

Namibia brewery builds up steam for SABMiller

By [Nick Hedley](#)

23 Sep 2014

SABMiller's first Namibian brewery, which cost 33m (R367m) to build, has started producing its Carling Black Label brand, and will be fully operational later this year, the company said last week.



© stockphoto-graf - Fotolia.com

SABMiller's Namibian operation, in which it has a 60% holding with local partners having the balance, previously imported all its beer from SABMiller subsidiary South African Breweries (SAB).

Unlike in SA where SAB commands a near 90% share of the local beer market, SABMiller's position in Namibia is not as dominant. The company says it has about a 22% share of the Namibian market through brands such as Castle Lager, Carling Black Label and Castle Lite.

These beers will be brewed at the new site in Okahandja, 70km north of Windhoek - the headquarters of Namibia Breweries, which dominates the market with brands such as Windhoek and Tafel Lager. In SA the Windhoek brands are distributed by brandhouse.

SABMiller said its 260,000 hectolitre Namibian brewery "will be one of SABMiller's most efficient and environmentally friendly breweries of its size in the world".

Construction on the brewery began in mid-2013. SABMiller has since consolidated its South Africa (SAB) and rest of Africa regions into one region for management purposes.

SABMiller Namibia is 60% owned by SABMiller and 40% by local Namibian partners, comprising 20% from Onyewu Investments and 20% from three charitable trusts on behalf of local communities.

SAB MD Mauricio Leyva said Thursday (18 September 2014): "We expect the new Okahandja brewery to contribute to ... a vibrant manufacturing sector through which we will accelerate the emergence of small and medium-sized Namibian businesses and help create a growing population of skilled employees by supporting education and providing training.

"SABMiller's investments in Namibia, and more broadly across the continent, underline the company's belief in the region and its ability to drive long-term growth in Africa," the group said.

With other emerging market regions Africa has accounted for a large portion of SABMiller's sales growth recently.

Source: Business Day

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