

SA family-owned Xmas cracker business inks Walmart export deal

Glenart, a South African Christmas cracker manufacturing company, has secured an export deal with American retail giant Walmart. The agreement will see the local business directly supplying their confetti-popping crackers to 800 Walmart stores in the US.



Massmart, which is majority-owned by Walmart, is the owner of retail brands including Game, Makro, [DionWired](#) and Builders Warehouse. Glenart is a Massmart supplier and a partner on the Massmart Supplier Development Programme.

The deal between Glenart and Walmart was signed last week, when merchants from Walmart's global sourcing team were in South Africa to identify export opportunities for a selection of local suppliers. Glenart is the first local supplier to be listed with Walmart US on its new export programme.



Some Massmart suppliers could gain access to global Walmart markets

10 Sep 2019



Access to global markets

According to global retail analytics, in 2018 the U.S. retail market was valued at \$3.3tn and is expected to reach a value of 3.6tn dollars in 2020. With the U.S. retail market being one of the largest in the world with continued growth expected in the coming years, and Walmart being a leading retailer, this deal represents a significant opportunity for Glenart.

Based in Shaka's Head in KwaZulu-Natal, Glenart is a family-owned business that employs 200 people from neighbouring communities for 5 months - due to the seasonality of Christmas. Through this deal, they will be able to hire more employees for an extended period to meet the increased demand.

"We believe in the concept of shared value, to develop programmes that not only benefit Walmart and our customers but also benefit our suppliers," said Sean Reber, the Walmart global sourcing director. "Glenart is a good example of this. We will be the first company to bring this innovative product to our customers in the United States. The order benefits Glenart with additional volumes and the potential to access other global Walmart markets."



Eyeing export potential

This export programme stems from discussions that took place at the 2019 World Economic Forum in Davos, between Minister of Trade and Industry Ebrahim Patel and the President and CEO of Walmart International Judith McKenna. The initiative also represents an extension of the Massmart Supplier Development mandate to include assisting local suppliers to access Walmart's global markets.

The Walmart Global Sourcing team, supported by the Massmart Supplier Development Programme, initially met with 18 South African suppliers in September 2019. Following these meetings a total of seven suppliers were identified as having export potential to Walmart markets due to their ability to meet particular demand requirements.

Supplier products include I&J's abalone and seafood, AVI's Fresh Pack rooibos, Vinimark's wines, Rhodes Foods' tinned fruit, Distell's wines, Green Farms' macadamia nuts and Glenart's Christmas crackers.

The Walmart team, accompanied by buyers from China and Japan, recently returned to South Africa to visit the manufacturing facilities of the seven high potential suppliers. The purpose of these visits was to determine if these suppliers are able to adapt their products for the targeted Walmart markets.

The Walmart Global sourcing team was as impressed with the products as they were the facilities in which they are manufactured. "The factories are world-class. It's clear these companies are investing in the factories to continually update the production lines to improve efficiencies and add innovation," said Reber.

It was during these factory visits that Walmart finalised Glenart's Walmart listing. The remaining suppliers will be updated when the Walmart global sourcing team returns to South Africa for further meetings.

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