWalter
Deputy CEO

The Hope Factory Model

The Hope Factory believes in both creating and growing businesses in South Africa. We have created programmes that cater for both Socio-Economic Development and Enterprise Development.

Interview & Selection Process

As we recognise that not everyone will be able to start and grow a business successfully, we have a thorough interview and selection process.

INTERVIEW & SELECTION PROCESS

Equipping: Start Up (SED)

Our Equipping: Start Up Programme is aimed at potential entrepreneurs. This programme covers basic business skills, life skills and technical skills, as well as an extensive mentoring process which allows the entrepreneur to explore and test their potential business idea.

START UP PROGRAMME
Training and Mentoring for Potential Entrepreneurs
(Socio-Economic Development)

EQUIPPING

BUSINESS DEVELOPMENT PROGRAMME
Training and Mentoring for Existing Entrepreneurs with registered businesses
(Enterprise Development)

Equipping: Business Development (ED)

Our Equipping: Business Development Programme is aimed at entrepreneurs who need assistance to grow their businesses. This programme provides them with business skills training and mentoring on a part-time basis so that they can continue to run and develop their businesses.

JOB PLACEMENT

Those individuals who choose to exit our programme are assisted with finding suitable employment.

ASSESSMENT & REVIEW

Assessment and review

Business ideas are presented to the Entrepreneur Selection Committee for assessment and review. The committee selects who will participate in the Entrepreneur Support Programme.

ENTREPRENEUR SUPPORT

Range of Services offered:

Mentoring & Business Development

Capital Investment Opportunities

Networking Opportunities

Workshops

Access to Markets

Specialist Training

Industry Exposure

THE HOPE HUB Incubator Facility

Entrepreneur Support Programme

The Hope Factory has developed a flexible and holistic support programme to assist entrepreneurs in growing their businesses. It consists of various offerings underpinned by strong business mentoring.

The Hope Hub

This Incubator Facility provides selected entrepreneurs with additional support by way of shared resources and low cost rental operating space in order to improve and grow their businesses.

Equipping: Start Up Programme

“The trainers are so willing to help and my mentor always told me you can do this. He believed that I can be something.”

Philiswa Bangiso, participant on the Equipping: Start Up Programme

Creating Businesses

One of the 2012 highlights in the Training Department has been the diversification of businesses from our historic sewing businesses, with entrepreneurs emerging in the Catering, Supplier, Service and Manufacturing Sectors.

To support this, we have introduced new programmes into our training offerings.

Our annual target was to train and equip 60 potential entrepreneurs and assist them in starting their own business. This target was exceeded, with over 78 potential entrepreneurs graduating from our Training Programme, of which approximately 70% have had their businesses registered so far and have moved into the Entrepreneur Support Programme.



Learners performing at the graduation and fashion show



Luyanda Mpolongwana



Yandiswa Dubase

“It has been a great experience. I enjoy the Mentoring and Business Skills Classes the most as it makes me think more in depth and strategically about business.”

Morshe Schoeman



Designer Jason Kieck with winners from the Advanced Sewing Class

Equipping: Business Development Programme

Growing Businesses

2012 saw the introduction of the Business Development Programme, which has taken 45 entrepreneurs through in-depth business and financial training. This course was designed specifically around the challenges that entrepreneurs face, both in business development and particularly financial management.

With the focus being equally spread between professional training and one-on-one mentoring sessions, a large proportion go on to become part of the Entrepreneur Support Programme.

Overall, there has been great feedback received from this programme and we continue to strive for excellence and relevancy in our programme material in order to deliver real value to our entrepreneurs.

“*I think every entrepreneur in South Africa deserves to do this course. It is the best.*”

Lizo Tolom, *entrepreneur on the programme*

“*This course is very good for us, to give us some knowledge of how to manage business.*”

Andile Mabope, *entrepreneur on the programme*



The Port Elizabeth recruitment campaign

Bringing hope to entrepreneurs



“Vuka Emaqandeni, Wake UP! A new day is dawning, The Hope Factory is calling...” are the words to The Hope Factory song (sung by Zolani Mahole of Freshly Ground) that set the tone for the start of The Hope Factory recruitment and marketing campaign in May 2012, Port Elizabeth. The aim of the campaign was to recruit high calibre entrepreneurs for the new Business Development Programme, and potential entrepreneurs for the Equipping: Start Up Programmes.

The outcome of the campaign was overwhelming – with 1200 application forms received. The exposure and awareness created in the Eastern Cape has continued to strengthen our brand and vision – that of growing small businesses, and impacting the greater community.

VUKA WAKE UP
EMAQANDENI

A NEW DAY is **DAWNING**

The **DAY** that can **CHANGE YOUR LIFE**

Vula! the **DOORS ARE OPENING**

FOR THOSE WHO HELP THEMSELVES

NOW IS THE TIME to **PLANT, GROW & BEAR FRUIT**

NOW IS THE TIME TO MAKE THE WORLD **YOURS**

the **TIME** to **CHANGE YOUR LIFE**


TO MAKE YOUR **DREAMS COME TRUE**

FOR YOUR CHILDREN AND THEIR CHILDREN

WHEN A DOOR OPENS

THE CHOICE TO WALK THROUGH

BELONGS TO YOU



or the possible

It is wanted can be had

turn out for the best

and I see who you can be



Mentoring session in progress

Port Elizabeth Entrepreneur Support Programme:

Mentoring and Business Development

Each of The Hope Factory entrepreneurs is allocated an individual business mentor and also has access to financial mentorship as part of the Entrepreneur Support Programme

As it takes a great deal of self-confidence to start and sustain a business, one of The Hope Factory's major tools for supporting and growing entrepreneurs is that of business and financial mentorship. A critical success factor for The Hope Factory is that we build the self-confidence of each person. We encourage them to dream, to set goals, and then to achieve them.

At The Hope Factory we have developed a number of support milestones that the mentors take the entrepreneurs through. Some of these key milestones include:

- the assessment of the entrepreneur in terms of their drive and capabilities,
- basic competitor analysis,
- market research and identification of potential new markets,
- research into best pricing and suppliers,
- appropriate costing of products or services to their target market,
- financial principles for running a business and financial administration,
- the development of a basic business plan,
- the development of a marketing strategy,
- key operational considerations,
- getting all company statutory and legal requirements in order, and
- management and leadership training.

We currently have over 100 entrepreneurs on our Entrepreneur Support Programme. In the past year, we have seen a number of great successes that have been achieved through our team of 14 full-time business mentors and 2 financial mentors.

- 95% of our entrepreneurs have a budget for their business
- 95% of our entrepreneurs have started to implement accurate financial record keeping systems
- 86% of our entrepreneurs have developed a coherent business strategy for their business
- 64% of our general entrepreneurs (not based at The Hope Hub) have experienced a growth in turnover and have increased their market share in the past year
- 36% of our entrepreneurs have experienced a growth in profit

These results are particularly notable given that this is the first year of the programme for most of these entrepreneurs.



Bongive Ntanjana with Business Mentor Litha Zibula



Elated capital investment award recipients



Mantoa Sello with Business Mentor Desmond Carrol



Siphiso Sume and Unathi Godlo with Business Mentor Darren Ryder



Workshop in progress

Capital Investment

Boosting businesses through Capital Investment opportunities

“The Hope Factory entrepreneurs have the opportunity each quarter to apply for capital investments into their businesses. “The investment handovers are made to help grow their businesses. The entrepreneurs are given this opportunity and then have the responsibility to put the investment to positive use for business growth” says Ashley Murray, Mentoring Manager.

Approved investments are awarded to the entrepreneurs at investment handover events. For the entrepreneurs themselves, these are moments of great anticipation and excitement for the impact that these investments will have on their businesses. Business mentors will monitor and assess the impact of these investments in the months to follow.

“I am very grateful because this opportunity is happening at the right time for me and is going to change things and help me to do my work better.”

Siphokazi Loli, *Sikanyiselwe Trading* received a sewing machine, over-locker and fabric paint for her business.

“I have been waiting for this opportunity for a while. This training is a chance to make my business grow.”

Vuyiswa Nqcelwane, *Obamubhle Trading* will attend a specialist training course in beauty therapy.

Workshops

Insightful workshops impact entrepreneurs

As part of business development and growth for The Hope Factory entrepreneurs, a series of 10 workshops were held this year.

Specific workshops were designed and offered to coincide with areas of development identified by the entrepreneurs’ mentors. These workshops form part of the overall strategy to improve business skills. Examples of workshops attended include SARS, Finance and Marketing.

“The SARS workshop helped me to understand why I have to pay tax and how important it is”, says Mantoa Sello, owner of *Rehauhetswe Fashion Designer*. She also attended the Marketing workshop and learned that; “When I go out to market myself I have to understand the environment in which my customers are in. I have adapted my pricing according to my market.”

More workshop topics are planned, including Business Ethics and Etiquette, Communication skills, basic IT skills, Production Methods, Quality Assurance, Social Media and Web Based Advertising amongst others.

Johannesburg Entrepreneur Support Programme



Serema Tshesane, owner of Balela Telecoms

The Hope Factory added a Johannesburg Entrepreneur Support Programme to its portfolio of offerings in November this year. With the programme in its pilot phase, The Hope Factory seeks initially to grow 30 black businesses with an annual turnover between R250 000 and R5 million. In line with the new codes, we will be offering a supplier development angle within this programme.

The programme consists of a range of services such as capital investment opportunities, networking, workshops, access to markets, specialised training and industry exposure. This is all underpinned by solid one-on-one mentoring. The purpose is to assist entrepreneurs in building sustainable and profitable businesses.

We are delighted with this new development, especially as it includes an element of enterprise and supplier development and we look forward to providing you with more information on this next year.

The Hope Hub

Selected entrepreneurs from The Hope Factory Entrepreneur Support Programme are able to join The Hope Hub for up to three years, but are evaluated on a 6 monthly basis.



The Hope Hub, our Incubator Facility, opened its doors in November 2011 with 15 entrepreneurs.

This Incubator Programme provides entrepreneurs with much needed support by way of operating space, resources and facilities to improve and expand their businesses.

In addition to these benefits they also participate in the Entrepreneur Support Programme.

Some of the challenges that The Hope Hub entrepreneurs have faced have been:

- a struggle to balance their key operations with general business management;
- time management skills;
- financial management and separating their business and personal finances and
- lack of computer literacy.

These areas have received attention in our Mentoring Programme, and good progress has been made. Access to computer facilities has had a significant impact on the entrepreneurs' businesses.

We have worked hard with our Hope Hub-entrepreneurs this year particularly in the areas of mentoring



Internal layout of The Hope Hub

and workshops. Key focus areas included strategy development (through our small business dashboard), financial mentoring and basic recordkeeping.

Access to market opportunities have included exposure to the Grahamstown Arts Festival, the Motherwell market (PE) and various other local markets. Many of The Hope Hub-entrepreneurs have been registered with the Port-Elizabeth Business Chamber and appear in their annual publication.

We believe these initiatives provide valuable insight and impact on our participating entrepreneur's growth and development.

As our first year at The Hope Hub draws to a close, we are excited to report on the following key successes:

- 92% increase in turnover
- 54% increase in profit
- 69% increase in customers
- 85% have a coherent business plan
- 100% have branded business cards and flyers

Please join us in reading a few of our entrepreneurs' stories and interviews over the next few pages.



Luvoyo Zinco of Zinco Clothing with clients



Nomaxabiso Klaas, Senior Executive of The Hope Hub holding a weekly meeting with entrepreneurs

The Hope Hub entrepreneur success stories

Richard Sardine

*Happy Hands
Creations CC*



Richard Sardine, the owner of Happy Hands Creations, manufactures clothing, beaded jewellery and also does screen printing.

Over the past year Richard has adapted his design style and process, moving from using softer to harder material such as denim, due to an increase in demand for this from his customers.

Richard gleans his ideas from his customers. He also searches the internet for inspiration and keeps track of trends.

Richard finds the communal office space in The Hope Hub with other entrepreneurs, inspirational. From time to time he outsources work to the other Hope Hub-entrepreneurs if he gets a large order he can't fulfill on his own.

Richard ensures consistent quality of his garments by putting great care into their manufacture. Richard remarks that, "I always compare the one (garment) I did now to the one I last did, to check if there is an improvement". He also listens to his customers' requirements and feedback. So far this has paid off for Richard, as he has been getting repeat purchases and great feedback from satisfied customers. Right now his focus is on marketing to grow and attract new customers.

He is on Facebook, and also uses the internet, email, his cell phone and his new website to market his business.

Happy Hands Creations' biggest success came just after the business was launched when Richard received an order for jackets and jeans from a local well-known Kwaito group who wanted outfits for a show. This, he believes, was good for brand awareness in the community.

When asked what his ultimate dream is, he responds that "The big vision is obviously to grow the business to be respected as a brand."

Richard works with a business mentor and finance mentor from The Hope Factory, whom he says teach and challenge him to improve the way he runs his business.

If asked for advice on starting a new business, Richard says, "I'd just tell them, first you must know what you want. The minute you know that, you start dreaming about it, then set a goal, and then you reach for that goal. You just work hard, it is not going to be easy, there will be challenges... you must work hard for the things that you want."

*"A good entrepreneur
is a doer not a dreamer.
So you must not dream
a lot but work hard
because it is not easy
out there."*

Khuseka Charlieman

*Owner of Khuseka's Cultural Creations CC
She specialises in matric dance dresses, alterations,
traditional wear, jewellery and handbags.*

Since joining The Hope Hub, have you changed the range that you offer?

When I was working at home, I saw my ability, (but) my experience was limited. Now I'm here at The Hope Hub, there are other entrepreneurs, so I can see some change in style. Here I can make my business grow. As I talk with my colleagues I get great ideas to improve my style of doing things. Also, as my colleagues are talking we are advising each other. Now I have some new suppliers and they are much cheaper than the ones I used to use.

Do you have help with big orders?

Yes, my kids help me when they can. Once we made 500 items within 4 days over a long weekend! If they can't help, I'll ask some of my colleagues here to help me.

Regarding your marketing, how do your customers get to know about you?

I make pamphlets and distribute them. I travel by train, so some of my customers are on the train so I give them some pamphlets and show them what I'm doing. I also wear some of my clothes as a way of advertising. For matric dance dresses, I go to schools, and market myself. I also have business cards.

Why do you think customers buy from you?

My standard of quality is good. I also negotiate with the customer. I know how to cost now as Jill, my Finance Mentor taught us. As matric dance dresses are in demand, you can charge a good price.

What is the next step in your business?

I want to have a Certificate in Advanced Sewing to make something better than matric dance dresses, like wedding gowns for example. My dream is to have people work for me who sew so that I can just design and instruct people.

Is technology important in your business?

Yes, I use the internet. I email my photos of my designs. Even my sister in Johannesburg will call and order when they want something. I use my cell phone to make calls to customers. I also browse the internet for ideas for designs.

Who is your mentor and what have you learnt?

Desmond is a tough man and I like him. He pushed me to get onto Facebook in order to advertise my products, and also asked me to make a new product every month. He also wants to see new customers every time I see him.

If one of your friends came to you for advice on starting a business, what would you tell them?

If she wants to start a business she must love the product which she is making. She must take a risk, she must focus on what she is doing and otherwise she won't make it, stay focused and just stay disciplined, especially in financial matters. The sustainability and growth of the business depends on the financial side.



Khuseka Charlieman of Khuseka's Cultural Creations CC



Mbongeni Jawa of Entwine Instinct Textiles at work screen-printing

Mbongeni Jawa

Entwine Instinct Textiles CC

“ I can give my customers my business card or email address now. With an office in the CBD area, people are going to think you are professional. I am more confident now when I sit behind my desk and discuss business.”

Mbongeni Jawa is the owner of Entwine Instinct Textiles, which focuses on printing shirts, bags, ribbons, material and any other printable objects. Jawa realised that there was a great demand for individuals who have their own design ideas and their own brands, but who don't have access to printing. “So they came to me and said, ‘please print these t-shirts and I would like it done professionally at a cheaper price,’ ” explains Jawa.

Jawa also designs his own t-shirts, saying that, “I probably get all the ideas, as I speak, I talk a lot, so 60% of what I say, will probably end up on a t-shirt! It's like I can write a sentence on the t-shirt and people catch up on the message... many ideas come from what I see every day and what I go through.”

Jawa markets his business using flyers, which he has found very effective in getting new customers. He also uses Facebook to interact with potential customers and receives valuable feedback from existing customers.

Jawa has two friends who assist him if he has to fulfil large orders. “They are ready any time when I get big orders - they'll come and help me out and I'm fine.”

Being part of The Hope Hub's Incubator Facility has had a profound impact on Jawa's business. “When I started at The Hope Hub, I was doing one or two shirts per day, but now I'm producing all day”, says Jawa.

The Hope Factory has also assisted Jawa to run a more professional business. “I can give my customers my business card or email address now. With an office in the CBD area, people are going to think you are professional. I am more confident now when I sit behind my desk and discuss business.” Jawa also receives great support from his mentor at The Hope Factory. “He is pushing me and complimenting me on the speed of my operation. Whenever we have a session he gets me to share deeply. I have realised I did need this type of mentoring.”

When asked if he is enjoying running his business from The Hope Hub, Jawa replies, “Yes, there is a lot of sharing of ideas and laughing! The atmosphere is good, I can be confident, call clients in here and then we discuss business. I feel like I'm a businessman.”

Jawa's ultimate long term dream is to supply to the big retail stores. He believes that in order to be a good entrepreneur one has to have discipline, especially in the area of finance. He has learnt to be “more focused on buying things that the business needs for operations. I make sure I buy the raw materials, and I want to be in charge of my rent, time and operational activities”.

For anyone who is considering starting a business, Jawa's advice is to, “Be part of the idea. You must like what you do... It's about you at the end of the day.”

Nomahlubi Mashiya

Mismash Designs CC



Nomahlubi can be described as a reserved, dedicated and very unique entrepreneur. Her creativity is limitless and she has clear dreams for her business and is determined to reach her goals. She owns Mismash Designs, producing unique sewing and beadwork.

Has your range developed over the past year?

My products have changed. I don't make very detailed bags anymore. I found out that all the hours of labour put into these bags makes the price too high. Now I can charge a lower price which is more affordable to my customers.

How do you ensure that your products are of the same good quality?

I am always looking at other products to see if there is a better way to do my products. I have received mentorship through Zodidi, Product Development Mentor. She is helping me to make a portfolio of all my products. I always buy good quality material and I ask Zodidi to check what I have made.

How do you promote your business?

My customers hear about me by word of mouth. I also use Facebook to market my products, and I have many repeat customers.

What technology is important in your business?

I use my cell phone the most and I use social media, but I am starting to use a computer with internet to email my mentor and do research. I typed up my own business plan.

What is your ultimate dream?

I want to have my clothes worn all over the region and have a shop in the suburbs, like a boutique.

In what way has being in The Hope Hub helped your business?

The Hope Hub has helped me to learn about the business world. Competition is right next to you. I also get to use all the machines at The Hope Hub.

What advice would you give to someone who wants to start a business?

Don't expect to get rich quick!

What makes a good entrepreneur in your mind?

A risk taker.

Mantoa Sello

Rehauhetswe Fashion Designer CC



Mantoa's primary business is manufacturing clothes (including traditional wear), beadwork, children's clothing and alterations. Rehauhetswe means "Mercy from God."

How do you market yourself?

I have business cards, and by telling people what I do. Customers keep coming back because of my good quality. I check my orders and where I see a mistake, I fix it. Also my beading is different. Sometimes when I want to make a new item I will wear it myself, to show and market it. If a customer wants something, they give me a deposit and then I go and buy the material.

I have also introduced a new range of clothing for children. That is new. It's going well.

Do you get good feedback from your customers?

All the time! For example, recently I made an outfit for a lady. Soon after, I met her on the bus and she said "ooh, all the people want to know where I got my outfit from". That made me happy. I love it especially when my customers say "I like your stitching - it's neat".

What is your dream?

To have my own boutique one day. With part of the profit, I would like to help children in my area to go to school. I want to give them a uniform and help pay school fees.

In what way has being in The Hope Hub helped your business?

The Hope Hub helped me so much, because I have all the equipment I need. Like when I'm stitching with my domestic machine, the stitch wasn't right, but when I used the industrial sewing machine here, it came right. And I also have a phone here to network with the people and thank my customers.

What have you learnt from mentoring?

My Business Mentor is Desmond and my Finance Mentor is Jill. Desmond helps me to grow my business, because he taught me about marketing. I didn't know how to market myself. Jill is the best because when it came to money, I didn't know before how to save. I have learnt costing from her, whereas before I just estimated.

What makes a good entrepreneur? What qualities do you need?

You need to know how to market, do costings, and talk with customers. I am a good entrepreneur. You have to be strong, patient, and know how to treat people right and always love what you do.



Unathi Godlo & Sphiwo Sume
Mzantzi Jewellery & Textile Manufacturers CC

“I’m fortunate to be a part of The Hope Hub. The equipment makes it easier for my business to produce efficient work and in faster time.”

Sphiwo Sume

“ To The Hope Factory - If you ever had second thoughts about changing your name, here are some I had in mind: “Peace Factory, or “The Love Factory”, or “The Heart Factory” because this is what you bring to us.”

Unathi Godlo



Xoliswa Sukula
Driven Expressions Creations CC

“ My business is growing because I now make lots of things, like jewellery. I have more customers.”



Nomhle Kalipa
Nothing 2 Something 4 His Glory Trading CC

“ The Hope Hub has helped me to stand on my own, to take risks, to communicate to form my vision. I know where I’m going and I have new clients now and my business is growing.”



Mziyanda Matikinca
Sinengomso’s Creations & Designers Manufacture CC

“ The Hope Hub had a good impact in my business in a way that I had a working space and I met with most of the entrepreneurs with the same experience I am having.”



Nomakula Qengwa
Kulax Trading CC

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“ It has helped me a lot by providing a space to work and the mentoring and support that they have given me. I would like to say thank you very much. Nobody would have done what you have done for me.”

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Lungelwa Pram
Afro-West Beads and Clothing CC

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“ It has made me realise what I want for my business and it has given me courage to take risks to improve my business and make it grow.”

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Sipho Ntlangu
Kehase CC

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“ The Hope Hub has made a positive impact in terms of business growth in many aspects...an increase in customers with lots of connections and potential business deals. It also provided more exposure for the business as many people are now aware of the whereabouts of my business. There is a great potential to increase sales and to make profits.”

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Luvuyo Zinco
Zinco Clothing CC

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“ The Hope Hub gave my business a professional look and dignity that I can portray to customers and funders with offices and landline where big business reps and NYDA (National Youth Development Agency) could easily find me! ”

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ZAZA'S Hair & Beauty Salon

Nolusindiso Maputeni

Sindisto 81 Beauty Spot CC

Nolusindiso Maputeni is part of our Entrepreneur Support Programme. She specialises in providing manicures and pedicures in her salon, Sindisto 81 Beauty Spot, which she has been operating out of Zaza's Salon in Motherwell for almost a year. This arrangement has been working well, because as Nolusindiso explains, "Clients prefer to get their hair and nails done at the same time."

Nolusindiso believes that she gets repeat business because of her communication with her clients. "First of all, if it's a new client, I explain the process, how long the treatment will last and when she must come back for her next treatment", she explains. Her customers are women who range from the age of 15 upwards and her busiest days are over the weekends.

When asked how her customers get to know about her salon and how she promotes and markets her business, Nolusindiso responds that, "I always advertise on Facebook, Twitter and Whatsapp. I have some of my clients' numbers on my phone, so I text them and give them flyers which The Hope Factory assists me with."

Sindisto 81 Beauty Spot services regular clients that return for nail treatments. She is now looking at offering facials, massages and eyelash extensions as part of her service offering, and the next step to grow her business will be to do makeup for matric dances, weddings and funerals.

Nolusindiso's passion for beauty and grooming started when she was at school. "I was always wearing lipstick, then had to hide it from my mom!" she laughs. "So that's when I started. At school they gave me a certificate of cleanliness and that's when I asked my mom to take me to do a beauty course."

Nolusindiso's dream is to one day own a big spa. She mentions that The Hope Factory has "helped me a lot with my business skills, because I didn't know where to start or to end. They gave me that belief in my ability, which is when I started to think that I could open this business for myself."

Nolusindiso received business skills training and mentoring at The Hope Factory where she learnt to budget, pay herself a salary and save her money. Now she feels she is more in control of her business. When asked what advice she would give to someone hoping to start their own business, Nolusindiso replies, "I would tell them to be patient, because it is not easy to open a business. They have to find the right suppliers - the cheapest ones but with good quality products, and then they must find a place where they know that the clients will come."

Nolusindiso's business is going well, and she hopes that she will soon be able to get someone else to assist her. She says that in order to be a good entrepreneur, "you need to be strong, and the client must not see if you are unhappy. You have to be strong all the time and you must reach your clients and you must give them a good quality service."

"The Hope Factory has helped me a lot with my business skills, because I didn't know where to start or to end."

Nolusindiso Maputeni of Sindisto 81 Beauty Spot cc, standing outside the shop where she operates from in Motherwell, Port Elizabeth

Bongiwe Ngxabane & Weziwe Joka

Weziswe Trading CC

“ You must respect your customers and offer good quality service and you must strive for perfection, so that your customers will be happy and satisfied. Be honest up-front if you won't be able to make it on time.”

Weziwe Joka and Bongiwe Ngxabane are partners in their business, Weziswe Trading, which they started in 2009. They specialise in draping and catering for events, with most of their customers coming from the community or through their church network. Both ladies own the drapings which they make themselves, and they offer their services to anyone who would like to host an event, such as a wedding or party. Last year they catered for 150 people for a Nelson Mandela Bay year-end party, an event which gave them great exposure. “It was so wonderful because we were there on time and the food was delicious,” says Weziwe.

Weziwe and Bongiwe currently market their business via word of mouth to municipalities and schools. Their customers refer them to other potential clients and they also get customers through events they catered or done the draping for. Bongiwe remarks that, “They say it's beautiful, and ask who did this, and then they come to us.”

These two young entrepreneurs say that they strive for perfection and aim to satisfy their customers. When asked what makes them different from their competitors in the catering and draping business, Weziwe replies that it is “the good service that we offer.”

Weziwe and Bongiwe believe that a big part of their success comes from listening to their customers. They both agree that in order to be a good entrepreneur, “You must respect your customers and offer good quality service and you must strive for perfection, so that your customers will be happy and satisfied. Be honest up-front if you won't be able to make it on time.”

Both ladies are receiving mentorship at The Hope Factory where amongst other things, they are being taught how to better manage their finances.

There are four people who work in the business: Weziwe, Bongiwe and two ladies who assist them. Their ultimate dream for the business is to own a property and have a restaurant in Port Elizabeth; in the Western Cape and in other provinces. They are currently running a take-away operation in their community called Sister's Kitchen.

When asked what advice they would give to people wanting to start their own business, the ladies both agree that it is challenging. “You have to first have finance to build up your business; you must have some capital to buy your products. You must know what you want and be passionate about what you want to do. Don't follow it because you want to make money, otherwise you won't satisfy your customer. If you are passionate, you are going to do it perfectly and satisfy your customers and render a good quality service to them.”



Stakeholder Appreciation Day 2012

“ On behalf of Flight Centre, I would like to thank you for the wonderful day yesterday. It was fantastic to see the work that The Hope Factory is doing and congratulations on your success.”

Bianca Mazur, *Peopleworks Area Leader RSA Flight Centre*

This year our annual Stakeholder Appreciation Day proved yet again to be a memorable event. The day commenced with stakeholders being welcomed at The Hope Hub by a choir of current programme participants. After the official welcome, everyone was invited to shop and in the process, support our entrepreneurs' businesses.



A stakeholder buying products from entrepreneur Honey Kubekeli



An elated choir welcoming stakeholders



Stakeholders visiting Nondumiso Kafile of Ndumi's House of Beauty

The stakeholders were then ushered onto several buses and transported into the various Port Elizabeth townships, such as Motherwell, KwaZakhele and KwaDwesi where our entrepreneurs run their businesses. Those attending commented that visiting an entrepreneur in their own environment, and hearing their story was truly inspiring. Our aim was to provide stakeholders with an authentic view of what it is like to be an entrepreneur in their own surrounds, and hear first-hand accounts of life as a small business owner. The entrepreneurs ranged from beauticians to caterers, dressmakers, garden services and leather goods manufacturers.

Some of the comments were:

“On behalf of Flight Centre, I would like to thank you for the wonderful day yesterday. It was fantastic to see the work that The Hope Factory is doing and congratulations on your success” Bianca Mazur, Peopleworks Area Leader RSA Flight Centre.

“Thank you for a very informative Stakeholder Day last week. It was great to go out to the townships and visit one of your leather working entrepreneurs in action, as well as see how you have expanded the factory premises and programmes since my last visit two years ago.” Mark Cresswell, Mineral Processing Engineering Consultant, DRA Mineral Projects.

Back at The Hope Factory premises, official proceedings included words by CEO Liz Zambonini and Chairman of The Hope Factory, Ernest Carelse. After a quick tour of the newly renovated offices, followed by lunch, our stakeholders were transported back to the airport, taking with them many special memories of the day.



Stakeholders with Nolusindiso Maputemi of Sindisto 81 Beauty Spot CC

“ Thank you for a very informative Stakeholder Day last week. It was great to go out to the townships and visit one of your leather working entrepreneurs in action, as well as see how you have expanded The Hope Factory premises and programmes since my last visit two years ago ”

Mark Cresswell, *Mineral Processing Engineering Consultant, DRA Mineral Projects*



Stakeholders with entrepreneurs Babalwa Pongwana and Nompndula Ndzwange of Kwakhanya Creations CC



Stakeholders with entrepreneur Sikelewa Siyo of Siki's Grass Cutting Services

Our Success *in*

◆ Numbers ◆

2012

19

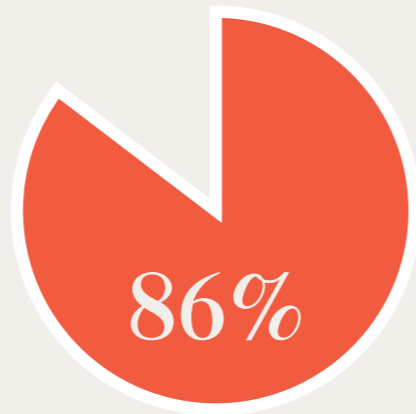
*Number of full-time
mentors employed*

48

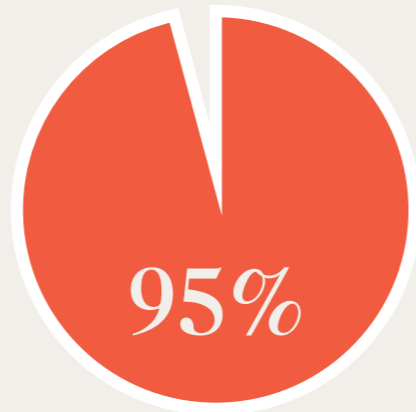
New businesses registered

100

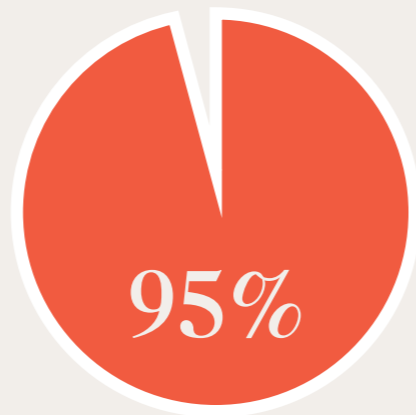
*Entrepreneurs on the
Entrepreneur Support Programme*



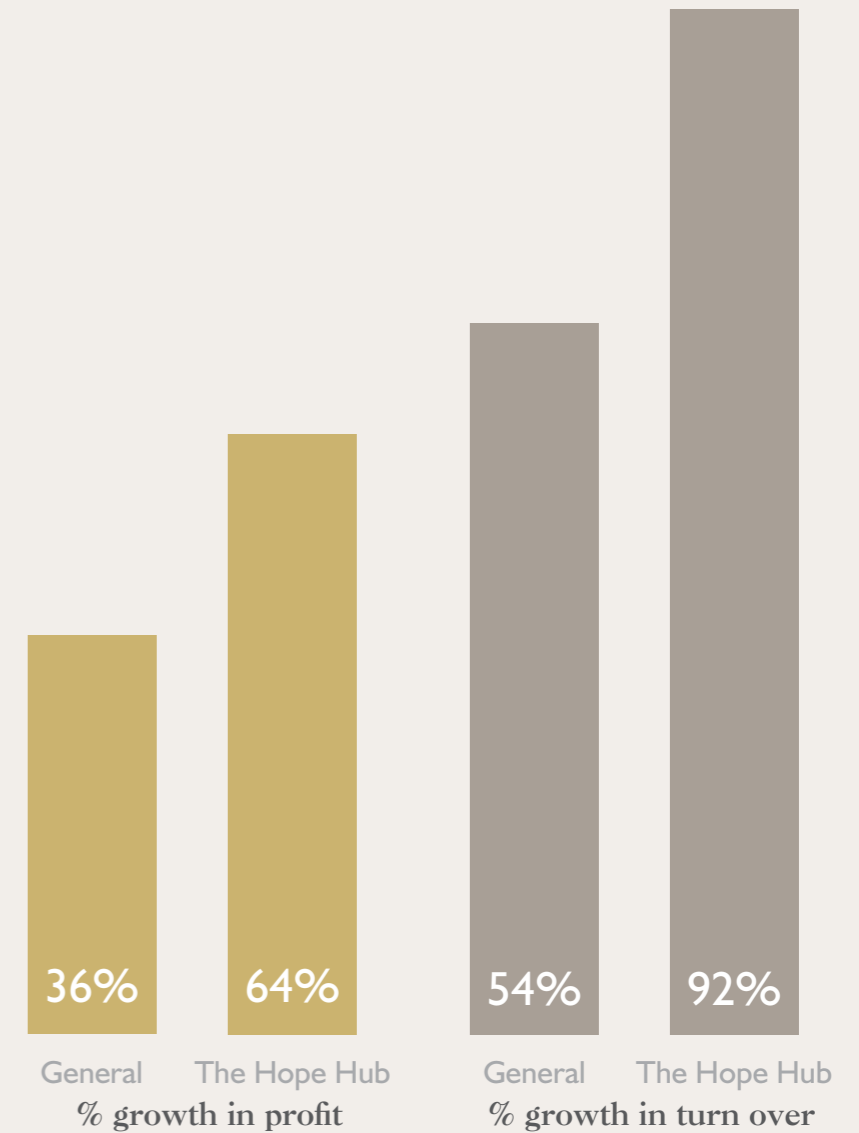
*86% of
businesses
now have a
clear business
strategy*



*95% of all
entrepreneurs'
businesses have
accurate financial
record keeping systems*



*95% of all
entrepreneurs'
businesses adhere
to a budget*



*36% of general
entrepreneurs'
businesses have
experienced growth
in profit*

*64% of The Hope
Hub businesses have
experienced growth
in profit*

*54% of general
entrepreneurs'
businesses have
experienced growth
in turnover*

*92% of The Hope
Hub businesses have
experienced growth
in turnover*

Thank you to our stakeholders

Once again, a big thank you to our over 300 loyal investors for your continued belief in and support of The Hope Factory. None of this would be possible without you. Thank you for partnering with us to bring about positive change in our country by empowering entrepreneurs and growing small businesses.



Wendy Diamond of Lereko Metier Capital Growth Fund



Francois du Plooy and Uresha Sahadev of Ovations Group with The Hope Factory team



The Hope Factory meeting with Ilze du Toit of The Jupiter Drawing Room



Annie McWalter (Deputy CEO of The Hope Factory) with Morongoa Mahope of McCann Worldgroup



Dzokai Mavengawenyu and Jessica Cilliers of The Hope Factory with Nancy Whitecross, National Dairy Equipment



Lisa Heggie and Derrick Cooks of FreeThinking Business Consultants



Andrea Crystal of CQS Technology Holdings



Chairman of The Hope Factory Board, Ernest Carelse, Annie McWalter (Deputy CEO) and Liz Zambonini (CEO) with Hyundai Automotive representatives, Paul Turnbull, Deon Sonnekus and Ashley Jasmin



The Hope Factory with Peter Rowse and Wendy Diamond of Lereko Capital Growth Fund

Earning your points

The Hope Factory has an SED portion for potential entrepreneurs, and an ED portion for existing entrepreneurs. Companies have the opportunity to select either or both.

Earning Enterprise Development (ED) points in three easy steps.

- 1** *Contact The Hope Factory to discuss the financial contribution you would like to make.*
- 2** *A Memorandum of Understanding (supplied by The Hope Factory), which formalises your contribution and how it will be used, will be signed by both companies.*
- 3** *An invoice will be issued to your company. Upon payment, The Hope Factory will provide you with all the relevant evidence for your BBBEE verification purposes.*

Earning Socio-Economic Development (SED) points in one easy step

- 1** *Contact The Hope Factory to discuss the financial contribution you would like to make.*

For more information visit our website www.thehopefactory.co.za

Companies can earn both SED and ED points through investing in The Hope Factory. Should you wish to invest, kindly contact:

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