



# COMPANY PROFILE



# Company Profile

## 1. INTRODUCTION

In 2001 Ramatheola Tyres was established as a sister company of Thomas Tyres. For the first 6 years this company functioned purely as a trading entity.

But a bigger dream and vision was in store for this Company. The vision of empowerment and growth came to fruition on the 1<sup>st</sup> of July 2007. Ramatheola Tyres acquired a Bandag Retread Factory from the Thomas Tyres Group. In turn, Southern Palace Group of Companies acquired 30% shares in Ramatheola Tyres. To have partners such as Southern Palace Group involved, creates a solid foundation for motivation and retention whilst improving the company's productivity.

The Factory has always operated from a very solid foundation and was awarded Gold Dealer Status for their outstanding efforts and commitment to the Bandag vision and strategies in the following areas.

- ➡ Manufacturing
- ➡ Services
- ➡ Sales and Marketing
- ➡ Finance

With the new partnership, this status will be maintained and built upon. Southern Palace Group prides itself to be part of this partnership which is also in line with our strategic move to operationally grow our business. As a group Southern Palace has been involved in the tyre business for the past seventeen years through its subsidiary companies and various service providers. The investment in Ramatheola Tyres is seen as an opportunity for us to grow our assets in the tyre business. Furthermore this opens an opportunity for Southern Palace Group to have access to resources for the betterment of service to our clients.

## 2. TARGET MARKET

The target market for Ramatheola Tyres as a BEE company would ideally be described as those sectors in the corporate, parastatal and government related industries with a preference for affirmative suppliers and service providers. These entities should

- ➔ accept the companys capabilities as equal to those of competitors established in the tyre industry in the past dispensation
- ➔ share a common understanding of the companys commitment to equity and the development and true empowerment of previously disadvantaged individuals
- ➔ share a genuine desire to discover and create new talent amongst that sector of the South African community who, either through their gender or race (or both) previously had no opportunity to realise their true potential

The companys target market will not be restricted to Governmental, Parastatal and Multinational Corporations, but will also include emerging companies and any other established private business.

## 3. SWOT ANALYSIS

### Multi-Branded

We are a Multi Branded company in the position to supply these brands but not limited to this list as we also have a variety of import tyres.

3.1



3.2



3.3



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3.7



3.8



### ***National and Cross border Footprint network***

We have national and cross border footprint and have indirect physical presence in all the provinces, and the country at large. We have collaboration, partnerships and associates in all these regions with all the relevant service providers whereby service level agreements will as and when required be entered into in order to ensure smooth delivery and exceptional service to our clients.



### ***Price***

We have an affordable pricing structure across all the segments of tyres and on all brands.



### ***Delivery (nationally and timeously)***

Through the same relationships mentioned above with both manufactures and service providers we are in a position to deliver timeously at all times and throughout the rest of the country and across border.

### ***On-site service and personnel***

We have a team of fully trained and professional technical people who undertake the operational functions to our clients such as fleet maintenance, scrap analysis, fleet surveys, load studies, alignments, etc. As per the clients needs these services can be provided on site to the tremendous benefit of the client.



### ***Turnkey Solutions***

We have the ultimate tyre management system and all the related services. We are also the supplier of both new and retreaded tyres hence we provide a full turnkey solution to our customers

### ***24 Hour national breakdown service (Urban, township and rural)***

Through our internal structures and our service providers we have a national footprint of breakdown services which operates 24 hours a day and seven days a week. This service provides all the relevant tyre related services as provided during office hours.

### ***Tyre management system (Profleet)***

This is a software package that provides the customer with all the historical and present tyre information as captured by our technical team. This package can be both software and network based thereby suitable for any type of application and/or IT system.





### **30% Black Empowered Company**

Ramatheola tyres is owned 30% by PDIs and also managed by PDIs and we have over 50 people under our employ. We have a full technical team that is fully trained and are in total control of the day to day operations.

Ramatheola Tyres have a verified BBEEE certificate as a LEVEL FOUR contributor.

#### **5. OPPORTUNITY**

We are embarking on a vigorous marketing strategy to take advantage of the ever growing transport industry due the unprecedented coal demand, infrastructure and economic growth.

#### **6. BARRIERS TO ENTRY**

Capital Intensive business  
High cost of Infrastructure  
Cheap Chinese imports  
Low Margins vs High Volumes  
Lack of contractual customers

#### **7. TRAINING**

To achieve the objectives of the company, for example quality service, an extensive programme of training, skills transfer and development and capacity building is undertaken in all areas of operations and management on an ongoing basis. Such training is provided through in-house personnel, suppliers and, where necessary, through colleges, technikons or other educational centres.

#### **8. CONTACT DETAILS**

FOR MORE INFORMATION CONTACT:

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