

IT'S MY BUSINESS SLICE OF THE ACTION

Sisters' tender

SISTERS AND PARTNERS

Who they are

Cape Town sisters, Gheelmeyah Sulaiman, 47, and Ruwayda Tambe, 49, launched their partnership, Sage Enterprises, in 2001. Initial turnover was R30 000 a month. Today their business turns over millions a month from government orders

What they do

The bulk of Sage's business involves bidding as manufacturers of incontinence products to hospitals in the Western Cape. They get business from the provincial health department through what is known as a daily tender process. They also derive a

regular income from supplying various types of electrical goods to the City of Cape Town. They have been awarded this business for the last four years through a more complex annual tender process

Employees

Ten

Where they are

Sage operates out of Gheelmeyah's home in Fairways, near Grassy Park, Cape Town. The medical supplies are manufactured in a 100m² space - two rooms which have been converted into a workshop and cutting room

Every year the taxman takes great big chunks out of our salaries and profits. There is a way to get your own back. It's called tendering for government contracts

PROVIDING goods and services to government is a source of huge business to thousands of small- and medium-sized South African businesses. Just one of these companies is Cape Town-based Sage Enterprises

FINDING THEIR NICHE

Before sisters Gheelmeyah and Ruwayda launched Sage, they experimented for six months by applying for tenders as suppliers of general hardware and electrical goods. "We quickly learnt that it is not profitable to be involved in so many areas, and that we should streamline and register a formal business," says Ruwayda.

"We needed to find a niche," she adds. They did some research. Drawing on Ruwayda's background in textiles, and Gheelmeyah's employment at an electrical goods agency, they formed their two-pronged business. "We had one very valuable asset, and that is trust. After all, we shared pocket money as teenagers," says Gheelmeyah.

EASY ACCESS TO INFORMATION

The sisters' ticket to success has been their membership of TradeWorld, an empowerment procurement hub. The network - which claims to process 45 000 orders a month worth about R950-million - enables small and medium businesses to access tender opportunities. Says Ruwayda: "When you join TradeWorld, you choose the business categories you are interested in, and tender information is sent through the daily tender bulletin."

Sage pays a discounted monthly fee of R260 a month (the standard rate is R560) because of its empowerment status. This gives it access to provincial tenders in three business categories. (You can also access national tenders for R770 a month.)

"Daily" tenders, worth less than R30 000 and requiring a simple single-page application, are processed electronically, explains Ruwayda. Long-term and annual tenders are also advertised on TradeWorld and through other mediums, but the application requires a more complicated tendering process.

THE NITTY GRITTY

For Sage the daily tender process is often a formality. On a typical day, more than 100 adverts relevant to their business appear in their inbox (they can also be faxed).

"We apply for about 10 tenders a day. It could be for 150 pillows, it could be for 300 sheets," says Ruwayda. You have two to three days to respond. "In that time, you shop around, work out your quote and submit it."

The daily tenders can take only a few minutes if all the specifications are at hand.

New requests require quite

a lot more research, so they can take as much as two days to complete.

Annual tenders are more complicated; there are at least 40 pages to fill in.

"I go through the tender document, and prepare it as best as possible," says Gheelmeyah. "Then we go to our manufacturing supplier to check and work out specifications. If there are any niggly questions or odd equations to work out, we go to the council for advice. They are accessible."

INS AND OUTS

"You learn the tricks of the trade, says Ruwayda. "If you don't win a tender, it's your privilege to know who your competitors are and what they offered. This is important so you learn for next time how to improve your application."

The sisters are not shy to ask questions. "We may appear to be modest women, but we go to the top to find out information," says Gheelmeyah. "You need to be confident. Transparency is your right."

What sets them apart, in a process tarnished with reports of backhanders, fronting, corruption and political influence, is that, says Gheelmeyah, "we believe in our ability and our strong values; we would never even consider giving a backhanders".

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- Tendering overview plus specific how-to information
- Government Tender Bulletin and other documents
- Transnet
- Eskom
- TradeWorld



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SISTERLY ADVICE

Gheelmeyah and Ruwayda suggest the following for would-be tenderers:

- For annual tenders, it helps to have your products SABS-approved
- Empowerment credentials are a great help
- If you don't win a tender, find out why, and learn from the experience
- Join organisations that offer advice and boost your credibility, like, for instance, your local chamber of commerce



What the expert says



Francois Naude of TradeWorld

To put your company in line for a slice of the public-sector buying pie you need to do just two things:

- Let the people doing the buying know who you are and what your company can do; and
- Find out regularly what these buyers want to buy.

Get registered

Government at the various levels, as well as parastatals (such as Transnet, Eskom and Telkom), all have their own procedures for registering preferred suppliers.

For tenders under R30 000, government departments usually only approach three registered suppliers. Above R200 000 they have to publish a formal tender. For help getting registered with these buyers, phone the Seda national call centre on 0860 103 703.

Get your paperwork in order

Government and parastatal tenders reward BEE-compliant suppliers. It's a good idea to have your BEE credentials registered so that the various potential public-sector buyers will have these credentials on file whenever you submit a tender bid. (This saves you having to provide the same information over and over again.)

These same buyers will want to know that your documentation is in order. These documents

include those covering your business's tax clearance certificate, company registration, UIF registration, workmen's compensation and municipal accounts.

The strategy for measurement of BEE status will soon change drastically with the implementation of the Broad-Based BEE Codes of Good Practice. The government will accredit ratings agencies which will perform audits to confirm BBBEE status. It is advisable to wait until there are accredited ratings agencies before paying for a BBBEE rating. This is a complex process, and you should start preparing your business for it now.

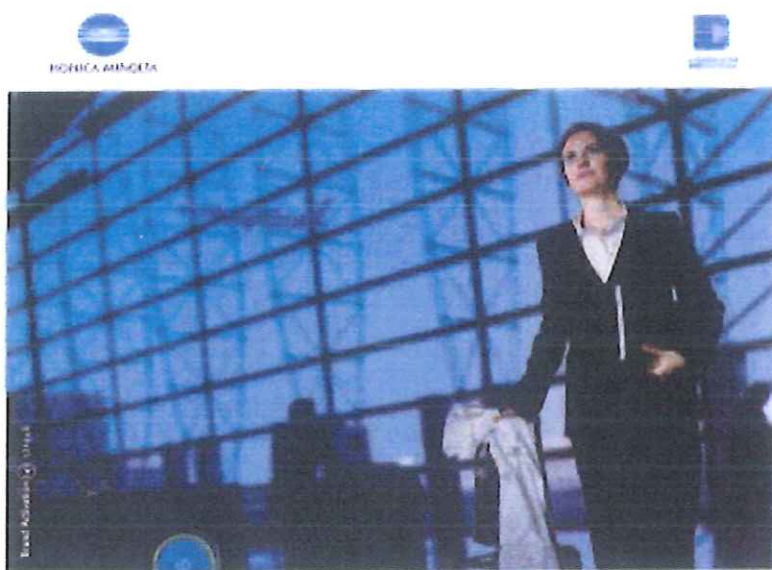
Get to hear about tenders

Tenders are published in more than 200 publications and websites. There are, however, a few companies that do the drudge work of going through these publications and forwarding this information to you. These companies' websites include www.tradeworld.net, www.tenderscan.co.za and www.dailytenders.co.za. Of course, these companies charge for this value-added information (a few hundred rand a month). TradeWorld has been appointed by the Small Enterprise Development Agency to provide a service in terms of which tender information is made available through Seda offices countrywide.



Sisters Ruwayda Tambe and Gheelmeyah Sulaiman have created a thriving business based on supplying to the public sector

Pictures: Ruven Besthoff



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