

Media Statement
NEF&STICKS AND LICKS

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THE NATIONAL EMPOWERMENT FUND INVESTS IN STICKS & LICKS

Leading empowerment funder, the National Empowerment Fund (NEF), the agency of **the dti** mandated to grow Black economic participation in South Africa, has continued to meet its mandate with distinction, and has invested R15 million in KwaZulu-Natal-based Sticks and Licks PTY (LTD) t/a Ola Ice Cream Durban to expand its ice cream distribution business.

Established by the National Empowerment Fund Act No 105 of 1998, the NEF is a driver and a thought-leader in promoting and facilitating Black economic participation through the provision of financial and non-financial support to Black empowered businesses, as well as by promoting a culture of savings and investment among Black people.

Since 2004 to date the NEF has approved funding to a total of 519 black businesses amounting to R5,05 billion, and has created an estimated 40 000 jobs, with at least 21,5% of the funded businesses owned and managed by women.

Sticks and Licks, which operates as an independent distributor for Unilever SA, intends to use its funding to develop a world-class facility in Ballito, North of Durban.

Sticks and Licks has a five-year exclusive distribution agreement with Ola SA to deliver its products to Ola customers, which include supermarkets and garages. Ola SA delivers its products to Sticks and Licks, who then distribute and deliver the products to customers through a team of sales people who travel to customer sites in order to drive sales.

Sticks and Licks Concessionaire Mr Nischal Jairajh, says “the new Ballito facility will provide for all the Sales, Warehousing and Distribution requirements of Ola Ice Cream, covering as far north as Tinley Manor, Prospection in the South, Hillcrest in the West and Durban Central.”

Mr Jairajh says the company’s move from its current inland location to the Durban North coast area will increase the company’s cold rooms from the current 180 pallets (or portable fridges) to 600 pallets. The funding is also expected to expand operations in line with Ola SA’s growth strategy of 850 people per cabinet to 126

people per cabinet.

“After eight successful years based in Pinetown, the move will provide for the additional capacity requirements and long-term growth and development of the business whilst at the same time reducing our environmental footprint and increasing our positive social impact,” says Mr Jairajh.

NEF Regional Manager Mr Phakamile Madonsela says KwaZulu-Natal as a province and coastal Durban is one of the few South African areas that lend itself to a lucrative all-year ice cream business.

He says, “Sticks and Licks is supported by Unilever, a leading supplier of fast moving consumer goods, with products sold in over 190 countries and used daily by over 2 billion people. Some of the popular ice cream brands include Magnum ice cream. The company also employs 171 000 people worldwide. It spends €1 billion (about R13,4 billion) in research and development worldwide. Of the total group revenue of €46.5 billion (R623.3 billion) in 2011, the ice-cream business contributed about 19% to group revenue.

“Sticks and Licks is a black-owned company with a strong management team and significant operational experience ably led by Mr Jairajh’s 18 years’ experience. We are confident that the company will do well,” says Mr Madonsela.

Mr Jairajh adds that the new facility will create additional employment opportunities for those living in the surrounding areas. “Our vision is to become the preferred sales and distribution company in Durban, delivering this in a socially responsible manner by empowering and growing our people with sustainable business opportunities.”

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For Media Enquiries

