

Westcon integrates Comztek post-merger

Following on the finalisation of the merger of Westcon Group South Africa (Pty) and Comztek Holdings (Pty) Ltd the two businesses are announcing their new organisational structure.

Westcon

As per the merger, Comztek will be integrated into Datatec's Westcon South Africa subsidiary, operating under the banne of Westcon and co-branded Comztek. The existing Comztek business units will structurally become divisions of the Westc Group, South Africa, also referred to as Westcon.

Consolidation with minimal disruption

"We are delighted that after receiving approval from no less than six Competition Commission boards across Africa the merger is officially finalised," states Paul Conradie, CEO of Westcon Comztek. "As there has been little to no overlap between the two businesses, the structure of the new company will see several components of the Comztek business take the face of separate business practices within the overall group."

The new structure will be made up of six business practices which include Comstor (Cisco business), Comztek Consumer Solutions, Westcon Communications Solutions, Westcon Mobility Solutions, Westcon Security Solutions that includes an electronic and network division and Comztek Software Solutions. The Comztek Africa business will enable the abovementioned business practices to deploy their relevant offering into the rest of the African market.

According to Conradie there will be a period of consolidation in the business as the back-end and operational environmen are merged. However, there will be little to no disruption to customers over this period, as it remains business as usual fror partner viewpoint. From a staffing perspective Conradie adds that there is currently minimal overlap and the company is ir an enviable position to currently be looking for additional staff for the businesses, as opposed to having to rationalise.

Exciting prospects

With regards to its black economic-empowerment partner, the Mineworkers Investment Corporation, the reorganisation an merger will see the corporation holding a 40% stake in the combined business, Comztek management owning 9.9% and Datatec, through subsidiary Westcon Emerging Markets Group, 50.1%.

"We have been in consultation with all of our vendor partners who are excited with the new prospects the merger holds for them. It is our intention to provide the reseller partners of our collective businesses the opportunity to expand their offering to clients by tapping into the expanded product and services portfolio we now offer, which will in turn significantly grow the market share," mentions Conradie.

The merger has created a new contender in the African channel landscape, augmenting and extending the current businesses of both organisations. Building on the positive reputations of both, the company will continue to drive its formul of value-added distribution throughout the regions in which it has a presence as well as continue to emulate the support services model of the global Westcon Group for its resellers.

For more information, go to <u>www.westcon.co.za</u>.

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