

Deal makes Switch first SA-owned BEE design company

In a black economic empowerment (BEE) deal that sees S'bu Manqele becoming a 26% shareholder and an executive director, Switch Design Group has become the first, wholly-South African-owned, BEE corporate branding and design group.

The deal comprises a pure sale of shares and a 'sweat equity' investment from Manqele, who brings to Switch years of marketing and brand management experience in a diverse range of industries. Effective 0 October 2004, Manqele will join fellow executive directors, Larry Shiller, Gaby de Abreu and Peter Upton on the Switch board and executive team, and will begin to implement his vision of maximising market penetration in the corporate branding and design market.

Larry Shiller, managing director of Switch, commenting on the benefits of bringing Manqele on board, said "We wanted to find a strategic investor and partner who would share our goals of expanding our client base into industries into which we have not yet ventured. S'bu fulfilled all of these requirements and, most importantly, has excellent brand management experience and expertise. He and I have also known each other for 15 years, having worked together at various stages of our careers. Partnering with someone who so well known to me was an important consideration for us.

"Having S'bu as a part of our team immediately broadens our potential client base. A black economic empowered Switch offers us access to areas from which we have previously been excluded and will strengthen our relationships with many of our existing clients."

Adding to this, Manqele said, "My reasons for joining and buying into Switch were twofold: Firstly, I have a vision of skilling up our industry with some of our truly excellent black talent and, secondly, I have the utmost confidence that I am joining a team whose vision for South Africa is the same as mine. We all firmly believe in South Africa and all that she has to offer businesses and individuals.

The South African design industry has an excellent reputation globally. We have the skills, experience and expertise, but until now we've been lacking the proper empowerment. I'm really excited about being in the position to build on what is the start of true empowerment in the industry and I look forward to harnessing this incredible talent that is available to us."

Switch's empowerment status has a direct, positive effect on the group's interior design and architecture arm. The interior design and architecture industries are not yet well empowered, so the deal positions Switch Interior Design and Architecture as one of the few empowered companies in this category.

Manqele and the Switch team share the common view that design and branding have a key role to play from a business success point of view. In an increasingly competitive marketplace where new companies and products are constantly clamouring for attention, a correctly positioned, noticeable brand is crucial. Maintaining market share is vital to survival, so constant management of the brand, through the management of the brand design and identity, is as important as the management of the company's reputation and the company itself.

Switch Design Group was formed in 1999, offering brand management consulting, brand custodianship, corporate and brand identity design, interior design and architecture. Its unique approach to branding and

design, combining the analytical with the intuitive, the creative with the rational, enables Switch to provide workable solutions for its clients. This approach has ensured its position as the largest independent design consultancy in South Africa. With offices in Johannesburg, Cape Town and London, Switch currently employs a team of 65.

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