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A move, a makeover and Turkish delights in SA

There are a lot of ‘new’ things to report in this issue of HGR.

Amalgamated Appliances has moved to beautiful new offices in Fourways, Johannesburg, Van Dyck Carpets has had a branding makeover and undergone a name change, while Defy Appliances has a new Turkish parent company. More on all these stories can be read in Newsline.

On the international news front, Electrolux has announced plans to increase the prices of its appliances, American consumer spending is at an all time low, while Samsung and Apple are at it again - this time over an alleged patent violation.

Our industry captain this month is renowned industry doyenne Margaret Hirsch. Highly respected for her business acumen, Margaret’s achievements over the last 30 years are an inspiration to all women in business.

Our Fridge & Freezers feature is packed with products from across the price spectrum, and showcases the latest in feature offerings. Additionally, GfK reveals that refrigeration appliances are becoming more affordable as sales continue to hold steady.

All this, plus new product announcements and informative reads on the importance of a good online reputation in your business and how to take the pain out of budgeting, makes for a must-read issue.

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Amap moves offices, buys satellite and TV business

After more than 60 years in its Booyens-based building in Johannesburg, brand manufacturer and marketer Amalgamated Appliances (Amap) has moved to new premises in Fourways.

“The move was long overdue,” says CEO Alan Coward. “The building from which we were operating was extremely old, and the crime rate in the area had worsened to a degree where clients no longer wanted to visit our showroom.

“In addition, we needed facilities that reflected our transformation into a brand company,”

Amap’s new offices are centrally located at the Pineslopes Shopping Centre, corner of The Straight and Witkoppen roads, with easy access to the N1 highway.

“Customers and partners visiting us from outside Gauteng can stay at the nearby Plaza or City Lodge hotels, and for entertainment Monte Casino is just around the corner,” says Coward.

“Naturally, there was some trepidation among the staff prior to the move,” he continues, “but now that we are finally settled everyone is enjoying the convenience of being able to run quick errands at the shopping centre, which they weren’t able to do at the previous building.

“We have also changed our office hours from 7h00 to 16h00 to enable staff to beat the rush hour traffic. Consequently, productivity has increased exponentially, along with morale and communication.”

Coward is especially proud of the brand-new showroom, which showcases all Amap’s brands.

“We no longer need to rent facilities for to hold promotions and training — now they can all be held in-house.”

Acquisition will aid expansion

In a R53 million deal, Amap’s wholly owned subsidiary Tedelex is to buy satellite reception businesses from Sanmeg Satellite, wholesaler and manufacturer of terrestrial and satellite television reception equipment and accessories.

“The acquisition will enable us to introduce new brands into our portfolio and help with our business expansion into sub-Saharan Africa and the Indian Ocean islands, where satellite decoders in particular are in high demand,” says Coward.

The deal, which includes Sanmeg’s operations in Cape Town (Samsat) and KwaZulu-Natal (Samcast), is subject to approval from shareholders and the competition authorities, as well as a due diligence.

Immediate customer benefits in Walmart-Massmart merger

Following the recent closing of the transaction in which Walmart secured a 51 per cent controlling interest in Massmart, the companies have moved swiftly on their promised benefits to South African consumers, demonstrating their commitment to significant job creation, and announcing plans for growing an enhanced food offering, the majority of which will be locally sourced.

Massmart and Walmart have also worked to begin delivering lower prices to customers. This initiative comprised price cuts on product offerings, selected examples of which included a 32-inch Samsung LCD television selling at R3499.00 (from R4799.00), and a 5-in-1 Samsung home theatre system for R999.00 (from R1399.00) at all Game stores.

Similarly, at all Builders outlets, the cost of Osram energy saver light globes was reduced by R23.00 to R11.99, while 15 litres of Dulux Weatherguard paint was cut by R76.00 to R449.00. Similar price cuts were also launched at DionWired and Makro stores.

Massmart CEO Grant Pattison says, “A distinguishing feature of this promotion is that the price cuts were fixed for a ten-week period, which to my knowledge is unique in the South African retail environment.

“While other exciting promotional campaigns are planned, this offering so soon after the finalisation of the Walmart merger is a clear demonstration of Massmart and Walmart’s intent to save people money to live better.”

Pattison adds, “We’re also excited to announce our plans to create 15 000 jobs in the next five years. During that same period, we intend to expand sourcing, most of which will be from local manufacturers, to approximately R60 billion of additional food and FMCG purchases.”

Supplier fund

Plans are also underway for the creation of a R100 million supplier fund that will help local South African suppliers to establish long-term relationships with Massmart and Walmart. It is anticipated that the fund will be established over the coming months.

Massmart and Walmart say they look forward to working closely with the South African government, businesses, including small and medium enterprises, and trade unions to finalise the establishment of the fund.

By leveraging Walmart’s experience in various parts of the world and by collaborating in areas such as product selection, purchasing, operational processes, systems, e-Commerce, and introducing sustainable operating practices, the merged entity remains adamant it can help South African
Turkish group buys Defy in R2.2bn takeover deal

Durban-based home appliances manufacturer Defy Appliances has been acquired by Turkey’s Arçelik group, the third largest appliance maker in Europe and a subsidiary of Koç Holding, for R2.2 billion ($327 million).

The price includes $229 million of equity value and a $95 million shareholder loan from Franke Holdings, Defy’s Swiss-based former parent company.

Defy, which has been operating in the home appliances market for almost a century, employs more than 2600 people at three factories. It’s Durban operation makes freestanding stoves, built-in ovens and hobs and tumble dryers. A second factory in Ezakheni, Ladysmith produces chest freezers and fridges, while a third in East London manufactures fridges.

Last year Defy’s net sales amounted to about R2.5 billion. The company exports to a variety of markets in Africa and the Indian Ocean islands.

“Arçelik has been a major strategic supplier of products to Defy for many years and we have enjoyed an excellent relationship with the group,” says Defy CEO Ross Campbell Heron.

Arçelik employs around 19 000 people across the globe and operates in the consumer durables and consumer electronics sectors. In 2010 it posted a consolidated turnover of R34 billion (€3.5 billion) and recorded international sales of €1.8 billion.

Arçelik CEO Levent Çakiroğlu says the company is consistently looking to expand its international presence, from both a manufacturing and branding perspective. “The acquisition of Defy will allow us to expand in South Africa and sub-Saharan Africa.

Koç Holding chairman Mustafa Koç says the acquisition will enable Arçelik to strategically position itself on the African continent. “I believe this offers high growth potential. Koç Holding will continue to support acquisition opportunities for Arçelik in the framework of its global growth plans,” he adds.

The biggest conglomerate in Turkey and the country’s only company in the Fortune Global 500 list, Koç group operates in the energy, automotive, consumer durable and finance sector.

Regulatory approvals for the Arçelik deal are expected to be finalised in September.

Van Dyck gets a brand makeover, new name

Van Dyck Carpets has embarked on a new branding strategy.

“We have done away with the blue diamond-shaped logo and replaced it with a bright and trendy green logo,” explains the company’s Bernd de Smedt.

“Our new branding incorporates all the various activities that take place in our company.

“The whole look and feel of the new logo has a younger and more modern impression that reflects the fresh and energetic wave we have embraced at Van

Van Dyck’s new logo.

Dyck.”

The company has also dropped the word “carpets” from its name.

“We are no longer simply carpet manufacturers,” De Smedt explains. “We are an organisation that is committed to the environment and social wellbeing of those we live amongst.

“We have also joined the social media frenzy and would most appreciate our partners’ and customers’ support in this,” he continues. “Our new website is up and running and while you browse please ‘follow’ us on Twitter, ‘Like’ us on Facebook and become a part of the Van Dyck network on LinkedIn.

“Also, visit YouTube and check the various videos we shall be posting from time to time.”
Lowest prices rush costs consumers more – Toshiba

Many vendors are chasing a ridiculous rush to offer the lowest prices on notebooks to the retail market, and this approach will cost the consumer more in the end because they don’t realise that their newly purchased notebook does not meet expectations or has old component technology, this according to Toshiba’s newly appointed general manager for Africa Domenico Gargarella.

“Value for money does not mean waste of money,” he continues. “Many customers are looking for an affordable notebook, especially from the retail segment, but they still want to use the new notebook for at least three years, so consumers need to be conscious on how they spend their money.”

Gargarella’s appointment is part of Toshiba Computer Systems’ recent corporate restructure of its African operations as part of its strategic plan for market growth.

Gargarella will be focusing on establishing a solid foundation of trust for the Toshiba brand and will set the conditions for sustainable growth in Southern Africa where channel partners will play a key role.

Previously head of product strategy and business development, Gargarella was responsible for developing product strategies for Toshiba CIS and Baltics, Middle East, Africa and Turkey. Having worked for Toshiba since October 1999, he is extremely knowledgeable of the challenges of international sales and marketing – particularly in Africa.

“Toshiba, through its focus on three major business pillars, will aim to increase its market visibility and presence in the channel, offering increased levels of marketing and service support for our partners who have loyally supported us over the years,” Gargarella explains.

“There are many new and exciting announcements in the pipeline for 2011, which are guaranteed to drive even greater demand for Toshiba’s products and services in the consumer, corporate and public sector spaces,” he says.

New retail division
Toshiba’s corporate restructure sees the introduction of three new business divisions, one of which will focus exclusively on retail.

The new Retail Business division is headed by Jan Minnie and is geared to increasing Toshiba’s visibility, footprint and brand value by building a closer and stronger partnerships with retailers.

The other divisions are Corporate and

Immediate customer benefits in Walmart-Massmart merger

businesses through not only this fund, but also within the greater Massmart supply chain.

“Massmart intends to leverage Walmart’s global expertise in working directly with local farmers to encourage the cultivation of safe, high-quality fresh produce,” says Pattison. “This will assist existing, as well as emerging farmers to deliver consistent fresh produce to our stores, while enhancing the net incomes of the local farmers through better operating and logistical practices.

“This will go some way toward strengthening the country’s industries and will also result in the selected businesses being more internationally competitive.”

Walmart International CEO, Doug McMillon adds, “As we do around the world, we will provide previously underserved customers and communities with better prices and increased access to the products they want and need.

"Both Massmart and Walmart remain committed to partnering with the South African government as well as all key stakeholders, and we stand by our stated commitment to encourage other international companies to invest in Africa’s vibrant economy.”

Board changes
The finalisation of the merger with Walmart has resulted in changes to the board, which will comprise nine directors, including four independent non-executive directors, three non-executive directors and two executive directors.

Mark Lamberti (chairman), Dr Lulu Gwagwa, Phumzile Langeni and Chris Seabrooke will continue to serve on the Massmart board as independent non-executive directors, as will Massmart CEO Grant Pattison and CFO Guy Hayward, in their capacity as executive directors.

Walmart is entitled to nominate the chairman plus three non-executive directors to the board. These are Walmart International representatives Doug McMillon (president and CEO), Jeffery Davis (senior vice-president finance and treasury) and JP Suarez (senior vice-president international business development).

Dods Brand, Kuseni Dlamini, Jim Hodkinson, Nigel Mathews, Peter Maw and Dawn Mokhobo have resigned from the board.
Du Noon school receives boost from Eurolux

Lighting supplier Eurolux has partnered with Sophakama Primary School in Du Noon outside Cape Town to provide new lighting, paving and a collaborative mural at a recent activation day.

The school of 1200 pupils suffered xenophobic attacks in 2003 and was in dire need of an upgrade. The lighting company also supplied and planted 65 indigenous and 25 fruit trees at the school, with the help of the learners and teachers.

This is the first phase of an ongoing project which will see Eurolux install fans, provide playground equipment and renovate some of the class rooms.

“Due to the widespread need in many schools, we feel it is vital that corporates come alongside schools and other educational centres to help provide in their needs and see their children benefit from a wholesome learning environment,” comments brand manager and project coordinator Andrew Wex.

A lighting analysis done by the company revealed that much of the existing infrastructure in the school could be retained, although there were obvious lighting needs.

Eurolux replaced seven pole floodlights with 85Watt CFLs, which offer a wide beam perfect for perimeter lighting. Several bulkheads were also in need of replacing and as the school already used fluorescent tubes, Eurolux provided them with new ballasts and tubes for future use.

Sustainability was one of Eurolux’s major concerns and it involved the pupils, teachers and even community members in most of the activities.

“They were so excited to participate and we believe this helps them take greater ownership of the project and their future as a whole,” says Wex.

Eurolux reached out to its top retailers in the Western Cape to form part of the day and come and see firsthand how their involvement can change lives.

“The relationship that has grown between Eurolux and Sophakama Primary is inspirational.”

Wex adds “With Eurolux staff, supportive retailers, Greenpop and the local community coming together, the planting of close to 100 trees symbolises growth and a shift in mindset to care for and protect our environment and community, preserving it for future generations.

“The coming together of these parties, working together for a cause that is greater than the sum of its parts, is merely a foretaste of things to come,” he concludes.

Unilever recognised as 'number one' by graduates

The annual South African Graduate Recruiters Association (SAGRA) survey has seen Unilever voted as the number one graduate employer in the FMCG sector and fourth overall aspirational employer.

The SAGRA survey is conducted among 1562 new or future employees from 81 organisations and is based on the graduate recruitment activities conducted the previous year (2010).

The survey is done by an independent organisation and the criteria include candidate’s applications, job hunting techniques, factors which influence application and offer acceptance decisions, and future plans of candidates.

As part of the survey, Unilever also featured on the list of top ten best recruitment process, top ten for the best graduate recruitment brochure, top ten for the best graduate recruitment website, and top ten for the best integrated graduate recruitment campaign.

“People are at the very heart of our business and the reason for our success,” says Unilever South Africa human resources vice-president Antoinette Irvine. “We are developing a performance culture to attract and retain the best people, build world-class capability and deliver our business goals. Unilever offers world-class development opportunities in a fast-paced, challenging work environment.”

The company will be visiting campuses around the country from July to look for young talent as part of its 2011 graduate recruitment programme.
Benefits to consumer legislation

Marketers should embrace new laws such as the Consumer Protection Act (CPA) as an opportunity to bring best practices to their email marketing campaigns, rather than fighting or resenting them, declares TouchBasePro marketing director Cordell Brewer. "The experience of other industries across the world and over the years shows that increased regulation leads to more mature and effective business practices that benefit companies as much as consumers. Companies become more successful when they embrace laws and good practices that are meant to protect consumers. This will be true in email marketing, too, because the regulation and discouragement of unwanted or unsolicited commercial mailing will work in the favour of legitimate marketers."

Brewer says that marketers who embrace best practices already follow an opt-in permission based direct marketing because they understand that the less spam there is, the less clutter and annoyance their customers have to deal with. "Clients will be more likely to opt-in for marketing emails if they believe their data will not be sold on to spammers and that they will be able to opt out whenever they want to."

"Additionally, bulk mailers that do not send emails to people who don’t want them or never asked for them have better relationships with ISPs (internet service providers) and email services. This means their legitimate mails are reported as spam less often and have a better chance of getting through spam filters to the users inbox."

The most significant change to email marketing regulation introduced by the CPA is the mandatory compliance with an official “do not contact” list that will pre-emptively block direct marketing to consumers who put their names on the list, Brewer continues. Also significant is the CPA’s tighter standards for data collection, which make it mandatory to receive active (rather than passive) opt-in permission from consumers. "There is a need to differentiate between email subscription services (such as news and finance update subscriptions) and direct email marketing. Email subscription services that do not fall within the CPA’s definition of ‘promotion’ are not subject to regulations for direct email marketing under the CPA."

"The lines between the two may not always be that clear," Brewer adds. "Another grey area is whether it is acceptable to attach marketing information to electronic bills for customers who have opted out of marketing emails."

Where companies have doubts, Brewer says the rules they should apply include ‘don’t annoy the customer’ and ‘ask permission rather than forgiveness’. "Email marketing is not just about getting your product offers in front of the consumer’s eyeballs. It also important to provide a brand interaction that consumer’s value and enjoy. That means avoiding any practices that will lead to spam complaints."

He recommends asking all customers to opt-in before sending communications. "Data sourced from list brokers must be thoroughly audited to ensure that one has permission to send commercial mail to consumers on the database. To conform to the Act, companies should provide consumers on an email database with an easy-to-use opt-out mechanism that reliably removes them from all direct communication channels and databases."

We invite candidates interested in the positions listed below or looking for a career move to submit their CV in confidence.

MARKETING MANAGERS, PRODUCT/BRAND MANAGERS, MARKETING CO-ORDINATORS
- Diploma/degree in marketing
- Must have relevant proven experience
- Understanding of marketing, advertising and media related functions
- Sales and promotion planning and implementation
- Candidates must be articulate, analytical and have strong presentation skills
- Product procurement and relevant administration
- Consumer electronics industry experience an advantage

SALES MANAGERS, REGIONAL MANAGERS, KEY ACCOUNTS, SALES REPRESENTATIVES
- Relevant sales and marketing experience/qualification
- Successful sales background
- Customer orientated, shop front support
- Industry experience an advantage
- Strong negotiation and communication skills
- Must be able to identify new business opportunities and expand on customer base
- Product knowledge training
- Good administration, planning and organisational skills
- Computer literacy (MS Office)

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In the heart of Johannesburg lies a business that, over the past 15 years, has been stealing the hearts of South Africans looking for high quality and high fashion lounge suites. And if recent developments are anything to go by, the business is set to steal many more.

The vision is simple – every lounge suite designed and produced by Calgan Lounge is destined to nobly serve as thrones to the kings and queens who proudly purchase them.

This passion for truly understanding its customers’ needs and then delivering on these in the products it produces are just some of the factors that have led Calgan Lounge to its success.

For Calgan Lounge, customer satisfaction begins long before the crafted lounge suite is delivered to its new home.

It starts when only the highest quality materials are sourced from the most reputable suppliers.

Then, close consultation and cooperation with some of the industry’s leading merchandisers help ensure that the Calgan Lounge designers create pieces that are as high in popularity as they are in quality.

In its first years of business Calgan Lounge became widely known in the furniture industry as the experts in high quality fabric lounge suites. But in staying true to its philosophy of putting the customer’s needs and tastes first, Calgan started producing motion lounge suites with just as much success. Today it’s in the process of branching out into various new ranges that include more than eight different “click-clack” sleeper couches.

**Competitive pricing**

As a South African-based manufacturer, Calgan Lounge not only supports local industry, but is also uniquely positioned to offer highly competitive pricing on its products. In fact, the company is able to compete rand-for-rand with imported products.

As a business with local roots, Calgan offers its customers even greater benefits. Time and money isn’t lost in the often very frustrating and very lengthy import process and Calgan also offers highly efficient distribution, delivery, as well as back-up services to all its customers.

This kind of efficiency is an integral part of the Calgan Lounge business and is driven by some very innovative thinking by the leadership.

A case in point is the decision to operate its factories on a just-in-time (JIT) principle, which describes an operation where exactly the right materials and quantity are delivered for a process right before it is set to begin.

This is done to minimise the need for storage space and leads to a dramatic improvement in time and cost efficiency, which reflects in the Calgan customers’ bottom line.

But the real proof of the Calgan Lounge magic lies in the reputation it has managed to build up during its relatively short existence.

Today it produces furniture for big retail groups such as the JD Group, Ellerines, House & Home and many more.

More importantly, as it continues to build on its success, Calgan Lounge is set to become exactly what its new logo suggests and wear the crown of local furniture industry.

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**New distribution agreement includes retail sector**

Tudortech, which already holds South African representation for established brands such as SanDisk, Olympus, Sigma and Leica, has added Belkin, a global leader in connectivity solutions, to its portfolio. The partnership is aimed to further strengthen the product’s footprint within the South African market.

Tudortech will be distributing the full line of Belkin’s products and will be responsible for covering all verticals, including retail and small and medium-sized business, corporate channels, as well as other sectors where its product are pertinent. As an established name, it currently delivers products to over 4500 customers in the retail, IT and telecommunication channels.

“We are looking forward to working closely with Tudortech to further support our active regional expansion,” explains Belkin national account manager MEA Andrew Pepperell.

“The key components to partnering with the company are based on its solid experience and successful history in the country, good channel presence and relationships in both the retail and SMB sector.

“Furthermore, its effective logistics solutions and a team that understands the South African market well adds great value to our business.”

**Expansion plans**

The partnership with Tudortech is part of Belkin’s regional expansion plan to develop its local distribution into the southern African market, which is a key market for Belkin in the MEA region.

The timing of this appointment coincides with the strategic announcement of its global licensing agreement for Samsung accessories in the smart phone and tablet categories.

**Optimistic about growth**

Belkin is very positive about the South African market and is optimistic in achieving further growth in 2011 and beyond, as the market has a lot of opportunities for it to leverage and build upon, being the market with the biggest IT spend in Southern Africa.

It will continue to invest in expanding its business in South Africa, through marketing, channel development, growing its product offerings to consumers and introducing an extensive range of new products.

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Cash is king when it comes to credit card incentives

CHICAGO, US: Competition is always fierce in the credit card industry, and these days issuers are sweetening incentives to grab consumers’ attention in an increasingly crowded mailbox.

According to Mintel Comperemedia, cash in particular is becoming the enticement of choice, as 23 per cent of credit card offers in January-April 2011 included an additional cash incentive, compared to just one per cent during the same period in 2007.

"An additional cash incentive, usually triggered upon first purchase or once a cardholder spends a specific amount on the card, has been popular in the competitive cash back card segment," says Mintel Comperemedia senior vice-president Andrew Davidson. "However, we are now seeing cash used as an additional incentive for some mileage cards, as well as cards without rewards."

Additional incentive
Fifty nine per cent of offers for new credit cards in the first four months of the year promoted some form of additional incentive to encourage potential applicants to sign up for a card, compared to 30 per cent during the same period in 2007.

Despite the growth of cash, miles and points are still the most popular incentive – 25 per cent of offers during January-April 2011 lured potential customers with bonus miles or points.

"It is getting to the point where, in some cases, the incentive is so attractive that consumers may as well apply for a card to cash in on its incentive regardless of whether they have any serious intent to use the card in the long term," notes Davidson.

"The challenge for issuers will be getting these incentive-driven switchers to change their spending behaviour and become loyal cardholders."
Samsung is asking the US to prohibit Apple from importing key products, including the latest iPhone and iPad devices, amid an escalating patent dispute.

Samsung says it filed a complaint with the US International Trade Commission over what it claims are Apple’s violation of five patents held by Samsung. Many of Apple’s products are assembled outside the US.

Samsung says it is seeking a “permanent exclusion order prohibiting entry to the US of all Apple products in violation of these patents.”

Apple Inc. spokesman Steve Park in Seoul declined to comment.

Apple sued Samsung in the US in April alleging patent violations; Samsung has responded with its own lawsuits against Apple.

**Samsung seeks ban against Apple products**

**Electrolux to increase prices of appliances**

Stockholm, Sweden: Electrolux plans to increase prices for appliances in the European market by five to seven per cent in October. The price increases will offset increasing costs for raw materials and transportation.

Over the past 18 months, the average costs for some of Electrolux’s most important raw materials have increased by between 40 and 90 per cent, while costs for transportation have also increased significantly. The trend is now stabilising, but there are no signs of a broad-based major downward correction towards the prior cost levels.

During the same period, Electrolux has experienced increased price pressure in the market, which accelerated in the first part of 2011.

As a part of the work to achieve sustainable profitability, while continuing to invest in consumer preferred and sustainable innovations, Electrolux is aiming for a price increase of five to seven per cent across all product categories effective as of 1 October. Implementation of the price increases will be managed through close contact with customers.

**New major appliances head**

Jack Truong has been appointed new president and CEO of Electrolux major appliances North America and executive vice-president of AB Electrolux, succeeding Kevin Scott, who will leave Electrolux after eight years with the company.

Truong will report to Electrolux president and CEO Keith McLoughlin and be a member of group management. Truong previously held the position of vice-president and general manager, global construction and home improvement division of 3M.

“We are pleased to welcome Jack Truong to Electrolux,” says McLoughlin. “At 3M he demonstrated the ability to accelerate growth by applying innovative technologies and marketing to meet the ever-changing consumers’ needs. His experience and track record will be crucial in helping to ensure our long-term growth with an intense focus on strong brands, high-impact new products and cost efficiency – all of which are key elements of the Electrolux strategy.

“We also want to thank Kevin Scott for his important contributions to Electrolux. “He has strengthened our business and our team in North America, and has successfully pursued our efforts to more effectively operate as a single company within the region.”

Jack Truong – new major appliances CEO.

**Something on your mind?**

Post your comments on our interactive website

www.HGR.co.za
American consumer spending stagnates to weakest level

American consumer spending in May was at its weakest pace in 20 months, according to figures released by the US Department of Commerce.

Spending was unchanged in May for the first time since August 2009, and when increased for inflation, spending dropped 0.1 per cent.

April’s consumer spending figures were revised to show a similar 0.1 per cent drop in spending; the two months marked the first inflation-adjusted declines in spending since January 2010.

Many economists theorised that high gas prices and the nation’s 9.1 per cent unemployment rate are to blame for the lack of spending growth.

The numbers reflect what was reported in the Consumer Reports Index, which showed that spending has been stagnant and unemployment has remained high for many lower-income American households. Those households ($50,000 or less in yearly income) account for nearly 50 per cent of the country.

The Index also found that consumer spending was down in May for more affluent ($100,000 or more yearly) or middle-income ($50-$100,000 yearly) American households.

Lower consumer spending hurts the economy overall because consumer spending accounts for about 70 per cent of the American economy, according to The New York Times.

Economists feel that consumer spending should increase in the second half of the year because gas prices have declined since reaching a high of about $4 per gallon nationally in early May.

Source: Consumer Reports

The evolution of social media in retail

LONDON, UK: Many retailers are overlooking the huge potential of transforming their online stores into entertainment destinations by integrating social media, finds Verdict.

A new report by the independent retail analyst has revealed that although e-commerce and social media are separate entities for retailers, those that recognise the potential of combining the two will reap the rewards.

Verdict analyst Charlotte Woods says: "Most retailers have recognised the value of social media, but very few have realised its potential to benefit their online stores. By viewing and running the two operations separately, retailers simply aren’t realising the full power of social media.

"Retailers have the ability to attract increased levels of traffic to their online stores by using social media to create entertainment destinations which consumers can get excited about. As a result, retailers have the ability to create retail theatre online."

The research highlights how effective social media could be for online stores in helping to shape brand identity. For example, simply embedding YouTube videos of product launches, and interviews with designers and celebrities could emphasise brand identity and boost customer engagement as they would help consumers to identify with the retailer on a personal level.

Using online to best effect

One retailer that exemplifies the extent to which retailers can use social media to turn their online stores into entertainment destinations is RVCA. The clothing company, which is based in the US and owned by the Australian brand Billabong, uses social media on its website to enforce a lifestyle with which consumers can identify.

The website’s front page is dominated by blogs, YouTube clips, music tour dates and Facebook and Twitter pages. The link to the online shop is given lower priority than tabs for information pages. However, the retailer has benefited from the addition of social media as customers spend longer on the site, and brand engagement has increased, as has consumers’ likelihood of purchasing.

Woods continues: "Retailers across all sectors should not underestimate the potential of creating online retail channels dedicated primarily to entertainment. The concept would work particularly well for entertainment retailers, which could use interviews with authors and actors in the content of their homepage.

“This sort of strategy will become increasingly important as competition continues to grow. Retailers will therefore have to work harder to engage customers, and integrating social media with their online stores could prove lucrative to those that get on the front foot.”
That's the word from Acceleration Media CEO Tony Sousa. He says that online reputation can affect a range of key performance indicators for a business by influencing the behaviour of its customers, business partners and shareholders.

"Your online reputation can affect your sales, brand and even your share price," says Sousa. "By proactively managing your online reputation, you can often drive better outcomes for your business. Online reputation management (ORM) needs to be seen as an important part of any company's brand and reputation management mix."

Sousa says that people discuss brands and products online, whether businesses want them to or not. "Although you cannot stop people from discussing your brand on Facebook, Twitter, web forums, blogs and news sites comments, you can monitor and influence the conversation."

This is where ORM has a valuable role to play. ORM is all about listening to online conversations, analysing these conversations, taking part in them when appropriate and measuring the impact of your social media strategy.

Companies need to put ORM tools and strategies in place if they are to stay on top of the sheer volume of conversations about their brands in social media channels, Sousa says.

"ORM starts off with listening to what customers say," he explains. "This can provide a wealth of information that can inform your business strategy even before you begin to participate in the conversation. If there is a problem with your logistics and customers are receiving deliveries late, they'll probably complain about it on Hello Peter. If they love your new ad, or (especially) if they hate it, they'll say so on Twitter.

"You can gather a wealth of information about what your customers like and don't like and what they think about your company and your competitors, simply by listening to the online grapevine," Sousa continues. "With the right tools in place, you can analyse the data and uncover trends that can guide your strategic thinking into the future.

"The real power of ORM is unleashed once you begin to interact with your customers. For example, if an influential Twitter user with thousands of followers tweets a complaint about your customer service, you can jump in and help. Or if malicious gossip is surfacing about your company, you can nip it in the bud before it blossoms into a widespread and damaging rumour. In certain cases, there may even be opportunities to subtly drive sales."

Acceleration Media managing director Diane Charton adds that measurement is as important a part of social media as it is of any other online campaign strategy. "Although many companies recognise the importance of engaging with their customers using social media, few of them are measuring the impact of their social media strategies."

With ORM tools, marketers can analyse the buzz about their companies and its products, issues, competitors, as well as outcomes of specific marketing campaigns and social media investments. This empowers marketers to keep refining their social media strategies so that they drive the business outcomes they want.

Charton says that measurement needs to be tied to clearly defined business goals such as creating buzz or combating negative perceptions.

"You can’t benchmark success unless you have a clear idea of what you hope to achieve."

Your online reputation – what customers and other stakeholders are saying about your company on the social web – has a real and measurable impact on your business.
Margaret Hirsch
Retail’s inspiration to women in business

Thirty years ago Margaret Hirsch helped found the Hirsch family’s mega appliance store, of which today there are 12 branches throughout KwaZulu-Natal and Gauteng, with Cape Town in the pipeline. Although Margaret has handed over the managing director’s reins to her son, Richard, she is still integrally involved in all aspects of the business as operations manager.

Margaret is a champion of women’s empowerment, and someone who firmly believes in giving back to the community, especially to people in less fortunate situations, having been there once herself.

When Margaret was 12 her father died leaving her mother to fend for herself and two small children. Margaret’s strong sense of survival and her positive attitude helped pull her family through the tough times. Having had to battle from an early age, she found that it is possible, through sheer determination and a positive attitude, to get ahead, and now all Hirsch’s staff members are encouraged to better themselves and are shown that by uplifting themselves they will ultimately uplift those around them.

Her true wealth, Margaret believes, are her children. Both Richard and Luci are involved in the family business.

“I think to bring up children today who are good citizens, and who are going to do something with their lives is the best reward that anybody can have, and to me the greatest value in life is to have a really strong family unit where you can work together, live together and have fun together,” she says.

Multiple skills called for
Margaret regards herself as a “jack of all trades”, having done the selling, invoicing, demonstrating, delivery, installation and generally taking care of everything at Hirsch’s for the past 31 years.

“We have built Hirsch’s from a tiny little ‘mom and pops’ store to a billion rand company and I hope that I will be an inspiration to others to know that they can live their dreams as well,’ she says.

One of Margaret’s dreams is to spend more time at the family’s game farm in KwaZulu-Natal. “It’s a wonderful farm house on 500 acres of natural indigenous vegetation, which is home to giraffe, zebra, about 20 different kinds of buck and 180 species of bird; and its just the best place in the world!”

Questioned on the importance of keeping the business in the family, and the greatest challenges in running a family-owned business, Margaret responds: “I think it is very important to keep the business in the family. We have been offered huge amounts of money to sell our company, but to me it’s a way of life, although I do need to point out that both my children worked in various companies overseas and in South Africa before joining Hirsch’s.

“I think the greatest challenge in running a family-owned business is to teach your children from a very young age that they have to work really hard to get ahead,” she continues. “Some people think they can work for a little while and the money will keep rolling in, but it doesn’t work that way. You have to keep working every day of your life.”

Every day is busy
The average day for Margaret starts at 4am when she and Allan get up to meditate.

“At 4.30am we leave for the gym and and by 7.00am latest we are at our desks.
We then meet with our managers to help them plan their day and or week. At 8:00am we have a motivational meeting with all the staff. After that there are various chores that have to be done in the stores; mostly working with customers to make sure that our customer service remains the best in the country.

After a full day, which finishes at around 6:00pm after we have cashed up we usually meet with our suppliers to discuss upcoming promotions. We do 16 shows a year and are now working on concept stores out of Hirsch’s and in shopping centres, so there is always a load of forward planning to do with suppliers.

“We work right through to 11:30pm, go to bed at midnight and get up at 4:00am the next day, so it’s not for the faint-hearted,” Margaret adds.

**Expansion continues**

With twelve branches and concept stores spread throughout KwaZulu-Natal and Gauteng, Hirsch’s is planning to expand even further and Margaret will be heading off to the Cape later this year to oversee the construction of Hirsch’s new branch in Milnerton.

Another store is also due to open in Gauteng next year, as well as one in Somerset West, plus a few more concept stores around the country.

“While other companies were talking about the recession we have grown 20 per cent year-on-year and look forward to continued growth,” says Margaret.

Hirsch’s are geared to go forward with the next generation moving into place.

“After 32 years I was delighted to hand over the reigns to Richard who has been with the company his whole life, starting at the bottom and working his way up.”

Daughter Luci – the “voice of Hirsch’s” – oversees the marketing and advertising department.

**NEWS FLASH**

At the time of going to press Margaret Hirsch had proceeded to the finals of South Africa’s Most Influential Women in Business and Government competition, after winning the Retail and Wholesale category.
WHO CAN RESIST A COOL ITALIAN?

Air Conditioning at it’s best

De’Longhi, a leading name in the household appliance market, is a world leader in portable air conditioning. De’Longhi offers innovative products, conceived with avant-garde criteria and made to the highest possible standards.

De’Longhi air conditioning units bring a breath of fresh air into the home to create a healthy living environment for the whole family.

De’Longhi’s Pinguino air-to-air portable air conditioner, Model PAC N125 HP, (pictured) is the perfect appliance to provide the desired climate anywhere it is needed.

The Pinguino guarantees the maximum in terms of comfort and energy saving, thanks to its efficiency, silent operation and low power consumption. It refreshes, dehumidifies, purifies the air and, with its fresh, innovative design, it compliments the home. The Pinguino is eco-friendly due to the use of the latest generation of refrigerant gas (R410A). The air conditioner respects the environment while ensuring user comfort.

Thanks to the inclusion of a special ‘heat pump’, the Pinguino can also be used for heating, with a capacity of 11 500 BTU/h. It’s the unit that provides complete climate control in the home.

Special features include a remote control that allows easy setting of all the functions, a cooling capacity of 12,500BTU/h, three fan speeds, fan only function, dehumidifying only function, exclusive condensate recirculation system, LED control panel, digital timer and thermostat, and handles and castors for easy moving of the unit.

Keep your cool this summer with De’Longhi.

For more information about the complete range of De’Longhi cooling appliances and dehumidifiers, phone 011 474 0153 and speak to the De’Longhi Brand Manager.
Besides adding character to a room, ceiling fans are a great way to keep cooler in summer and warmer in the winter. Eurolux’s latest range of ceiling fans has a fan to suit every taste and requirement.

**Swirl**
The Swirl ceiling fan is available in a stylish antique brass or satin chrome finish with three blades featuring a cherry wood finish on the one side and a maple wood finish on the other – simply turn the blades over to change the fan’s appearance.

Eurolux director Shaun Bouchier says contrasting or reversible ceiling fan blades are an innovative addition to ceiling fan blade design.

“The two different finishes on either side of the blade add to the glamour quotient of the interior and allow for far greater versatility than the standard single-tone blades.”

The Swirl fan comes with a remote control and offers a three-speed function, together with a forward and reverse motion.

Bouchier explains that ceiling fans are designed to circulate air with a downdraft, yet they can also be set to create an upward circulation. “The reverse motion on the fan must be selected to achieve this effect, which allows the updraft to aid the heating of the room. The premise is that it pulls cool air up to the ceiling, where most of the heated air settles, and then sends warmer air down into the room along the outer walls. The fan must spin very slowly so as not to create a chilling breeze.”

The Swirl is also available in white or satin chrome with reversible silver and black blades.

**Turbo**
The Eurolux Turbo features six blades. “It is often assumed that more blades move more air, but this is not always the case,” says Bouchier, “as it is the size of the fan motor and the blade surface area that makes the biggest difference.”

The three-speed Turbo comes in a black gloss finish with black blades or white gloss with white blades, and also features a forward and reverse switch. This fan, ideally suited for smaller rooms, favours a more traditional décor style with its pull string switches. It is also available in a satin chrome finish with maple or cherry wood finish blades. A remote control is available on request.

**Twister**
The Eurolux Twister ceiling fan offers a satin chrome finish with four black and silver reversible blades. Again, the warmer cherry or maple wood finish is available as reversible blades. This fan also has three speeds, a forward and reverse motion and comes with a remote control.

All three models include a light fitting with a maximum 60-Watt globe.
The refrigeration market made a steady start to the year. Year-to-date figures for January to May 2011 show a two per cent increase in unit sales and a three per cent drop in sales value, compared to the same period last year. However, May 2011 sales have been the weakest when compared to the last 18 months, putting this category under some pressure. Average prices for January to May 2011 have dropped by five per cent, compared to the same period last year, making products more affordable to the consumer.

Consumer spend within channels in the last five months from a units share perspective has seen the furniture specialist channel losing share by three percentage points, from 48 per cent in January to 45 per cent in May, but still dominating the distribution standings by a small margin.

The electro retailers channel, on the other hand, has remained fairly consistent over the last five months, making up 12 per cent in unit sales in the current reporting period. Mass merchandisers lost ground to the furniture specialists channel in January, but have since made steady gains, currently making up 43 per cent in unit sales the current reporting period.

Pricing stable
Pricing structure of the refrigeration market remained fairly stable between January and May. The lower price classes from R1000 to <R4000 accounted for the majority of sales and together made up 71 per cent of sales for refrigeration.

The price class R2000 to <R3000 made steady gains from February to May, accounting for 35 per cent of sales. The middle and upper price classes from R4000 to > R8000 remained fairly consistent, together accounting for 29 per cent in unit sales.

Two-doors dominate
Refrigerators are broken down into side-by-side, two-door top freezers, two-door bottom freezers, single-door units and bar fridges. The two-door bottom freezer units continued to dominate sales, making up well over 55 per cent of total unit sales. They remained consistent over the last five months, making up 56 per cent in unit.

Sales of top freezer models were strong during the first two months of 2011, but slipped back by three percentage points to make up 17 per cent in unit sales in May.

Sales of side-by-side models had a slow start to the year, but made steady gains over the last five months, making up four percentage points in unit sales, from 17 per cent in January to 21 per cent in May.

Single-door model sales remained stable while bar fridges had...
GfK tracks the sales of consumer durables through monthly retail audits done on model level. This audit is carried out across all relevant channels of distribution. GfK currently tracks and reports on over 60 product categories within the consumer electronics, domestic appliances, telecoms, IT, DIY and gaming markets.

a strong start to the year, making up nine per cent in unit sales in January, then dropping by two percentage points to make up seven per cent in unit sales in the current reporting period.

**Frost-free market stable**
Among the key selling features for retailers are frost-free units. The frost-free segment of the market remained stable over the last five months, with frost-free models representing 22 per cent in unit sales and 41 per cent in value in. Manufacturers and retailers have been increasing their product assortment, introducing more models with a frost-free feature.

The South African economy is currently in a stable condition, although year-to-date sales for major appliances for January to May 2011 are up marginally by one per cent in units and down four per cent in value.

It seems that sales for major appliances have not taken off as well as anticipated, as consumer confidence has not increased significantly. With refrigerator models dropping in price and becoming more affordable sales should improve, as consumers may be delaying their purchases and replacements until the hotter summer months when refrigerators are more frequently used.

Pricing remained fairly stable between January and May.

Two-door bottom freezer units continued to dominate sales.

Among the key selling features for retailers are frost-free units.
FREEZING OUT THE COMPETITION

HISENSE ENTERS THE SOUTH AFRICAN DOMESTIC FRIDGE AND FREEZER MARKET

On the back of favourable growth during 2010, Hisense is introducing a wider range of products to the South African consumer with the addition of an exciting new range of eco-friendly domestic fridges and freezers. With these new additions to their range, Hisense has ensured that it not only offers the perfect fridges and freezers for its growing consumer base, but also for their pockets as well as the environment.

Founded in 1969 as a small radio factory in China, Hisense has since grown into a multibillion dollar global conglomerate and is recognized as a world leading provider of flat screen TVs and household appliances. With a workforce of over 60 000, Hisense enjoys the input of over 3 000 of China’s top scientific minds, exporting its products to over 200 countries and regions. Hisense has picked up numerous awards and commendations, including China’s top quality award no less than four times.

Each and every Hisense refrigerator is built and rated according to European A class ratings. The Hisense range also comes with an impressive array of features and functions. These include Multi-air flow design that maintains freshness for longer, easy-clean gasket seals that can clip in and out for greater ease when cleaning the fridge, which means that you’re left with more free time. Low noise design ensures lower running noise levels for your comfort and enjoyment. Hisense refrigerators also use high density foaming technology which means that your fridge stays cooler, without having to work harder. This means less energy consumption and a cleaner environment.

Some of the additional features that can be found on select new models include: LCD displays that enable you to display photos, support videos and mp3 media and even the ability to record voice messages, instead of leaving notes on your fridge door.

Chest freezers are available in various sizes, from 145 litres up to 510 litres and consumers can also expect to see additional products from Hisense such as wine coolers, bar fridges, cold drink dispensers and much more.

With the arrival of Hisense, the South African home refrigeration market has a new player. A player that is committed to the environment, its consumers and the South African retailer.
Whirlpool anticipates the future with a new range of products offering the latest innovations in technology and design. The new 6th SENSE PowerClean™ MAX dishwasher ends the period of hand pre-washing, guaranteeing maximum cleaning performance with minimum effort. 6th SENSE technology also saves resources: the cycle is adjusted to the level of soil with resource savings of up to 50%* on energy, water and time. Rotating high-pressure jet sprays for the toughest stains and flexible racks to adapt to any load make the new 6th SENSE PowerClean™ MAX the ultimate frontier of dishwashing.

* Comparison between minimum and maximum consumption of 6th Sense programs.
New affordable luxury fridge from KIC

The Water-on-Tap fridge is a new and welcome addition to the KIC cooling range.

The three-litre water tank, housed on the inside of the door, makes for fewer refills and a regular supply of crisply chilled water.

The innovative refillable lid allows for easy refilling without having to empty and remove the door shelf.

The sleek design of the water tank does not decrease the space utilisation of the fridge door, as one would expect. With the angular design of the dispensing unit, glasses of all shapes and sizes are easily filled.

All-in-all, the KIC Water-on-Tap fridge offers more value for money and is definitely an affordable luxury.
3°C H₂O 24/7

OUR HOTTEST IDEA YET. CHILLED WATER-ON-TAP.

Refreshingly cool water-on-tap from your fridge is now an affordable luxury. Hidden in the fridge door is a 3-litre, easily refillable container that is quick to remove and clean. And at the price, you’ll find it’s also easy on the pocket – KIC Affordable Quality.
Comprehensive range of refrigerators from Defy

DEFY’S COMPREHENSIVE RANGE consists of the DEFY ECO and DEFY ranges, comprising of single door, double door, combination and side by side models, larger refrigerator, upright freezers and chest freezers. All Defy refrigerator / freezers are CFC free and have four star ratings.

THE DEFY ECO RANGE
All models are stylishly designed and ‘A’ Energy rated. Further features; fast freeze, reversible doors, concealed ice tray shelf, dairy compartment, interior light removable safety glass shelves and adjustable levelling feet.

‘NO FROST’ MODELS
The two Combination models; C375 and C360 are “no frost” with a wine rack, and twin sealed crispers. The C360 features a water dispenser. The C375 also features an Eco fuzzy feature, refrigerator odour filter and refrigerator and freezer temperature display.

MATCHING PAIR F300/L300
The F300 has a fast freeze option, alarm light and freezer basket fronts, whilst the L300 refrigerator features sealed crispers and removable safety glass shelves.

FOUR STAR FREEZER MODELS
The three combination models; C365; C315 and C260 offer a fast freeze compartment. The C365 comes with a wine rack and twin sealed crispers.

THE DEFY RANGE – NO FROST OPTION
The F600 side by side comes in a beautiful mirror glass finish with nano silver technology, built-in ice-maker, water dispenser and...
mini bar. Further features include digital LCD display, electronic control with fuzzy logic, silent/sleep mode, cold storage drawer with variable control, folding wine bottle holder and antibiotic deodorizer.

**FROST FREE OPTION**
The F640 side by side frost free, with electronic control, air flow technology, a fast freeze feature, alarm light and multiple interior function control is available in white or metallic finish, and boasts attractive door furniture. It fits flush with 600mm cupboard configurations.

**SPACE SAVING CONVENIENCE**
The range of “4 star freezer” double doors includes the D225, D240 and D260 all offering space saving convenience coupled with the latest design. The combination line up consists of six models, from the C250 to the C380.

**MATCHING PAIR**
The F350 and L350 matching pair is the ideal frost free options in this category, with the single door configuration and attractive door furniture, available in white or metallic finish.

**CHEST FREEZERS**
Defy offers six model chest freezers ranging from 130 litres to 530 litres, with a multi-function variable thermostat, a four star freezer, on/off indicator light and vinyl covered work top lid. A commercial option with glass flat tops or slanted tops are available in the C420 / 530 litres sizes upon request.
Your freezer is your piggy bank!

Polyurethane insulation for efficient cold chain – energy balance of 16:1

‘Minus 20 degrees Celsius’ that is the temperature that a frozen pizza must not exceed before it makes its way into the consumer’s freezer. A polyurethane rigid-foam insulation system made by BASF Polyurethanes is an integral part of this logistical “cooling feat”. However the polyurethane does not only have to be an effective insulator, it also has to be sustainable when it comes to energy and material consumption.

Polyurethane technical experts from Lemförde have conducted an Eco-Efficiency Analysis to compare the effect of using insulating materials of different thicknesses in freezer warehouses or freezer trucks in which frozen pizza is stored or transported. The findings indicate that if all storage facilities, freezer chests and transport vehicles were insulated with polyurethane rigid foam of an optimized insulating thickness, then 16 times more energy could be saved than used in the production of the insulating material.

Eco-Efficiency Analysis of the cold chain
BASF started working with consultancy Roland Berger in 1996 to develop the Eco-Efficiency Analysis. It is a comparative instrument that yields a holistic evaluation of products and processes by looking at the entire life cycle of a given object. Using this tool, BASF Polyurethanes’ specialists from Lemförde together with the Öko-Institut (Institute for Applied Ecology) in Freiburg, Germany, have examined the eco-balance of the cold chain.

The cold chain starts when a freshly made pizza is quick-frozen and subsequently deep-frozen. It goes to the freezer warehouse, travels in the freezer truck, is put into the freezer chest of the supermarket and then into the freezer of the final consumer. On average, the journey of a complete pallet of frozen food takes 75 days from the warehouse to the household freezer. If the latest generation of polyurethane insulation material made by BASF Polyurethanes is used (in optimal thickness) in all of the cooling segments, the analysis shows that, after this short period of time, 16 times more energy is saved than the amount used in the production of the insulating material. At the same time, modern insulation made of polyurethane not only improves the energy balance but also reduces CO2 emissions.

Three PU grades for the cold chain
In basic terms, the better the insulation properties, the less energy has to be consumed for the actual cooling. Various polyurethane systems are currently used for different insulation applications. BASF Polyurethanes has three innovative system groups in its portfolio: Elastocool®, Elastopir® and Elastopor®. Thanks to a polyurethane insulation system for application and efficiency:

- Elastocool for refrigerators and freezers,
- Elastopir for refrigerated warehouses and cold-storage cells, and
- Elastopor for freezer chests, truck trailers and transportation boxes, the energy and raw material consumption as well as the emissions can be considerably reduced.

The polyurethane rigid-foam insulation’s greatest attribute is its very low thermal conductivity due to the combination of a fine, closed-cell foam structure and heat-insulating cell gases. It’s low thermal conductivity and good physical properties such as lower densities, makes polyurethane the preferred insulation material in the cold chain.

Clear-cut energy savings with a thicker insulation layer
This energy balance, influenced only by the polyurethane insulation, not only affects the monthly energy costs but also has a sustained impact on the carbon dioxide emissions. This translates into a saving of 15 percent. Whereas a freezer with a 50mm thick insulation layer emits 23kg of CO2 in seven days, the model with 60mm thick insulation emits only 15.5kg of CO2 over the same period of time. These figures already include the production and the disposal of the polyurethane rigid foam. Simultaneously, more than 15 percent of polyurethane (which are fossil fuels) can be saved during the production of the insulating material. Consequently, consumers who own freezers with 60mm insulation can see a huge saving on their energy bills.
Miele redefines cool with MasterCool range

Miele’s MasterCool refrigeration and wine storage appliances are designed to exceed the expectations of the discerning consumer.

“The MasterCool range offers unique solutions to preserve food and wine easily and safely, without sacrificing freshness or texture,” explains Miele product manager Liam Gawne.

The MasterCool range comprises refrigerators, freezers, fridge-freezers and wine conditioning units.

Gawne says that these appliances are crafted using only the highest quality materials, cutting-edge cooling technology and Miele’s proprietary electronics to create top-end products designed to last.

“In every aspect, from the high performing dual cooling system to the intuitive TouchControl operating system, the exceptional energy efficiency, outstanding aesthetic design and the simple installation, Miele’s legendary reliability is apparent, giving peace of mind that food and valuable wines are protected,” he says.

Food-driven menu system
One of the most revolutionary aspects of the MasterCool range of appliances is in its operation, explains Gawne: “Different foods and wines require different ideal temperatures and humidity levels to store them, and in reality most of us are unsure about these.

“With Miele MasterCool refrigerators, the user is greeted by a food-driven menu system that is easy to view, understand and adjust for each of its four independent MasterCool zones within the cabinet, which comprise meat, fish, dairy and deli. This intuitive functionality helps to create and maintain the optimum conditions required for specific food categories so that optimum freshness is maintained.”

Separately controlled microclimates
MasterFresh drawers keep everything from fruit and vegetables to salmon and cheese at the perfect temperature (between 0.5°C and 3°C, depending on food type selected) and humidity level.

Gawne explains that they are exceptionally user-friendly to operate: “Simply select the drawer location and type of food from the MasterCool menu, and the electronics will adjust and maintain the ideal conditions so the food is kept fresh and nutritious for longer.”

Super cool and Super freeze
“After stocking the fridge or freezer with a significant load of new groceries, engaging the Super cool or Super freeze function will override the thermostat and begin to rapidly cool the cabinet down to just under 2°C in the refrigerator and to -30°C in the freezer,” Gawne continues. “This feature will switch off automatically after six hours in the refrigerator or 52 hours in the freezer, to guarantee that optimum freshness, taste and texture are locked in.

Brilliant illumination
Miele’s unique BrilliantLight halogen lighting system provides light from the top and sides of the appliance to achieve maximum illumination inside the cabinet. Says Gawne: “With no blind or dark spots, users are guaranteed to have a clear view of the food on all levels.”

The unique LED lighting system does not affect the internal temperature of the cabinet.

FullAccess storage drawers
Miele’s FullAccess storage drawers and shelves are built from top-quality materials to ensure stability. Gawne notes that they also extend fully to provide an unobstructed view and easy access to their contents stored inside.

Drop&Lock system
Miele’s Drop&Lock system uses a slide rail system to move shelves and door fittings. A one-handed tilt-up-and-slide motion is all it takes to move a door shelf higher.
or lower. Once located, simply let go and watch it automatically lock into position. Protruding runners and supports have been replaced with rails embedded in the rear panel of the cabinet.

Gawne notes that shelves are easily adjusted in 1.5cm height adjustments: “Simply lift them up at the front and sliding them up or down to the height you want them at before lowering them into position.”

The same degree of flexibility also applies to the door interior. Also, a floating deli drawer in the refrigerator and unique divider system in the freezer compartment glide effortlessly across shelves or within drawers to maximise storage efficiency.

**Refreshing beverages**

Some of the MasterCool freezers and fridge-freezer offer an ice-maker or a water/ice dispensing unit.

“Thanks to Miele’s Dual Compressor System there is no exchange of air between the ice-maker and the rest of the freezer so flavours stay where they belong,” notes Gawne.

**Durable door hinges**

As with all Miele’s appliances, the MasterCool range is designed and tested even down to the hinges.

Miele’s MaxLoad hinge, for example, featured in the doors of all MasterCool appliances, is capable of supporting a collective load of over 90kg and is tested for over 200,000 door cycles – twice the industry standard.

Says Gawne: “Fully loaded, with food on the inside and a heavy furniture door panel on the outside, these hinges can support a weight of up to 120kg and ensure that the door will remain stable and secure over time.”

**Simple installation**

Miele’s EasyInstall system enables MasterCool products to be installed by one person.

Gawne explains: “This system offers height-adjustable rear castors, which can be adjusted from the front of the appliance for the final alignment and special ladder brackets to make the installation of the door panel simple and straightforward.”

The installation of all MasterCool products is performed by trained Miele service technicians free of charge anywhere within South Africa.

**The perfect home for fine wines**

Changes in storage temperature, however subtle, can dramatically affect the quality of wine, says Gawne: “Miele’s MasterCool electronic controls ensure a precise and constant temperature in the three independently controlled cooling zones, which can be used to store or temper red and white wines and champagne at their ideal temperatures.”

In each zone, the bottles are gently cradled on one of 14 high-quality acacia shelves, two of which are fixed in place to separate the cooling zones, and the rest are extendable to make for easy viewing and access.

He notes that controlling the humidity level is also important for long-term wine storage.

“If the humidity is too low, the corks will dry out and no longer provide an effective seal. Miele’s Dynamic cooling system ensures that the air and humidity are circulated evenly, alleviating the problem of dried corks and guaranteeing a perfect bouquet.

“An active charcoal filter keeps the air inside the appliance fresh so your delicate wines do not absorb unwanted odours.”

**Modular system**

MasterCool appliances are based on a modular system for maximum flexibility and are designed to be fitted with either a stainless steel front panel or a furniture front to match the kitchen.

All MasterCool models are available in a variety of widths, between 44cm and 90cm. The MasterCool building block approach allows consumers to configure combinations to suit their requirements and to maximise storage space.

“All appliances can be combined to suit individual needs and space requirements,” explains Gawne.

**Energy efficiency**

A great energy saving option for refrigerators, Miele’s MasterCool range of refrigeration has earned a four-tick energy efficient rating.

Says Gawne: “Despite its large size, Miele’s MasterCool range of appliances contains VCC compressors that run on variable speeds, taking into account the current temperature in the cooling cavity to optimise energy use.”

“Its high quality insulation foam and vacuum panels ensure that the fridge is kept cool without wasting energy.”

Miele received the ten per cent Energy Challenge Champion Award by NEA (National Energy Action) for achieving a target of more than 80 per cent of energy efficient models in its product ranges. The MasterCool range of appliances boast a minimum A+ energy efficiency rating.
New Zealand retailer The Warehouse is making sure every Kiwi gets a bargain in more ways than one. Thanks to its adoption of sophisticated South African budgeting software, its finance staff are spending less time adding up numbers and more on planning and testing scenarios for the company's future.

“We’ve been told idu-Concept budgeting software is the best thing Finance has done for the business in the past five years,” says finance manager Tim Mangold. “It’s an excellent budgeting and forecasting system that is also really intuitive and easy to use. It means all our managers, whether they have finance training or not, can complete their budgets on their own.”

idu-Concept’s point-and-click navigation is a big part of its success, says Mangold. “It’s incredibly intuitive – nowadays everybody is used to finding information on the internet, so the web interface to the system is familiar and easy to use. It’s reduced a lot of unnecessary back and forth between business and finance. In the old days we had four people working solidly on the budget for two months – now it’s one and a half people for three or four weeks.”

“As a result,” he adds, “the whole dynamic has changed. Instead of spending most of our time doing budget recons, we’re now working at a higher level doing forward planning, modelling scenarios and testing them. It’s taken us away from the pain of making sure numbers add up, to a situation where we’re helping to come up with new strategic scenarios for the company.”

Managers can also use idu-Concept to track their spending. “It has essentially become our reporting system for monthly and quarterly actuals,” says Mangold. “We do the month-end accounting; push a button and people throughout the company can go in to see how they’ve performed against their budget. We’ve linked idu-Concept to a document management system, so if there’s an anomaly in their figures people can drill down in three or four clicks to the actual invoice.”

These abilities are not just theoretical, either, says Mangold: “As system administrators we can see who’s logged in and when, so we know people are using it every day.”

This means that although officially designed for budgeting and forecasting, idu-Concept is also proving to be an effective cost control tool: “It makes all the information about budgets and actual spend very visible, so it helps to maintain accountability – people are more aware about how they are managing their costs.”

“The whole line of sight from capture to presentation is easy to see, simple and understandable,” says Mangold. “It provides a great level of certainty: whenever I present information on the budget I know that these numbers are accurate.”
Logitech has added another webcam to its range with the launch of the HD Webcam C615, which features a simple fold-and-go design that makes it easy to carry around and use with a notebook. The C615 allows video calls in HD 720p on Skype, FaceTime for Mac, Logitech Vid HD and Windows Live Messenger, and video calls on Yahoo! Messenger, iChat, AOL Instant Messenger (AIM) and other instant messaging applications.

Moreover, its 360-degree swivel rotation enables recording anywhere, any time.

It also includes one-click HD video and photo upload to Facebook, as well as HD video upload to YouTube and Twitter, so users can share video recordings.

For extra flexibility, it comes with a 90cm USB cable with an extender and has a tripod-ready design to capture video easily from any vantage point.

The C615 features built-in auto focus, designed to help ensure picture quality will be razor sharp, even in extreme close-ups, and a built-in microphone that is designed to help make sure background noise won’t spoil video calls.

The webcam is expected to be available in South Africa towards the end of 2011.

Logitech’s new HD Webcam C615.

Joby has released new versions of the hands-free positioning and camera optimising case and stands, GorillaMobile Ori and GorillaMobile Yogi for iPad 2.

Enhanced for the addition of the camera to the iPad 2, the Ori and Yogi allow users to take advantage of the new iPad 2 features with steady, hands-free photographs and comfortable, more flattering Face-Timing.

Says Joby CEO Forrest Baringer-Jones: “The elegant yet functional design of Ori and Yogi deliver hands-free experiences that elevate the utility of the device.”

GorillaMobile Ori

Built for the demanding iPad power user, the GorillaMobile Ori for iPad 2 provides sleek ergonomic positioning all in a protective case and stand. Drawing its inspiration from the folding art of origami, the GorillaMobile Ori is engineered from a superlight German-made aluminum/polypropylene composite used in high-performance cars.

This next-generation material allows the Ori to be folded into countless positions, designed with the needs of the mobile professional in mind. When folded back into its folio mode, the Ori delivers lightweight, rigid stability that can easily slip into a bag for travel.

GorillaMobile Yogi

For iPad users who would rather read and watch videos in the comfort of their bed or on the couch, the GorillaMobile Yogi for iPad 2 stretches and wraps into the perfect position.

The limber yet sturdy legs of the GorillaMobile Yogi twist and bend to stabilise the iPad on uneven surfaces or wrap around fixtures in the kitchen to become the perfect companion for grand cooking plans.

The polycarbonate case with rubber bumper protects the iPad from shocks and falls. In addition, the quick-release clip easily detaches the modular legs, allowing the case and legs to be used in landscape or portrait mode.

Joby’s GorillaMobile Ori.

Joby’s GorillaMobile Yogi.

Limber adaptability with infinite poses
It beggars belief

The application by no fewer than three cabinet ministers to review the multibillion rand Walmart acquisition of Massmart simply beggars belief.

The Competition Tribunal, which approved the deal in June subject to certain conditions, had had more than enough time to evaluate the deal, more than enough opportunities to hear from all interested parties, and had, after some considerable deliberation, come to absolutely the right conclusion.

It had sought and wrung major concessions from Walmart, and indeed that company had bent over backwards to assure unionists and other opponents of the deal of their bona fides by offering a guaranteed R100 million sweetener to boost the ability of local suppliers to compete for their business. And if all that wasn’t enough, the Competition Tribunal itself is an adjunct of the Department of Trade & Industry.

So what we have now is one constituent of Government opposing another, and in the process destroying the remaining international credibility of this Government.

Thousands of young South African graduates, black and white – professionals all – have indicated their lack of belief in the future of this country under current leadership. Their confidence has been steadily draining away as the daily evidence of rampant corruption, thuggery, gross ineptitude and lack of leadership grows, and grows and grows and grows. Do we or do we not need direct foreign investment?

With the massive unemployment and its inevitable corollary of crime, the answer one would have imagined, was self-evident. Is there no policy extant regarding foreign direct investment?

A clear policy, a consistent policy which everybody can understand, including potential foreign investors, is urgently needed to avoid what has already developed into a fiasco.

With such a policy in place, Walmart would have had the ability to decide accurately what they were going to be allowed to bring to the table and under what conditions. And that goes for every other potential foreign investor.

Clarity is what business needs, and clarity is in short supply with this Government.

What if Walmart had decided that it simply wasn’t worth the effort and walked away? Wouldn’t that have been the signal that other potential foreign direct investors were waiting for, and shifted their beady eyes elsewhere?
Galaxy Sleigh Bed

Romano Sleigh Bed