

07 May 2015

Telkom launches FutureMakers – driving ICT innovation and growth.

Telkom today announced an investment of over R100 million in enterprise and supplier development with the launch of its FutureMakers programme.

FutureMakers focuses on driving innovation in the ICT sector by growing access to technology and by offering long-term support to its beneficiaries.

“We want to enable, empower and inspire entrepreneurs to stretch their ambitions and make their business visions a reality,” said Telkom CEO Siphon Maseko. “By growing entrepreneurial opportunities within ICT, we can create jobs, improve access to technology and develop a stable and competitive supply chain. FutureMakers serves the national vision for broadband and ICT development, while also supporting our own enterprise and supplier development (ESD) objectives,” Maseko said.

Minister for Small Business Development, Lindiwe Zulu applauded Telkom for this initiative. “We hope other corporates will emulate Telkom’s example of giving practical expression to the national agenda of building strong and sustainable small businesses and co-operatives that will be engines of economic growth and job creation.”

Minister Zulu added: “To address the triple challenges confronting our nation requires a collective effort. The need to support SMMEs and co-operatives is a responsibility of both government and the private sector. Together, we carry a responsibility to stimulate and support the growth and sustainability of the co-operative and small business sector. Together, we can unlock economic opportunities and thus achieve inclusive economic growth and sustainable employment, particularly for women, youth and people with disabilities”.

FutureMakers supports small, medium and micro-enterprises (SMMEs) with funding, business development and telecommunications services. It works to identify and grow entrepreneurial opportunities across the ICT industry and within Telkom’s supplier value chains. FutureMakers will leverage Telkom’s own national footprint of products and services, resources, and assets, by providing funding, business support, technology and mentoring.

ICT has been identified in the National Development Plan as a critical enabler, providing opportunities for manufacturing, service provision and job creation. South Africa’s National Broadband Policy calls for mechanisms to share infrastructure, enabling low cost and high quality communication, along with the promotion of research, innovation and entrepreneurship. The FutureMakers programme has been designed to deliver practical and tangible responses to these important national strategic objectives.

The FutureMakers programme comprises four pillars: FutureFund, FutureSource, FutureHub and FutureProof.

Through the FutureFund, Telkom is making an initial investment of R100 million to extend financial support to SMMEs that supply Telkom or that work within the broader ICT sector. This funding will be in the form of working capital, loans and equity. Identity Development Fund managers have been appointed to manage the fund on behalf of Telkom.

In parallel with financial support, Telkom is also investing in local suppliers and partners as well as potential suppliers, third party distributors, internet cafes, and innovative ICT start-ups by helping them to become more competitive, through the FutureSource initiative. Entrepreneurs who are part of the FutureSource initiative will receive business development support and training from some of South Africa’s top SMME development providers.

Business incubation services – or FutureHubs – form an integral part of the FutureMakers strategy. FutureHubs provide a platform for stimulating innovation and technology uptake within small businesses. The hubs reduce start-ups costs for new business and encouraging a support of collaborative environment for developing enterprises. Telkom’s longstanding sponsorship of the Bandwidth Barn in Cape Town will continue, along with a new programme to source, develop and support high innovation businesses.

Telkom is also investing over R5 million in upgrading a co-working and incubation space in Tshimologong Precinct, Braamfontein, which will be ready in November this year. Tshimologong will be Gauteng’s first business incubator for the ICT industry. It will provide Johannesburg ICT entrepreneurs with access to broadband connectivity, mentoring and other incubation support.

Partnerships, in the form of the FutureProof initiative, form the fourth pillar of the FutureMakers strategy.

By actively seeking out opportunities to collaborate with like-minded partners focusing on ICT innovation, FutureMakers will be able to extend its reach and effectiveness. The FutureProof initiative will not only benefit SMMEs but will also stimulate demand for, and productive use of, ICT products and services. By promoting entrepreneurial activity, Telkom is confident South Africa can improve competitiveness and job creation, across the ICT sector.

“We believe that real innovation and transformation within the ICT sector demands a departure from the historically fragmented approaches of the past, towards more inclusive and coordinated ventures. Through the FutureMakers programme we are inviting members of the ICT community to join us as we embark on this exciting journey of transformation,” said Maseko.

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ABOUT TELKOM:

Telkom is a leading communications services provider in South Africa. We had consolidated operating revenue of R16.8 billion and normalised profit after tax of R1, 683 million for the period ended 30 September 2015. Total assets amounted to R41.9 billion and equity attributable to the owners of Telkom to R23.5 billion as of 30 September 2015. The group generated normalised free cash flow of R1.4 billion for the period ended 30 September 2015.

As of 30 September 2015, we had approximately 3.3 million telephone access lines in service and 1,030,441 ports connected via MSAN access. We offer business, residential and payphone customers a wide range of services and products, including:

- fixed-line retail voice services using PSTN (Public Switched Telephone Network) lines, including ISDN (Integrated Services Digital Network) lines, and the sale of subscription based value-added voice services and calling plans;
- fixed-line customer premises equipment rental and sales services both voice and data needs and these include PABX, Computers, Routers, Modems, Telephone handsets and other ancillary equipment;
- interconnection services, including terminating and transiting traffic from South African mobile operators, as well as from international operators and transiting traffic from mobile to international destinations;
- fixed-line data services, including domestic and international data transmission services, such as point-to-point leased lines, ADSL (Asymmetrical Digital Subscriber Line) services, packet-based services, managed data networking services and internet access and related information technology services;
- Data Centre Operations includes e-commerce, application service provider, hosting, data storage, e-mail and security services;
- W-CDMA (Wideband Code Division Multiple Access), a 3G next generation network, including fixed voice services, data services and nomadic voice services;
- mobile communication services, including voice services, data services and handset sales through our mobile navbar-brand called Telkom Mobile;
- information and communication services including cloud services, infrastructure services, workspace services, global service integration management and hardware and network equipment sales locally, in seven African countries, the UK and Dubai through Business Connexion Group; and
- other services including directory services, through Trudon (Pty) Ltd, wireless data services, through Swiftnet (Pty) Ltd.

Convergence is one of our key strategic initiatives in building a sustainable future for Telkom. We will lead the provision of converged services in South Africa in support of our mission statement: Seamlessly connecting people to a better life.