

# Adcorp management buy-out acquires Simeka TWS, Graphicor

The management of ADCORP Communications Solutions (ACS) announced late on Friday that it has bought Graphicor and Simeka TWS Communications from the ADCORP Holdings group, forming a new communications powerhouse: Tshirundu Communications.

The two businesses, part of ADCORP's marketing advisory division, were sold in line with the group's strategy to focus exclusively on the staffing business.

The consortium involved in the management buy-out is led by Thendo Ratshitanga, currently executive chairman of Adcorp Communications Solutions and includes Onkgopotse JJ Tabane, Mboneni Mulaudzi and Robinson Ramaite of the Simeka Group, as a private equity partners.

The transaction has resulted in the two companies being 100% black-owned putting them many steps ahead compared to competitors in the industry. "This gives Simeka TWS and Graphicor a major competitive advantage regarding BEE ownership considering that the industry remains largely white and untransformed," said Ratshitanga.

## 'A basket of solutions'

Resulting from this transaction, a new communications power house, Tshirundu Communications, is being created to offer integrated communications service, increase efficiency and add value to clients' businesses. The name Tshirundu resonates with this new business direction - roughly translated Tshirundu means 'a basket of solutions'. The new company will own the two brands - Graphicor Pty (Ltd) and Simeka TWS.

"Our company will deliver solutions across all communication elements, including public relations and marketing, development and implementation of communications strategies, graphic design, website development, investor relations, financial advertising, and design of books and other corporate publications as well as development of corporate identity," said Ratshitanga

"An integral part of this transaction is to create a vehicle that will generate wealth for staff. As management we recognize that employees are the company's biggest asset and we are committed to investing in them. To this end our staff will be given equity in the business to the tune of 20% managed through a staff trust to attract and retain the best talent in the communications industry," added Ratshitanga.

Announcing the transaction, ADCORP CEO Richard Pike said: "Although ADCORP will no longer have direct ownership of

these businesses, it will remain involved in advising management and assisting with the funding of the transaction as part of its commitment to enterprise development in terms of current BEE codes of good practice."

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