

Mudges fell to BEE Group

By [Selma Shipanga](#)

5 Jul 2012

Stimulus Investments, founded by businesswoman Monica Kalondo, has acquired a 50 per cent shareholding in Democratic Media Holdings (DMH).

DMH's long-serving executive chairperson, Chrisna Greeff, who is the daughter of Dirk Mudge, the founder of the Democratic Media Trust of Namibia, which has sold its stake in DMH, will vacate her position at the end of November this year.

The announcement was made on 3 July 2012 in a press release issued by Dirk Mudge, first trustee of the Democratic Media Trust.

"The Trustees of Democratic Media Trust of Namibia today announced that it intends to sell Desert Trade Investments (Pty) Ltd, a company currently holding 50 per cent of the shares in Democratic Media Holdings (Pty) Ltd, to Stimulus Investments, a Namibian investment company majority owned and controlled by a combination of broad-based empowerment entities and individuals, making Stimulus Investments ideally positioned to present itself as a unique empowerment partner," reads the press release.

The trust was created in 1989 as a private charitable trust by Mudge and Dr Jan Spies as trustees and because a charitable trust cannot be registered for tax, Desert Trade Investments was created as the operating company of the trust.

According to Kalondo, the deal, which was clinched for an undisclosed amount, is still subject to approval by the Namibia Competitions Commission (NaCC).

Both parties maintained that Radio 99 and the Warehouse Theatre, which had been part of the DMH, are not part of the transaction and will not be affected in any way.

Kalondo gave the assurance that there will be no layoffs or changes in the day-to-day operations of the company as a result of the transaction.

"As Stimulus Investments, we are more strategically invested in DMH, not operationally. It's a shareholding change at the top, the daily operational side of the company will remain unchanged," she said.

Asked whether Stimulus will bring in new faces at management level to look after its interest in DMH, Kalondo said her company will bring four people onto the DMH board.

"We will also be looking at the chief executive officer position, not in terms of filling it, but in terms of providing a candidate," she said.

In addition, she assured that the transaction will not have any implications related to the printing costs of newspapers.

"There definitely won't be any implications. The printing press is giving newspapers good service and that is one of the reasons we bought into DMH in the first place. Our motive isn't profit, from a pricing perspective everything will remain the same. We are coming in as a shareholder, not as management," she said.

Asked about how the proceeds of the transaction will be used, Mudge said: "The entire proceeds of this transaction will be used for the benefit of the people of Namibia. The Democratic Media Trust is the operating company receiving the money from this transaction and we are busy setting up a structure to use this money for community programmes."

DMH currently publishes the Afrikaans daily newspaper *Republikein*, the German daily *Allgemeine Zeitung* and the English daily *Namibian Sun*. It also owns Newsprint Namibia, which prints all Namibian newspapers as well as commercial publications.

Stimulus Investments, which is not new to the Namibian business landscape, is managed by Kalondo and Rein van Veen and has bought into the Cymot Group, Plastic Packaging, Nashua Namibia and various other local businesses.

Source: [allAfrica](#).

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