

CIHoldings acquires 51% of VME Group

Community Investment Holdings (CIHoldings), a 100% black-owned company with interests in health care, ICT, logistics, mining, infrastructure and power and energy has recently acquired a 51% stake in VME Group (VME).

VME has an annual turnover of R250 million, generated from its two main divisions: Valfrira Motor Engineering division and Mayibuye Truck Engineering Division.

VME Group's CEO, Frik de Villiers, said: "It is an umbrella company housing not only Valfrira Motor Engineering, but also Force Motor Engineering, Mayibuye Engineering, Fleetline Motors and VME Engineering. The group has a presence in Pretoria, Potchefstroom, Kimberley, Joburg, Rustenburg, Steelpoort, Postmasburg, Upington, Zeerust and Gaborone in Botswana."

VME's customer base includes: the SA Defence Force, Armscor, Land Systems Omc, and various mining companies, including BHP Billiton, Anglo American, Lonmin and African Rainbow Minerals.

Opening doors for collaboration

"The acquisition of a 51% stake in VME will further boost CIHoldings on its growth path, opening doors for collaboration with two of our automotive companies: Jowell's Transport and Putco Bus Services," said Joe Madungandaba, CEO of CIHoldings.

CIHoldings was established in 1995 by Madungandaba and Dr Anna Mokgokong, and has since grown into an empowerment concern with operations in South Africa and has partnerships with international players on most continents.

"We believe that the acquisition will make a distinct difference to VME's future growth and profitability, as well as our own," said Madungandaba.

"CIHoldings' approach to investing is formulated to achieve specific aims. We take significant stakes in stable, medium-to-large companies with potential for superior growth, like VME, and create synergies, and apply a vertical industry focus in order to enhance the value of such companies.

"We then utilise our local and international networks in order to market the products and services of the companies in our stable and create successful management structures by providing training and mentors. Financial skills, management expertise and strategic guidance are provided in a manner sensitive to South Africa's equity and procurement policies," said Madungandaba.

Employees represented

VME is an accredited agent of: BAE, Armscor, Iveco, Robert Bosch, Nissan, Deutz Dieselpower, Perkins, Knorr-Bremse, ADE, Land Systems OMC and Prestolite.

"VME is SABS flame proof and armed proof accredited in terms of ISO 9001/2008," said De Villiers.

"I am delighted to say our employees are also represented in the new company structure, via a staff development trust which owns 9% of the new entity. Furthermore it will assist with bursaries for staff members to enable them to undergo further training," he said.

De Villiers said that VME strives to provide customer solutions in respect of petrol and diesel motor engines and truck remanufacturing, while upholding a culture of participation, commitment and total quality management.

"Following this transaction, these attributes will be further enhanced, with team members appointed according to a value system that emphasises loyalty, accuracy, teamwork, mutual respect, empathy and integrity.

"We look forward to growing our business to new heights in collaboration with CIHoldings in 2013 and beyond."

Madungandaba concluded that the investment in the VME Group will further fulfil CIHolding's vision to be one of the country's pre-eminent BBBEE companies, making a noticeable difference to South Africa and its society both economically and socially.

For more, visit: <https://www.bizcommunity.com>