

# Black female entrepreneurs expand business with dti, IDC, Woolworths partnership

The Department of Trade & Industry (dti), Woolworths and the Industrial Development Corporation (IDC) officially opened the doors of K9 Pet Foods' new 3,600 m<sup>2</sup> factory premises in Montague Gardens, Western Cape.



From left to right: Fazielah Allie (K9 Petfood), Spencer Sonn (Woolworths Foods), Candice Stewart (K9 Petfood), Shireen Davids (K9 Petfood), Dr Rob Davies (dti), Bulelani Magwanishe (dti) and Lizeka Matsheka (IDC).

After working in pet food production for 20 years, aspiring entrepreneur, Fazielah Allie, the managing director of K9, purchased a small and struggling business specialising in frozen pet food in 2014. Having worked with Woolworths before, Allie then approached Woolworths in the hopes of turning around her new business by securing a partnership agreement.

“Our priority was to leverage on a pet food opportunity to advance our import replacement strategy that seeks to replace providers of imported products and services with local black suppliers. Knowing Fazielah’s experience and entrepreneurial spirit, we recognised that there was an opportunity to partner with her with the aim of establishing a South African produced supply of our Woolworths branded canned and pouched pet food,” says Zinzi Mgolodela, head of transformation at Woolworths.

With three black women at the helm, K9 Pet Foods was an ideal fit for the Woolworths Enterprise & Supplier Development programme which matches potential black-owned businesses to opportunities in the Woolworths supplier base. Various customised interventions including both financial and advisory support help the entrepreneurs in the programme to grow their businesses and create new jobs. Over the past three years, K9 has grown from 11 to 32 employees.

## Funding secured

Thanks to the partnership agreement to supply Woolworths, Allie was able to secure much-needed funding from the dti’s Black Industrialist’s Incentive Scheme to the value of R20 million, and then an additional R31 million from the Industrial Development Corporation (IDC). This funding has been used to expand their operation and purchase the latest, state-of-the-art machinery so that they can meet Woolworths’ production requirements.

“The funding of this project not only assists in achieving the IDC’s objectives of facilitating job creation and import replacement, but is also an opportunity for K9 to facilitate innovative technology which they have specifically designed for Woolworths,” says Lizo Ntlhoko, regional manager for the IDC in the Western Cape.



From left to right: Spencer Sonn (Woolworths Foods), Dr Rob Davies (dti), Fazielah Allie (K9 Petfood) and Bulelani Magwanishe (dti).

## Shining examples of transformation

The Minister of Trade and Industry, Dr Rob Davies has commended Allie, the company's financial director, Candice Stewart and operations director, Shireen Davids as shining examples of the transformation that government can achieve through the Black Industrialists programme with the support of the private sector and the country's development finance institutions.

Minister Davies said the supply of the K9 Pet Foods range to Woolworths stores is one of the positive examples of how inclusive growth and localisation of industry should work in South Africa.

"Industrialisation is vital to the South African economy and Africa and through the many legislative and policy levers; there is a need to shift structures, systems and institutions that result in a more inclusive economy. Also, one of the key focus areas for the economy in being competitive locally and globally requires that we build on the existing capacity and capabilities and processes to enhance the manufacturing efficiency within the various sectors of the economy," added Minister Davies.

The Black Industrialist Scheme is one of the incentive programmes, an initiative designed to benefit black industrialists with more than 50% shareholding and management control in the targeted sectors, of which the agro-processing sector is one.

"The official opening of our factory is a huge milestone for us," confirms Allie, "We are grateful that the dti, IDC and Woolworths believed in us. We are determined to forge ahead, continue to grow the company and make a meaningful contribution in growing the country's economy and creating jobs. We have grown from producing

**25,000 units/month to 40,000 units with the first Woolworths order and we project to further increase considerably by the end of this year.”**

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