



KFC

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DEVELOPER

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AND INVESTMENT CORPORATION LIMITED

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CORPORATION TO BUILD REPLICA OF NODWENGU IN DURBAN

Biggest beehive for KFC pavilion at Expo 85

The KFC plans to erect a replica of what is almost certainly the world's largest grass-and-sapling structure at its stand at Durban's Expo 85 exhibition later this year.

The massive beehive structure, or 'iqhugwane', of more than 17 metres across, is to be modelled on the restored residence of King Mpande at Nodwengu in the heart of present-day Ulundi.

While other organisations are planning futuristic glass-and-chrome pavilions, in line with the theme of 'Man and Technology', the Corporation has chosen a very much older technology for the outside of its exhibit.

The result should be that the stark contrast between the simple geometric form and natural building materials of its structure and its neighbours will enable the KFC's stand to dominate the outdoor section of the Expo showgrounds.

Traditional though the exterior might be, the inside of the pavilion will house the latest in audio-visual equipment and a wide range of exhibits designed to entertain as they educate visitors as to the lifestyle, environment and achievements of the people of KwaZulu, as well as the varied work of the KFC.



The restored homestead of Nodwengu in Ulundi, on which the KFC's pavilion will be modelled.

Trained staff will be on hand for the duration of the exhibition to answer questions, hand out literature and arrange follow-ups where necessary.

The stand is to be built by probably the only contractors in the world with the required expertise — the Zulu workmen who built Nodwengu for the KwaZulu Monuments Foundation.

Ironically, while the building methods to be used are almost as old as man's quest to create shelter for himself, fabricating a major structure with the traditional methods and materials in the centre of a large city presents a number of unique problems.

As a result, work on the KFC stand is likely to start some three months before opening day on October 1 — well in advance of most other exhibits.

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Investing in a
better tomorrow

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New Board of Directors issues statement on KFC policy



KFC Board of Directors at their first meeting (from left, standing) Prof L. Schlemmer, Mr S.J. Mhlungu, Mr M.M. September, Mr W.T.V. Luthuli, Mr H.P. Strachan and (sitting) Mr E.A. Johns, Dr A.A. Lloyd (Deputy Chairman), The Rt Rev A.H. Zulu (Chairman), Dr M. Spies (Executive Director) and Mr R.B. Lobban).

The newly re-constituted Board of the KwaZulu Finance and Investment Corporation has committed itself to a programme designed to foster free enterprise on a broad front within the region.

A policy statement to this effect has been issued following the first meeting of the new Board of Directors appointed by the KwaZulu Government.

The statement clearly sets out the mission of the KFC and provides guidelines for its attainment.

According to the statement, the KFC will support any project which benefits the economy of the region, is financially viable and is technically feasible.

The Corporation's support will generally take the form of loans at market-related interest rates and the provision of premises.

Projects in both urban and rural areas, covering the spheres of commerce, industry, agriculture and housing, are to be supported.

The objectives of the KFC, listed in the statement, include fostering business skills, instilling confidence in the long-term future of KwaZulu's economy and resolving legal and financial con-

straints on free enterprise in the region.

Attention will also be directed towards the utilisation of natural resources, the provision and upgrading of housing and the stimulation of employment and productivity.

The Corporation has also adopted a policy of giving preference to new business interests over the expansion of existing enterprise, but will operate at all levels of the economy including the formal and informal sectors.

The KFC's Executive Director, Dr Marius Spies, emphasized the Corporation would encourage investment in the region by other financial institutions and the private sector in general.

He said the KFC, which had inherited R300-million in assets from its predecessor, the KwaZulu Development Corporation, was to be opened to private shareholding and would be run on sound business principles.

What would distinguish it from other financial institutions, other than its statutory nature, was that it would be more adventurous in its lending policy as long as its management was convinced that the projects supported would benefit the region.

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Planning for the displays within the pavilion has already started, with video recordings being made of many of the Corporation's projects, and historic events — such as the special sitting of the KwaZulu Legislative Assembly last November to reconstitute the KFC — have been captured on film.

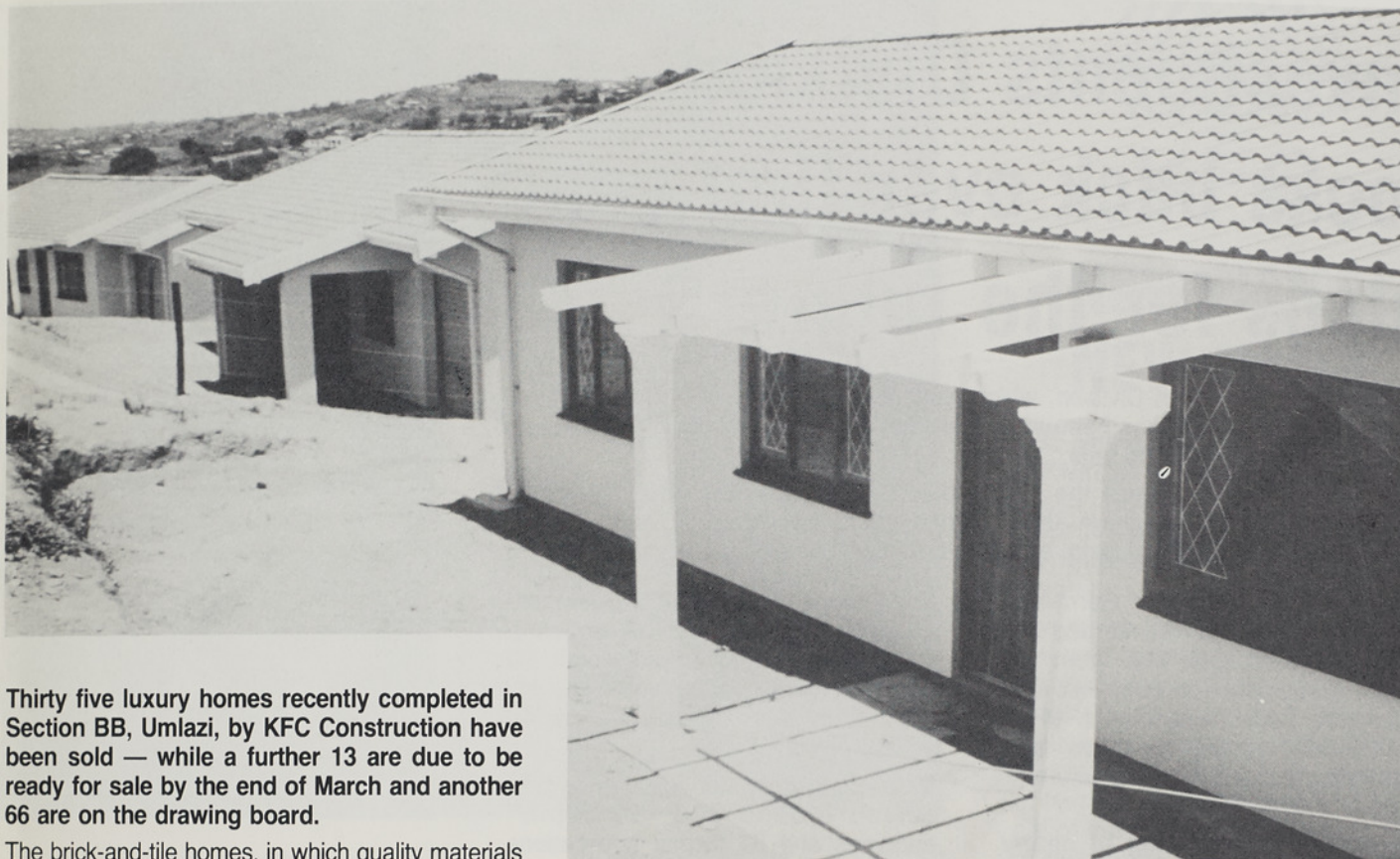
The Corporation's various Divisions and subsidiaries — including its commercial, agricultural and industrial promotions, its savings bank, vocational training and home financing subsidiaries and various manufacturing interests — will be highlighted both through AV presentations and brochures.

Displays of manufactured items and of produce from KwaZulu will be built and consideration is being given to laying on live demonstrations by craftspeople and dancers of their skills.

Already the Corporation's enthusiasm has infected the exhibition's organisers; Expo Public Relations Manager Monica Fairall says she is particularly pleased about the KFC's contribution as it will reflect a major facet of life in Natal at a function intended to showcase the contributions of all communities to the Province.

She adds that the beehive pavilion, as an essentially third-world structure, will be instantly identifiable and should be irresistible to the more than a million people expected to visit the exhibition against the high-tech skyline.

The Zulu people have excited the imagination of the world for centuries, and the KFC's exhibit should not only go a long way towards satisfying that curiosity but will prove that modern KwaZulu is destined to play a vital and growing role in the future of Natal and South Africa.



Thirty five luxury homes recently completed in Section BB, Umlazi, by KFC Construction have been sold — while a further 13 are due to be ready for sale by the end of March and another 66 are on the drawing board.

The brick-and-tile homes, in which quality materials and workmanship have been the watch-words, are selling for between R33 000 and R40 000, including the land and, in most cases, a lock-up garage. These prices are expected to rise slightly in the coming financial year.

While nine different designs were used to give the project variety, all the homes have three bedrooms, a lounge/diningroom, kitchen and bathroom.

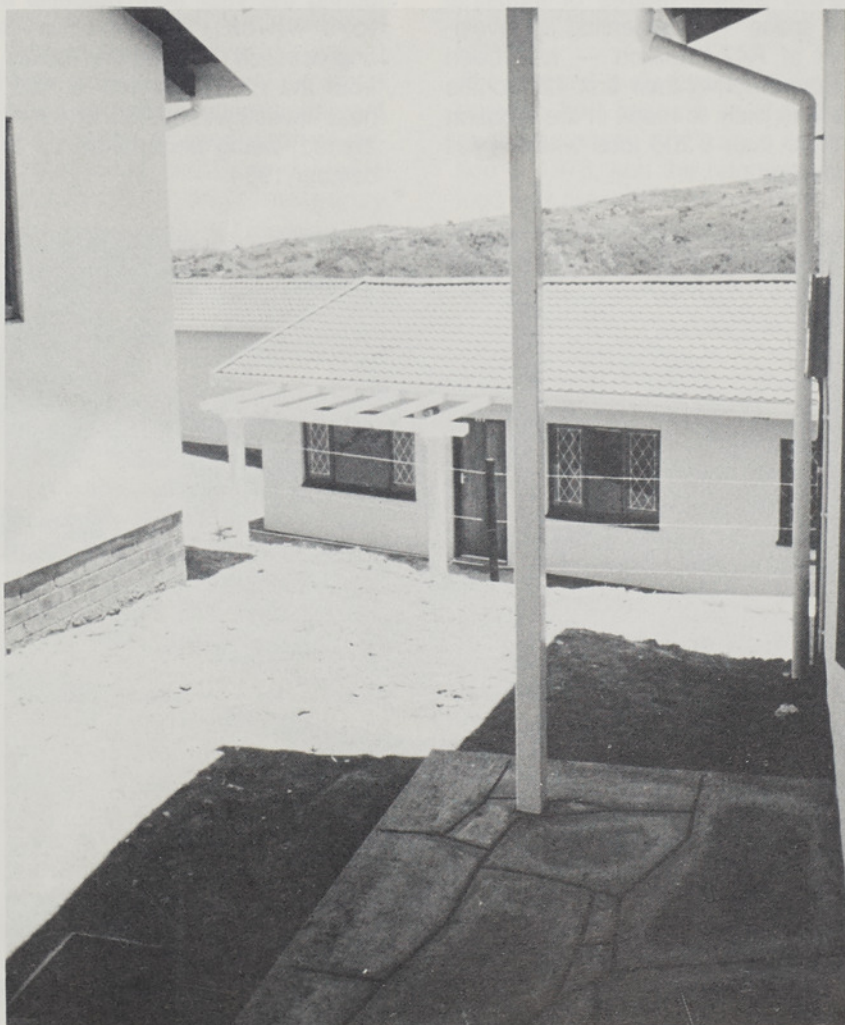
According to the KFC the popularity of the homes indicates that there is a growing demand for quality housing.

While some may regard these prices as high, the houses compare favourably to homes selling for twice the price in other (white) suburbs and building costs have been kept down to R300 a square metre — about a third less than the going rate for this kind of construction.

As with the fully-occupied 'executive' cluster housing project elsewhere in Umlazi, the rapid sales indicate an increasing awareness that a home is not only a good place to shelter a family but a wise investment, as it can be sold for a profit in future.

The KFC is making loans available on the same basis as building societies to people wishing to buy the homes, namely that the monthly instalment should not be more than a quarter of their incomes.

With the repayments on the Section BB homes generally between R450 and R500 a month at current interest rates, this means an income would be required (from the husband and wife together, if necessary) of more than R1 800 before deductions — unless they are eligible for a housing subsidy from their employer in which case this figure could be much lower.



Investments Division looks back over first year; plans for the future

THE KFC's Investments Division, which assumed the responsibility for industrial development in KwaZulu on February 1 last year, has budgeted for an expenditure of R54 million in its second year.

This figure does not include the use of part of a loan of R49 million from the Development Bank of Southern Africa for infrastructure in phase two of the Corporation's fastest-growing industrial estate at Ezakheni, outside Ladysmith.

Investments Executive Mr Gerrit van den Berg said the newly-formed department, which took over from the former Corporation for Economic Development, had devoted much of its first year to "learning the ropes" and to planning a strategy for the future.

Nevertheless, the letting of nearly 125 000 square metres of industrial floor space — representing an investment of R42,4 million — had been approved during their first 12 months and was likely to result in the creation of more than 8 200 jobs when in full production.

The loan balance of R48,6 million taken over from the CED had grown to R52,1 million, with an additional R3 million made available to industrialists in the form of increasingly popular revolving-credit facilities.

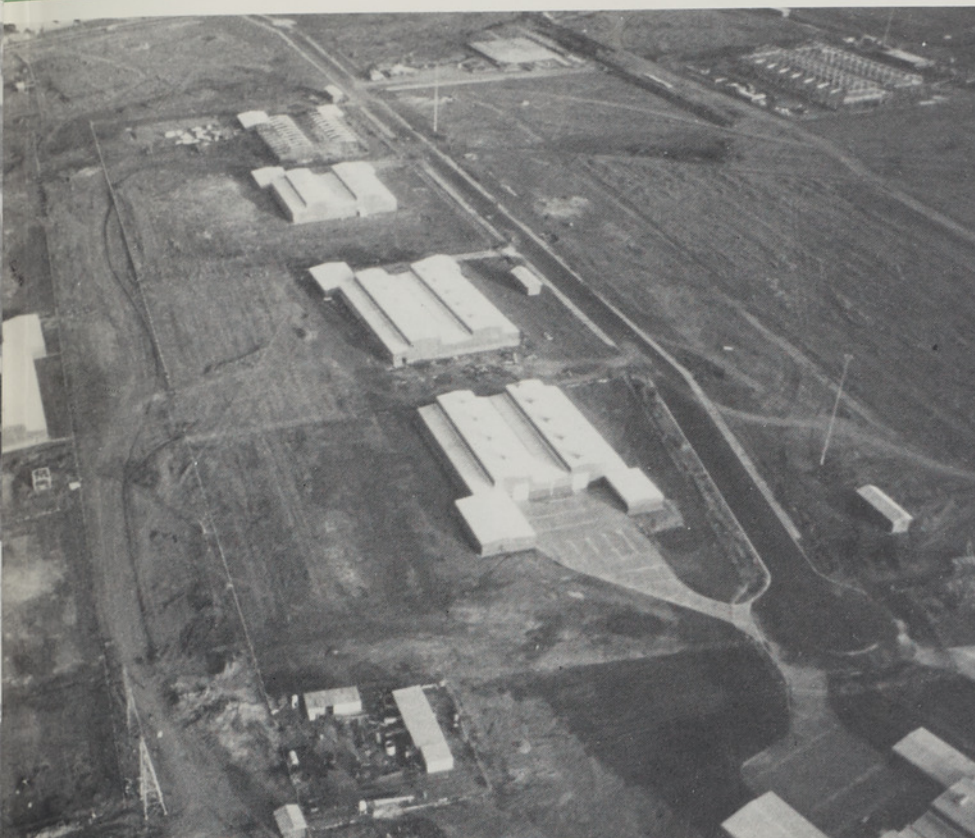
Mr van den Berg said his staff had received around 360 "in depth" enquiries and 87 formal applications during the year from potential investors which, together with 52 unprocessed applications taken over from the CED, resulted in 102 business investigations (63 of them from abroad) being undertaken up to December 1984.



More than 60 new applications were given the green light and 64 referred to the Board for the Decentralisation of Industry for approval of concessions.

If all current applications for the KwaZulu region succeeded, they





NEW NAME; NEW IMAGE

THE reconstitution of the KFC in terms of KwaZulu legislation, with its simultaneous change of name and additional responsibilities, led to a call for a new corporate image to be reflected in its insignia.

The move came just as the Corporation was assimilating the new task of administering KwaZulu's decentralised industrial estates, which more than doubled its size during 1984, and was accompanied by the new challenges of harnessing the philosophy and capital of the private sector to the benefit of the region and of co-ordinating all development activities within its borders.

The stylised grain-basket of the Corporation had become as well known as the acronym 'KDC' since its inception in 1978, and the retention of this logo was prescribed as part of the new image to reflect the continuity of the corporate body, its assets and human resources.

However growth, both in financial and functional terms, had to be suggested and the letters 'KFC' associated with any new badge so they would soon come to be linked with the Corporation in place of the old initials.

A range of designs were sought from various consultants and the present layout chosen as the most successful blend of all these elements, with radiating lines suggesting expansion from a central theme and the new acronym as a permanent component of the logo.

The new image has already been incorporated into the KFC's stationery and its correspondents notified on re-designed letterheads of the change of name with effect from February 1. The logo has also appeared on the mastheads of the Corporation's publications since that date and will soon appear on its signboards and nameplates.

would result in the creation of a further 9 500 jobs and an investment of the order of R100 million.

A more dynamic marketing strategy, aimed at recruiting industrialists both locally and overseas, was due to be initiated, Mr van den Berg said, adding that new initiatives would be taken in Europe while contacts established on several overseas trips by senior staff to the USA, Israel and the Far East would be maintained.

The KFC would also be applying a new rental structure at its leased factory units, which would allow rents to vary in line with the industrial property market — although rents in decentralised areas would continue to be extremely favourable due to concession packages, amounting to around one third of the rates in metropolitan industrial areas.

Changes in industrial loans strategy would involve greater co-operation with the private banking sector, with the KFC's involvement emphasizing short term and bridging facilities in line with its policy of turning over each rand more rapidly and so contributing more effectively to its development objectives.

On the ground, the infrastructure of the first phase of development at Ezakheni would soon be fully operational with an attendant improvement in the efficiency of road and rail access, electrical, water and waste removal facilities and emergency services.

A fully-fledged technical and administrative centre was also due to be opened at this estate in due course.

Mr van den Berg said he expected to maintain the present rate of growth at Ezakheni, of roughly one new factory every six weeks, to continue for some time, although a deterioration in the quality of new-business applications as a result of the economic recession could have a negative effect on this growth rate in the longer term.

High level negotiations were continuing on the establishment of a new industrial estate to the north of Durban, which had the potential to far surpass the successes already achieved at Ezakheni, Isithebe (the Corporation's oldest estate, near Mandini) and Madadeni, outside Newcastle.

The photographs give two aerial views of the Ezakheni estate.



Mr Colin Brant (at left) accompanied by Mr Nelson Ma and Mr Dennis Sparrow watch a worker cut out patterns while Mr Simon Davey (in light shirt) is in conversation with the KFC's Manager: Industrial Advisory Services, Mr Arnold Giesel.

British Consul-General visits KFC industrial estate, tours R6-m factory

A group of British diplomats recently visited the KFC's industrial estate at Madadeni, near Newcastle.

Headed by the Consul General Mr Colin Brant, who is also the Director of Trade Promotion, the party included the British Consul in Durban, Mr Simon Davey, and his Vice-Consul: Commercial, Mr Dennis Sparrow.

The group was taken on a conducted tour of the Amigo Clothing factory, a Hong Kong-based company which employs 1 500 people at Madadeni, the majority women, who are given on-the-job training in the factory.

This industry alone represents an investment in KwaZulu of more than R6 million.

Amigo director Mr Nelson Ma told the touring party the garments produced were exclusively for the export market. He said he was confident that locating in Madadeni would prove to be worthwhile for his company.

Madadeni Industrial Estate, although not yet afforded the same priority as Ezakheni near Ladysmith, is well located with adequate reserves of labour, water and access to power and transport facilities, and is located midway between Durban and Johannesburg.

The nearby town of Newcastle also boasts a wide range of support services and a good supply of moderately-priced housing for key personnel.

Already two KFC-sponsored factories at Madadeni are in production, 11 sites occupied and a further 12 reserved.

Present development proposals allow

for another 57 sites, of which 4 are already serviced, while further phases of development are under consideration.

In Ezakheni 75 sites are occupied or reserved while the figure for Isithebe is 181 sites reserved and 125 already occupied or in production.



Chief M.G. Buthelezi opening a Small Canegrowers' Fund farm training centre with Dr Anson Lloyd.



CHIEF MINISTER ISSUES STRONG PLEA IN WHITE HOUSE AGAINST DISINVESTMENT

KFC Director honoured after key role in Canegrowers Fund

THE Deputy Chairman of the KFC, Dr Anson Lloyd, and the Small Canegrowers' Financial Aid Fund he was instrumental in founding in 1973 as Chairman of the SA Sugar Association, have received international recognition through their selection for inclusion in the prestigious 1984 Rolex Awards 'Spirit of Enterprise' book.

Although Dr Lloyd's entry did not capture any of the major awards, it was one of 226 selected by the international panel of judges in Geneva for inclusion in the book from among the several thousand entries submitted worldwide.

The entry was made in the Environment category, and was the only South African project covered in the publication.

In his submission, Dr Lloyd pointed

out that, even with the sophisticated technology available to sugar farmers, small Black canegrowers faced almost insuperable barriers to developing into self-supporting farmers.

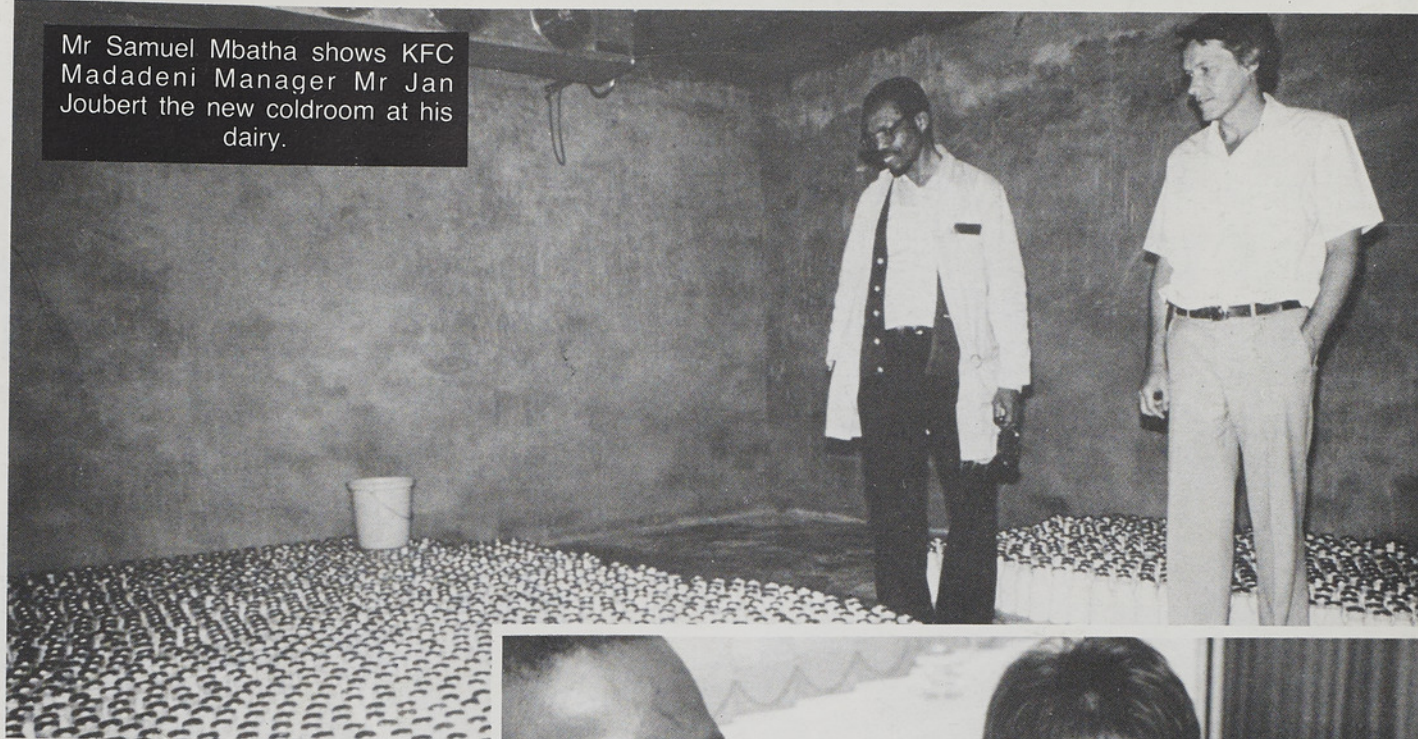
With an initial funding of R5 million from the sugar industry for low interest loans, later augmented by the Sugar Association and Barclays Bank, and with technical assistance from the Fund's staff, sugar production by Zulu canegrowers increased from less than 406 000 tons in 1974/5 to more than 1 227 000 tons in 1981/2, while growers' cash income increased from R2,7 million to R25 million over the same period.

Dr Lloyd describes the fund as 'a scheme which has captured the imagination of the people and become a classic example of real and meaningful agricultural development.

ON February 4 the Chief minister of KwaZulu and President of Inkatha, Chief M.G. Buthelezi, issued a strong appeal to the President of the United States of America, President Ronald Reagan, during a visit to the White House to resist the fashionable disinvestment campaign gathering momentum in the US, on the grounds that it would hurt Black South Africans far more than the country's government.

Interviewed by national television networks and the American Press, the Chief Minister praised President Reagan for being the first American leader with the courage to 'clutch the thorny South African nettle boldly and publicly,' and said applying indiscriminate economic, social and political isolation to South Africa would adversely affect the process of non-violent reform in this country.

Mr Samuel Mbatha shows KFC Madadeni Manager Mr Jan Joubert the new coldroom at his dairy.



MBATHA STARTS DAIRY AT MONDLO

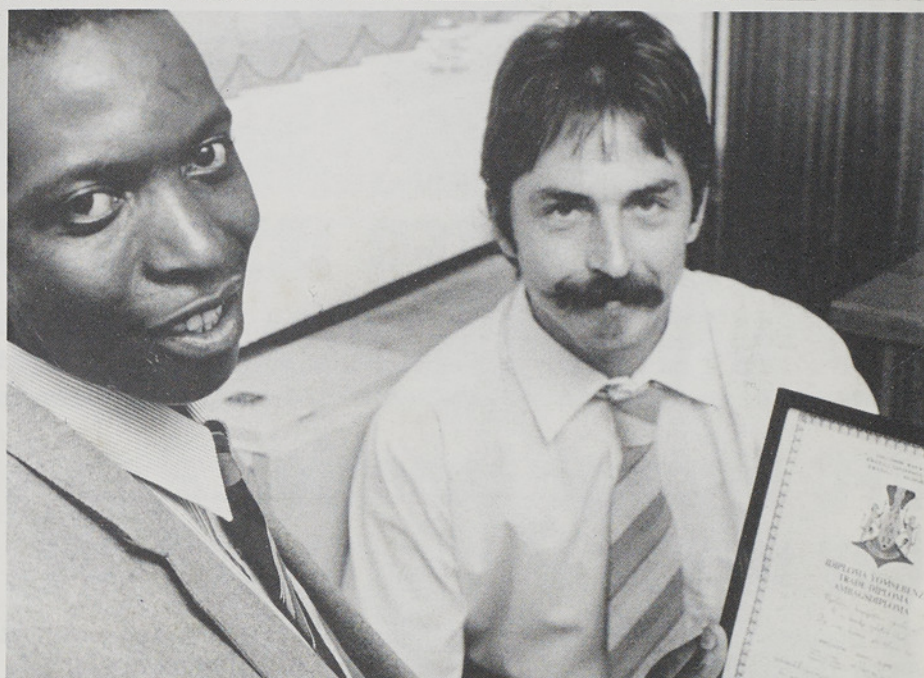
Mondlo businessman Mr Samuel Mbatha never looked back after he won the trading rights for a restaurant in the town in 1977 at the age of 46.

Mr Mbatha committed his lifesavings of R7 000, after working as a foreman for a large company, to the project and he negotiated a loan from the KFC to establish the business, which he ran with remarkable success.

From the profits of the restaurant Mr Mbatha built an on-consumption restaurant in 1983 and, at the same time, began distributing milk bought from surrounding farmers until he was able to erect a dairy from his own funds.

The KFC was approached to help finance equipment in the dairy and he is currently distributing 35 000 litres of fresh milk monthly — much of it in areas where such a facility has never existed.

A feature of Mr Mbatha's relationship with the KFC is that, even after his first loan was repaid, he asked Corporation officials to keep up their visits, welcoming their suggestions and ideas.



KTT artisan qualifies

BUILDING toy motor cars out of wire at his Stanger home as a child convinced Mandlakapheli Hlope (28) that he was technically-minded, and tinkering with real cars as he grew up confirmed this interest.

And when he successfully wrote his trade test at Oliphantsfontein recently, he became the fourth artisan to qualify through the KwaZulu Training Trust's Technical Training Centre at Umlazi.

Mr Hlope was photographed with his certificate while the Head: Technical Training at the centre, Mr Jonathan Totman, looked on.



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