

## How 3 promising local brands landed on Dis-Chem's shelves

In acknowledgment of the call by government to boost local manufacturing and job creation, Dis-Chem is working in close collaboration with the Department of Small Business Development in a national drive to stock more locally-produced retail goods.



Usisi Brands. Source: Supplied

The initial goal is for major retailers, such as Dis-Chem, to stock about 400 locally-produced items, in time rising to over 2,000, as part of a national strategy to grow manufacturing locally. This comes at a time when many small and medium-sized enterprises (SMEs) are in desperate need of life support during the Covid-19 pandemic and consequent economic lockdowns.

A Bureau of Economic Research [study](#) estimates the number of SMEs to be in the region of 2,2 million. These contribute considerably to the South African economy and create over 11 million jobs.

Estimates vary widely, because even without a crisis such as the pandemic, between 70% and 80% of startup businesses typically fail within two years. Such numbers are staggering and tell a tale of the need for support to ensure more businesses survive and create employment.

“Dis-Chem started as a small business with one store, so we understand what it takes to grow an organisation. As a company that supports businesses, we support and mentor entrepreneurs and we are fortunate to have partnered with some small businesses that have grown significantly in recent years,” says Saul Saltzman, executive director at Dis-Chem.



Clicks to ramp up procurement from local Black-owned SMMEs

30 Jun 2021



Dis-Chem is best known for its health products, a category that has grown in-store in recent years through the support for innovative, small, local suppliers. These are a few of their success stories.

True Earth



True Earth. Source: Supplied

“From a commercial perspective Gauteng-based True Earth, suppliers of gluten-free cereals and snacks, was given an opportunity to launch its products with us and grow their business,” says Saltzman.

Dis-Chem provided guidance to founder Nokwanda Shabalala on manufacturing standards. The retailer also evaluated her labels and provided direction on how to get them fully compliant with regulations

Knowing Dis-Chem’s health focus, Shabalala sought a meeting with the company’s management. “It all started with a cold call to Dis-Chem which led to a visit. At that time, I hadn’t commenced manufacturing – I took along samples of the three gluten-free cereals we had at that point. The Dis-Chem team gave us some valuable pointers at that first meeting on what health seekers require from a product to establish consumer trust.”

“Apart from food safety, the next most important aspect of health products is the labelling and packaging, which Dis-Chem’s consultants worked on with us. The packaging has to be accurate and clear to comply with the regulations and Dis-Chem advised us throughout this process so as to avoid costly mistakes.”

A third aspect that's vital to the viability of emerging suppliers is payment terms. "Typically, payment terms are 90 days, but Dis-Chem connected us to a supply-chain finance facility approved by Dis-Chem, which eased cashflow. This is key for a small startup supplier and helped establish the viability of our business," says Shabalala.

This was the launchpad for True Earth, which has since broadened out to supply additional retailers and health stores. "We were at first operating on a shoestring with extremely limited cashflow. Nonetheless, we developed an additional new product line which unfortunately was ready for a market right in the middle of Covid. While other retailers would not even consider a new product at that sensitive time, Dis-Chem stocked it on a much wider basis than a new product would typically enjoy, again confirming their support for our business and their belief in the importance of health products," says Shabalala.



## The Village Market Africa triumphs in Food Lover's Seeds of Change initiative

28 Apr 2021



## Irene's Gourmet

Gauteng-based Irene's Gourmet has been a growing supplier of quality vegan products with a focus on high nutrition and ethically-sourced ingredients. The business has been a supplier to Dis-Chem for the past five years.

Owned by Irene Margolis, her products first came to the attention of Dis-Chem on a social media post, and the company started to engage with her in 2017. The business had been trading from Margolis' home and had only recently moved into a dedicated factory when it was visited by Dis-Chem who inspected her premises and provided guidance on changes required to ultimately pass a certification level audit.

"Dis-Chem approached us after we had been trading for around two years. They were happy with what they saw and once we met their minimum standards agreed to stock our products initially in fourteen stores," says Margolis. Irene's Gourmet was placed on a special small vendor programme to monitor its compliance to the strict standards it would eventually be audited against. Dis-Chem also evaluated her labels and assisted her with all product changes that had to be made.



Irene's Gourmet. Source: Supplied

"Before Dis-Chem we were just supplying a small number of health shops, but our customer base has ramped up significantly thanks to the 70 Dis-Chem stores we now supply, in addition to other retailers, as we now hold the food safety certification that meets the requirements of most South African retailers," says Margolis.

With a growing base of consumers who are switching wholly or partially to a plant-based diet, the business is now well



known in the vegan community for its vegan cheeses, yoghurts, and other cultured products.

Due to the excellent progress made at Margolis' facility, she also took on the manufacturing of another vegan brand – Herbi Vohr, which produces vegan biltong that is also listed with Dis-Chem.



### Jozi family builds blossoming corndogs business

9 Mar 2021



## Usisi Brands

Sion Venter, director of Usisi Brands in Cape Town, has developed a variety of food herbs and spices targeting people looking for healthy alternatives that are sugar-free, non-irradiated, msg-free and contain no other fillers.

Little was required from a compliance and food safety side with Usisi. "We gave them some advice on labels but all they needed was a boost from a retailer like Dis-Chem that would take them on," says Saltzman.



Usisi Brands. Source: Supplied

Venter explains, "Our presence in Dis-Chem initially started fairly selectively but our brand is now stocked in about 140 stores. I approached Dis-Chem initially as I had previously worked with them in another spice business. I always liked working with Dis-Chem and so automatically looked to do business with them again.

"They have a health food section which is steadily growing and is a lot wider than most competitor stores. They were also prepared to grow my health brand and offer me good support and increase my brand awareness," says Venter.

Saltzman concludes, "Shoppers are exposed to countless brands every time they enter a store, but what they don't realise is what it means for smaller brands to reach national supply in a major retail group. For many, they have a fantastic product

but aren't fully cognisant of the regulatory and compliance issues that are needed.

"Some are not aware of quality standards that need to be adhered to before being considered by large groups. These details can be a minefield for small entrepreneurs, and we are so pleased that our approach to growing small businesses has resulted in some true success stories."

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