

Eastern Cape entrepreneurs find business success in agriculture

Three entrepreneurs found business success in agriculture despite the many challenges of living in the rural Eastern Cape. The entrepreneurs - Wilfred Makaphela (Sterkspruit), Tamsanqa Mkumantela (Maclear) and Lawrence Maduna (Lady Grey) - are farmers and they all have two things in common: a passion for farming and an understanding there is no substitute for hard work.



Lawrence Maduna

Providing a platform for previously disadvantaged small business owners

Despite an enormous potential for agricultural growth in the Eastern Cape, farmers lack access to business and market information as well as financing and land. With this in mind, Maduna, Makaphela and Mkumantela were selected to participate in the Small Business Academy (SBA) Development Programme of the University of Stellenbosch Business School (USB), offered jointly with the Joe Gqabi Economic Development Agency (JoGEDA), that also sponsored the programme.

It was the first year that the initiative was offered in the Eastern Cape and the group of 26 small business owners, which includes industries such as catering, fashion, communication, security and cleaning services will complete the course on 19 July 2017.

The programme provides a platform for previously disadvantaged small business owners in the Eastern Cape's Aliwal North, Sterkspruit, Lady Grey, Ugie, and Maclear to gain business, financial and operational knowledge to grow and strengthen their businesses, create networking opportunities and offers a mentorship programme whereby each participant is matched with a USB MBA alumnus.

The course covers everything from training in general management, finance, marketing, computer skills, business plan development, to personal development, and practical workshops.

Bonsmara cattle supplier

Makaphela, a retired school principal, has been farming in Sterkspruit for the past 13 years. He grew up in rural Esiwonyeni and his father funded Wilfred's education through wool sheering and selling sheep and cattle.

“Farming has always been part of my life and when I started teaching I bought myself 10 sheep and some cattle. Over the years my livestock grew to more than 25 cattle and I started renting camps on privately owned farms. In 2004, I secured a loan from Landbank and bought 560 hectares of land and today my farm has expanded to 1,041 hectares with the assistance from the Department of Rural Development and Land Reform.”

Makaphela farms with Bonsmara cattle supplying agents of Karen Beef and Sparta and he sells the curled cows to private households for traditional purposes and to abattoirs. He employs two permanent staff members and despite the many challenges of theft, veld fires and access to finance, his vision is to become the leading supplier of Bonsmara cattle in South Africa.

“The SBA programme has truly been an eye-opener for me in terms of how to manage my business. I have now learned how to identify opportunities and build on them, how to manage any threats and weaknesses and how to market my livestock.

“ *I really would like to start giving back to the community by sharing the knowledge that I've learned through the SBA with illiterate, upcoming farmers.* ”

Big dreams for piggery

For Mkumetela from Maclear the fertile land of the area has been most suited for his piggery which he started in 2015. “I grew up on a farm and although my family was not commercial farmers, rather subsistence farming, I developed a passion and I knew that one day I would be a farmer. I currently rent two hectares from the Elundini Municipality and sell my pigs to local butcheries, street vendors, restaurants, and households.”

He says that the SBA programme has empowered him with management and business skills that he would never have had the opportunity to acquire. “The programme has taught me to be more focused. I have learned vital business knowledge such as the importance of having separate accounts for personal and business use, how to create a business plan and understanding the difference between advertising and marketing.

“ *My knowledge will greatly assist me to realise my dream of expanding my piggery into the largest in the Maclear district.* ”

Emerging beef farmer with hopes to help farmers in periods of drought

Maduna farms in Lady Grey and his livestock farm employs seven permanent staff members and 10 part-time. He has an incredible vision for his businesses and hopes to grow his 771-hectare farm to 5,000 hectares and plant lucerne to offer feed during periods of droughts caused by the unpredictable weather patterns in SA.

He started his farming career in the early 90s working on a farm in the Free State. With the assistance of the Land Reform and a loan, he became the owner of some land in Lady Grey.

“ I acquired the farm during the drought period and had to face many challenges with dams broken and bore holes not working but we persevered and even the severe drought of the past three years hasn't deterred us one bit. ”

Maduna farms with Bonsmara cattle and Merino sheep and sells them to distributors. In 2014, he was awarded as an Emerging Beef Farmer by the Agricultural Research Council.

Since joining the SBA programme, Maduna has overcome his computer illiteracy, gained accounting and financial knowledge allowing him to work closely with his bookkeeper, learned how to do market research, how to run his own advertising campaigns and reaching the market in a more structured, agile way.

The group of 26 small business owners will receive their certificates at a ceremony on 19 July to be held in Aliwal North when the top small business owner overall, the business with the most potential and the most improved small business owner will be awarded.

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