

Joint venture to provide some XtraSpace in Mauritius

In a joint venture with [Multibox](#), Mauritius' first self-storage operator, national provider of flexible space solutions, [XtraSpace](#) has set up shop on the island.



XtraSpace HQ

Self-storage is a growing industry around the world, driven by a number of different factors, from increased consumerism and growth of small businesses to decreased house sizes and rapid urbanisation.

For XtraSpace CEO, Abri Schneider, the expansion to Mauritius made sense on a number of levels. “Mauritius has a stable economy and a friendly business culture,” he says. “Many South Africans travel to and from Mauritius, which is only a four-hour trip from South Africa,” he said.

Multibox’s Max Bonieux said his company was the number one self-storage provider on the island with two self-storage facilities in the North and West and now the third, in the Centre, which was the joint venture with XtraSpace. “There are no other providers offering self-storage with a wide range of unit sizes and a fair number of units,” he said.

Developing Mauritius as financial centre for African businesses

Bonieux said overall the Mauritian economy was doing well. “The government is investing massively to transform Port Louis harbour to a regional hub. This is good for the country,” he said.

Mauritius is furthermore keen to develop its reputation as a financial centre, particularly for African businesses. The country’s former finance minister, Rama Sithanen, said it had “created the ecosystem for global business, a regulatory, legal and incentive framework for people to invest via Mauritius”. Sugar – once one of the island’s main economic drivers – “was becoming sour, not sweet”, he said.

Addressing storage shortage

Certainly XtraSpace has found the sweet spot. It opened the first of its three planned facilities in December. “The Mauritian market is underdeveloped, with limited supply of storage space,” said Schneider. “We have partnered with the leading operator and intend offering the best storage experience on the island.”

One of its differentiators is the fact that they are offering the first indoor storage facility on the island with state-of-the-art security and ease of access, Schneider said. The new storage facility was built from scratch. “Our location in Bagatelle, as part of the new Deco City development at the Mall of Mauritius, is unique. We were fortunate to be introduced to the ENL Group, the owners of the Mall of Bagatelle, which made the property part of the transaction very quick,” he explained.



XtraSpace storage

Local partner enabler of process

Setting up the business in Mauritius didn't present any major problems, said Schneider. “We had to do the normal things like creating a legal entity, opening a bank account, applying for a business licence and (as a South African company) applying for exchange control permission to transfer funds. All these requirements were easily met.”

Schneider said having a local partner enabled the process. “We were always keen to operate in Mauritius with local partners,” he said. “All challenges were overcome by having local partners on the ground.” The JV means the operation will be managed locally. Schneider said XtraSpace's partners handle day-to-day operations and all staffing requirements.

Broadening future offers

Bonieux said the joint venture had reinforced Multibox's position in the Mauritian market. “We haven't changed our way of operating apart from improving our services through the experience of XtraSpace,” he said.

XtraSpace in South Africa is a multi-faceted business. Started in 2007 as a self-storage operator, the company has morphed into a fully-fledged national provider of flexible space solutions. It not only provides personal and business self-storage but also offers clients an in-house courier service and access to business centres within its facilities. These

business centres have now grown into a separate brand called FlexiOffice, offering serviced offices and co-work spaces as well as premium business services.

Schneider believes entrepreneurs using storage services required other services too such as flexible, hassle-free workspaces. He is in discussion with his Mauritian partners to “broaden the offering in future”.

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