

# ZONEBEAT

OFFICIAL NEWSLETTER OF THE *east london idz*



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# YANFENG SOUTH AFRICA DELIVERS ON NEW-GENERATION C-CLASS



*Yanfeng South Africa Automotive Interior Systems (PTY) LTD (YSAAIS) traverses the challenges presented by Novel Coronavirus (COVID-19) pandemic to deliver on W206 commitments.*

The adverse impact of COVID-19 on manufacturing companies is likely to dictate the direction each company takes in order to adapt and withstand the onslaught of the pandemic on operations. This is a story of one of the ELIDZ's automotive manufacturer – which was forced to delay its preparatory work for the Mercedes Benz New-Generation C-Class (W206) which is expected to hit the market late in 2021.

YSAAIS, a world-leading supplier of instrument panels and cockpit systems, door panels, floor consoles and overhead consoles, is one of the ELIDZ-located manufacturing plants to enter into contractual agreements with Mercedes Benz South Africa (MBSA) for the production of the W206 at the East London Plant.

According to YSAAIS' Plant Manager, Gregory Kriedemann, the rise in COVID-19 cases and the global response by governments to curb the spread of the virus, thwarted the automotive supplier's efforts to have the plant ready for the start of production on time.

"The pandemic, definitely impacted negatively on our preparations for the W206, not only due to the lockdown, but also due to COVID-19 related restrictions post lockdown as it has been difficult to get the required technical expertise for the project into the country when needed," said Kriedemann.

In a bid to soften the blow and as the countries - including South Africa - started to ease restrictions on international travel, the plant swiftly bolstered the available skillset to ensure that all open activity timelines on the W206 project were closed timeously.

Furthermore, Kriedemann explained that on top of the W206 preparations, the Plant also implemented COVID-19 safety measures aimed at curbing the spread of the virus internally and ensuring that operational production lines were not affected by the pandemic in any way possible.

"With good internal COVID-19 controls, we have had few challenges with absenteeism. However, vessels delayed due to port restrictions have had an adverse effect on material availability which has created challenges for us. Furthermore, the COVID-19 restrictions on the number of international flights allowed into South Africa also impacted on the availability of material and created further challenges for us. But our Logistics Team has worked hard through these challenging times to get material into Plant when needed," explained Kriedemann.

YSAAIS will supply MBSA with the Instrument Panels and Cockpits, Floor Consoles and Door Panels.

Kriedemann concluded that among the Plant's immediate and future plans is the company's unwavering commitment to customer satisfaction.

## LINDE + WIEMANN RSA READY FOR THE W206 PRODUCTION

*The effects of the Novel Coronavirus (COVID-19) will be felt long after the pandemic is gone, this as seen in many companies will have a devastating effect on numerous organisations, primarily in South Africa.*

As we have been doing throughout this edition, the ZoneBeat (ZB) caught up with Linde + Wiemann RSA's Commercial Manager, David Scheepers (DS). Linde + Wiemann RSA is one of the ELIDZ-based companies awarded a contract to supply automotive components for the production of the Mercedes Benz new-generation C-Class (W206) at the MBSA East London Plant.

**(ZB) How has COVID-19 impacted on your preparations for the start of production (W206)?**

**(DS)** Since the outbreak of COVID-19 pandemic, we have been tested in terms of adaptability. Many project plans have had to change regularly and on short notice. We have faced situations where European Union (EU) suppliers were not able to travel to the Republic of South Africa for prolonged periods during lockdown and this meant we needed to facilitate a process of local companies fulfilling EU supplier obligations. We have also had situations after lockdown where contractors have fallen ill and were required to go into self-quarantine in accordance with safety regulations. However, despite all of this additional complexity created, the start of production of W206 is scheduled to proceed as planned.



**(ZB) What plans have you put in place to ensure that you start productions on time?**

**(DS)** We have worked in accordance with our project plans and updated these where and when necessary, which ultimately is centred around getting equipment and tooling ready, supply chains established and in place, our employees trained and ready to produce good quality parts consistently and reliably.

**(ZB) How has the COVID-19 affected some of your production lines?**

**(DS)** Yes, all our production lines were affected by the government lockdown, which resulted in significant volume reductions for 2020. While our production lines have also been affected by a small number of cases of our employees getting infected with COVID-19, the impact on production has been very limited to date with zero customer disruptions.

**(ZB) What steps did you take to ensure that the company would still be operational post the hardened nationwide lockdown?**

**(DS)** This year has presented an exceptionally challenging operating environment that has tested the resolve of our people. Of utmost importance was liquidity and cash flow planning while our ability to generate cash was impeded. Thereafter, we ensured we were well-informed of our customer planning and the statutory government requirements in order for us to return to operations safely as soon as possible. Our entire team and staff have been tremendous in this regard.

**(ZB) What components will you be manufacturing for the New-Generation C-Class (W206)?**

**(DS)** We have managed to secure an array of 11 different product groups that comprise 31 different body-in-white structural assembly parts utilised in the New-Generation C-class. In addition, thereto, we were also successful in securing a basket of 9 aluminium parts that go through a Gardoclean process.

**(ZB) What is the plant's future plans in relation to the W206?**

**(DS)** We are currently in the pre-series phase of the W206 project and will be performing the necessary product and process validation steps in the next several weeks in order to illustrate our readiness to achieve the required quality and output levels expected of us. We will also continue with the rotational training of our people. We are exceptionally grateful to be involved in the success of MBSA's East London plant and are doing everything we can to ensure we are well prepared to support MBSA with the successful launch of their latest generation C-Class.

Linde + Wiemann is an owner-managed, medium-sized enterprise that has been at the forefront of supplying global automotive manufacturers with relevant structural components and assemblies for more than 70 years.

# INVEST BUFFALO CITY TALKS ON THE IMPACT OF COVID-19 ON INVESTMENT ATTRACTION

*Border-Kei Chamber of Business's (BKCOB) Acting Executive Director, Drayton Brown, unpacks the massive cross-industry impact of the Novel Coronavirus (COVID-19), from manufacturing to hospitality.*



As the nation continues to implement a carefully adjusted strategy in a bid to thwart the spread of COVID-19 pandemic, investment attraction has somewhat come to a near-screaming halt, with the region's economy taking a huge knock.

Charged with the responsibility of working to create an enabling environment for economic activity and a platform for business to flourish in the region, BKCOB through its subsidiary – Invest Buffalo City and owing to the global pandemic has had a difficult time wooing new investments and providing the necessary support to growing industries.

According to Brown, the pandemic dealt a huge blow to the chamber's activities as some investors started indicating that they will hold onto their investment for when the raging COVID-19 subsides. "It's been mixed – COVID-19 has hindered the private sector with an investor stating that they would be holding off "until things change" regarding COVID-19. However, companies utilising Information and Communication Technology infrastructure are still operational as we have a unique offering as a country. We were voted 2nd after India in the Global Business Services Incentive for using ICT in our efforts to attract investors, and as such we have been entertaining investor interests using online platforms."

He added that, like many other organisations, BKCOB turned to available virtual platforms to carry out its mandate. Since the start of the nationwide lockdown, "BKCOB has hosted numerous webinars sharing best practises for Small, Medium and Micro-Enterprises and how to survive COVID-19 regarding finance, labour law, wellbeing and state assistance schemes. These were quite successful in terms of assisting local entrepreneurs. We also hosted a webinar with the United States of America's Trade Hub promoting bilateral trade with that nation and other African countries."

Brown has also utilised these virtual gatherings to promote the city to other nations as an investment destination of choice. He said the forced change from traditional to virtual conferences has seen him attend more conferences at a fraction of the price it would have cost to attend them in person.

Talking on the impact of the pandemic on the city's economic growth efforts – mainly investor-attraction, the Acting Executive Director said the city's appeal is still second to none. "We are all facing the same challenges – globally, and the reasons investors would select Buffalo City over other destinations are still valid. Secondly, general economic growth efforts are severely hindered within our local economy as companies fight not for growth, but survival," he added.

Furthermore, Invest Buffalo City utilises a project management approach, Call-2-Action, to investment promotion. This is an initiative through which the organisation cleans the city to ensure that investors, tourists and residents live in a habitable environment.

Meanwhile, the organisation is also working on a Business Intelligence Desk which will be used to collate and analyse local economic data. Insights gathered through this desk will be shared with organisation's members and stakeholders to allow them to make informed investment and policy decisions.

Brown concluded by throwing his weight behind the City's ability to make a full recovery post the COVID-19 pandemic through focusing its energy on the agri-business. We will still be dealing with COVID-19-related disruptions in the short-term. The COVID-19 vaccine availability and efficacy will determine our longer-term economic projections. I personally believe we need to do more in the agricultural sector. Every piece of arable land should be growing a tradeable commodity – As Buffalo City we still import most of our food products. We have plenty of land and are emerging from a 10-year drought, so the opportunity is now to start preparing the infrastructure and capital models to allow farmers to do what they do best – grow more crops."

***"BKCOB has hosted numerous webinars sharing best practises for SMMEs..."***



## **TI AUTOMOTIVE NAVIGATES THE PANDEMIC**

*The novel coronavirus (COVID-19) outbreak continues to cause widespread concern and economic hardship for consumers, businesses and communities across the globe.*

As the pandemic continues to disrupt business as usual and throw the economic outlook into uncertainty, the automotive industry is on the front line. Since the pronouncement of the initial nationwide lockdown in March 2020 by President Cyril Ramaphosa, manufacturers in the sector have been forced to constantly revise their production plans to align with current restrictions aimed at curbing the spread on the virus. This is the case with the East London-based TI Automotive Fuel Systems.

According to TI Automotive Fuel Systems' Plant Manager, Kurt Esztergomi, the manufacturing plant faced numerous challenges when COVID-19 broke out. "As a well-established business with years of experience, at the beginning of the year (2020) and based on the previous year's performance, we set ourselves a mammoth task on performance, but when the national lockdown was put into effect the task became even tougher. Throughout this period, we had been developing our new facility within the ELIDZ from a satellite plant as well as assembling fuel tank shells produced in Germany."

Esztergomi explained that when the pandemic broke out, TI Automotive Fuel Systems had covered a lot of ground in the commissioning of the Plant, this as they had managed to install the blow-mould machine and finishing equipment far ahead of time. However, when the pandemic



reached our shores the company was faced with the task of installing the finishing equipment as well as familiarising themselves with the state-of-the-art machinery.

"The original plan was to have our three European equipment suppliers come to South Africa and commission the nine finishing stations which cut the holes, weld and assemble the fuel tank and filler pipe but the pandemic was to make that impossible."

Furthermore, he praised his team for their agility and preparedness to respond to the challenge at hand. "It is testament to the ability of our South African team, newly-formed and still learning the equipment and processes, that we were able to install and commission this equipment ourselves."

At the time, lockdown restrictions also made it impossible for the plant to make the initial component deliveries, although they found a way around

this hurdle through the shipment of tanks made at a Germany sister plant. As the government eased the lockdown restrictions, the plant was able to resume home line production.

"As with all other companies in the ELIDZ, 2020 has been a challenging year for TI Automotive Fuel Systems. Not only have we had to maintain the manufacturing of fuel tank systems for the current model of the car produced at Mercedes Benz South Africa, but we are also preparing for the launch of the next model and all while managing the challenges presented by the COVID-19 pandemic."

Meanwhile Esztergomi closed by saying: "It has been a tough journey, but the experience has brought our team together and taught us countless valuable lessons which will ensure that we are successful when the W206 launches in 2021."



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## ELIDZ CAS LAB OFFERS AN UNINTERRUPTED ESSENTIAL SERVICE



During this nationwide lockdown, the **East London Industrial Development Zone (ELIDZ) SOC Ltd CAS Laboratory**, a SANAS No T626 accredited laboratory is open to business and continues to support organisations that have been identified by government as essential services providers with its customised service offering.

This laboratory offers **water testing and microbiological services** to municipalities, manufacturers and the food industry.

### WATER AND OTHER SERVICES

• Surface water analysis (Rivers, lakes, dams, pools etc.) • Groundwater quality testing analysis (Boreholes, wells, spring water etc.) • Drinking water analysis (Tap water, bottled water, treated surface or groundwater etc.) • Waste water analysis • Inorganic analysis - major cations / anions • Physicochemical analysis • Microbiological analysis • Borehole water quality testing and analysis • Metal scan.

*The laboratory is in the process of expanding its scope to include chemical methods such as heavy metal analysis on soils, sediments and sludge samples.*

### MICROBIOLOGICAL ANALYSIS OFFERED – TURN AROUND TIMES - 5 DAYS

Heterotrophic plate count • Faecal coliforms  
• Total coliforms • E. Coli • Faecal streptococci  
• Pseudomonas aeruginosa

### CHEMICAL ANALYSIS OFFERED – TURN AROUND TIMES – 10 DAYS

• pH • Electrical conductivity • Ammonia • Chemical oxygen demand • Total alkalinity • Nitrate • Nitrite • Orthophosphate • Total suspended solids • Total dissolved solids • Metals analysis using ICP-OES • Mercury using hydra AA • Oxygen absorbed • Soap oil and grease • Biochemical oxygen demand • Chloride • Fluoride • Turbidity.

If you are looking for a reliable and uninterrupted service during this lockdown period and beyond, talk to one of our specialists:

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