

Bell Equipment commits to enterprise development

Bell Equipment, the listed Richards Bay-based original equipment manufacturer and supplier, has developed innovative ideas to boost enterprise development. This should enhance its Broad Based Black Economic Empowerment (BBBEE) status.

The company is a Level Four Broad BBBEE contributor. In order to maintain and enhance this rating, the company has set itself some significant challenges for its own scorecard. Its scorecard is reviewed regularly by management in terms of Transformation, Employment Equity and Skills Development.

Bruce Ndlela is the company's Business Development Director and he explains what these criteria are: "We need to work on enhancing all seven elements on the BBBEE scorecard, namely ownership, management control, employment equity, skills development preferential procurement, enterprise development and socio economic development."

"As our BBBEE status is verified annually, we as a company have to ensure that we maintain or better the rating on our BBBEE scorecard," he says. "One of the

criteria that we are now putting more emphasis on is that of enterprise development and this is bearing fruit for us and our emerging contractor clients."

According to Ndlela, Bell is committed to spending a percentage of its net after-tax profit on enterprise development and is doing so by identifying companies that are 100%-owned or managed by previously disadvantaged individuals. Those individuals or emerging contracting companies, who have secured contracts while holding a 3CE Potentially Emerging (PE) rating or higher, from the Construction Industry Development Board (CIDB) are able to approach Bell Equipment for assistance in buying earthmoving equipment.

"We're looking to supply these contractors with Bell Tractor Loader Backhoes (TLBs), Bell Graders and Bell-Bomag Compaction Equipment working with Bell Finance, a Joint venture Between BELL Equipment and WesBank," Ndlela explains. "Depending on his risk profile and the duration of the contract he has secured, a client may put down a 20 to 50% deposit with the balance of the purchase price payable over the duration of that contract."



Bell Equipment's Director of Business Development, Bruce Ndlela with Mr Sefularo Ramadie of Motlagapele Projects and Solutions.

This means that should a contractor buy a Bell TLB on this basis and pay it off over the contract period of 12 months, he then owns a securable asset. His track record of successfully paying off the machine over the contract period gives him a more favourable credit rating with Bell Finance. This works in his favour when considering the purchase of more equipment.

"The higher the deposit, the less he has to spread over the time-frame of his contract and more funds are kept in the bank," Ndlela says.

This initiative is, however, not merely a pipedream created in a company boardroom. Enter Sefularo Ramadie and his company Motlagapele Projects and Solutions, based in the east of Pretoria.

Having completed a B.Tech degree from the Tshwane University of Technology (TUT), Ramadie worked for several years in the electronics and networking fields. A firm belief though that he wanted to be part of the more mainstream economy through self-employment, drove him to look to the field of civil construction and contracting.

"I embarked on doing small civil and road-related work with the company Motlagapele Projects and Solutions in 2003 and also started another company, Tiragatso Construction in 2004, regravelling roads and upgrading cemeteries in Limpopo Province," he says. "I soon realised though that I needed training and enrolled in a Learnership Programme, run by the Gauteng Department of Roads and Transport in 2007."

Ramadie's companies have since improved their Construction Industry Development Board (CIDB) rating from Grade 4 to Grade 5, which means that they are able to tackle more challenging roads and other infrastructural projects. These included successfully completing ultra-

thin concrete paved roads in the towns of Atteridgeville and Shoshanguwe in 2009.

Recently, while attending a NAFCOC Conference held for emerging contractors, Sefularo Ramadie met Bell Equipment's Bruce Ndlela. He told Sefularo more about the company's commitment to enterprise development.

"We as a company were heartened to learn that the legendary Bell Equipment was so committed to enterprise development as we had firsthand knowledge of their equipment," Ramadie enthuses. "We had on many occasions hired in Bell TLBs on some of our projects and they stood out for us as the machine of choice should we ever get to buy our own equipment. The fact that they are made locally is an additional bonus and improves product support."

Other points in favour of TLBs manufactured and distributed by Bell Equipment was the fact that this was a local company, proudly South African with obvious benefits for the country.

Then in April 2011, Motlagapele Projects and Solutions obtained a contract with the Johannesburg Roads Agency and with this contract in hand and the correct criteria in place, Ramadie's company was able to get Bell financing for its first Bell 315SJ TLB. With a substantial deposit and the balance paid over a short three months, Ramadie is now the proud owner of a securable Bell 315SJ TLB.

"This commitment by Bell Equipment has many winners but most of all, it is companies such as us who benefit most through proving that we are worthy of our credit rating, are now well-equipped to tackle bigger projects and above all, are now owners of some of the finest earthmoving equipment on the African continent," Ramadie says.

