

Cape Craft & Design Institute Annual Report

Chickens - Wadada's Plastic Craft

2008/09



2010 CALENDAR ON REVERSE SIDE

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Chairperson's Report

A major challenge facing the country is to move jobs from the informal sector of the economy to the formal sector.

Research shows that Informal sector employment does not necessarily take people out of poverty, given the very low incomes earned. It remains true that the craft industry in the broader context operates in the informal sector where the impoverished sector resides, according to a study by Burger and Yu. This report shows an average 21% of employed people work in the informal sector, but they receive only about 6% of total earnings. The reasons given for low incomes in the informal sector are lack of skills and capacity, lack of product innovation, and the inability to add substantial value through appropriate production and marketing activities.

The craft sector provides the perfect opportunity for people to move from the subsistence level to the substantive levels of the economy by giving creative expression to both ideas and product.

In the Western Cape, peoples' considerable talent and creative capacity to design and produce highly innovative and world class products, is a

huge asset. Individuals combine their energies with rich cultural diversities to uplift themselves and contribute to the growth and development of the Province.

The range and depth of the CCDI's programmes and projects are inspiring after nine years, and its high levels of creativity, energy, determination, thrust and commitment are a tribute to the enduring passion, vision and extraordinary leadership talent of executive director Erica Elk. Her team of exceptionally talented and dedicated individuals simply perform their jobs in a remarkably efficient and effective way.

I would also like to thank the CCDI's key funders, the Department of Economic Development and Tourism, the Department of Trade and Industry, the City of Cape Town, MAPPP-SETA, the Old Mutual Foundation and other stakeholders.

Reuben Kadalie
CCDI Chairperson



REUBEN KADALIE
CCDI CHAIRPERSON

Craft can **uplift**
and **empower.**

Executive Director's Report

As contradictory as it may seem, 2008/09 was a year of consolidation, change and growth.

A spate of resignations and staff on maternity leave put CCDI management under enormous pressure to keep the ship on course while new staff were recruited and new sailors learnt the ropes. But change is good and the positive spin-offs are that we now have a pool of highly skilled, professional staff, which has brought new ideas, energy and rigour to the CCDI.

Despite the fact that a large part of the year was actually taken up recruiting, inducting, planning and building internal staff relationships – and just plain getting to know each other – we achieved a lot in the year.

The team created a total of 799 market access and enterprise development and training opportunities through which a total of 373 enterprises – a third of those registered on our database (1 105) – participated. The majority of participants in activities (61%) are black entrepreneurs and NGOs and most of our time, as well as producers' time, is spent on Market Access activities. In addition, there is a spread of participation. Approximately 61% of entities participated in one activity with 36% participating in between 2-9 opportunities.

Through these activities we recorded direct **sales of R2.4m** – not taking into account the value of orders and exposure created through these activities. In addition we took producers and products to the USA, Norway, Germany and Cuba and helped 27 producers register for **export licences**.

We know that development of craft entrepreneurs and their businesses requires time and a long-term investment. So our challenge going forward is to increase duplicate participation in opportunities – while increasing the number of participants.

Our **partnerships, network and relationships** are vast and are a vital asset – and continue to grow as we enter into a new era for the craft sector, with partner institutions being established in Gauteng, North West, KZN and possibly the Eastern Cape.

Internally we will need to find ways to streamline operations and decision-making so that we become more effective and efficient – while keeping all staff involved, included and motivated. Externally we have to make sure that we keep our feet on the ground, keep listening and engaging and maintain human-scale relationships with people we partner and work with.

We salute the unstinting passion and commitment of all the people we encounter on a daily basis – CCDI staff,



ERICA ELK
EXECUTIVE DIRECTOR

our Board, our partners and stakeholders – and most importantly, the craft producers who wander through our doors. Words can't express my gratitude or the value that you all bring – so I'll keep it simple: Thank you.

Erica Elk
Executive Director

But change is
good and the **positive**
spin-offs are that we now
have a pool of highly
skilled, professional staff.

1. Our People



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We've come a long way since the organisation was founded in 2001 with only two staff. Our numbers have expanded hugely to include both full-time managers and part-time facilitators, all housed at our 75 Harrington Street headquarters. This financial year started with **80% new programme staff**. Our new colleagues soon found their feet and their skills and professionalism have helped boost programme delivery. There is a much greater degree of integration and synergies between programmes. As a result, our service offering is getting better and we are in a much stronger position.

The CCD itself received its **BEE** certificate and was rated as a Level Four enterprise.

The directors of the **CCDI Board** were unstinting in their support and we extend our thanks to every one of them. Members during 2008/09 were Reuben Kadalie (chairperson); Bart Verweckken (vice-chairperson); Clementina van der Walt; Derrick Senteni; Jo-Ann Johnston; Johannes Cronjé; Kwanda Modise; Matanzima Baleni; Roelf Mulder; Sizo Chabalala and Tessa Graaff.

2. Our Services

During the year, the CCDI team created a total of 799 market access and enterprise development and training opportunities through which a total of 373 enterprises – a third of those registered on our database (1 105) – participated. The majority of participants in activities (61%) are black entrepreneurs and NGOs and most of our time, as well as producers' time, is spent on Market Access activities. In addition there is a spread of participation. Approximately 61% of entities participated in one activity with 36% participating in between 2-9 opportunities.

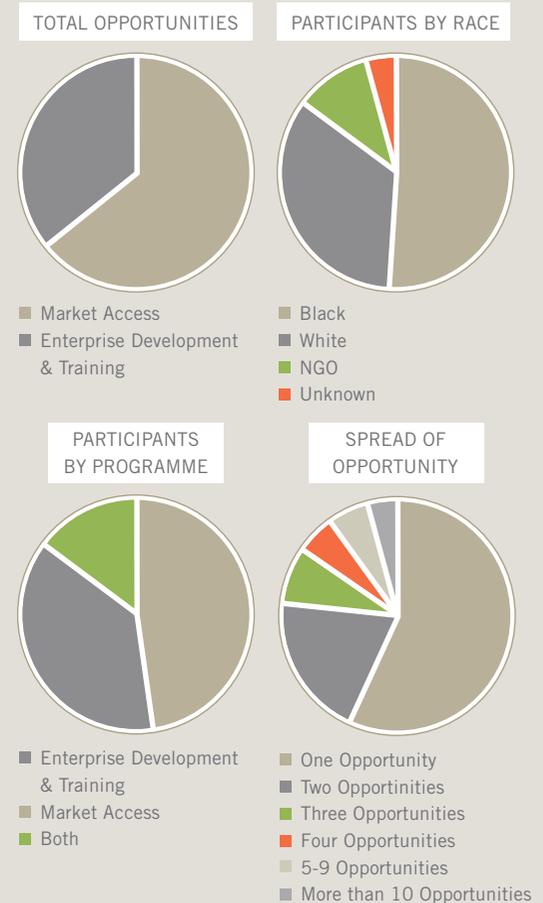
We know that development of craft entrepreneurs and their business requires time and a long-term investment. So our challenge going forward is to increase duplicate participation in opportunities – while increasing the number of participants.

TOTAL OPPORTUNITIES		
Market Access	512	64%
Enterprise Development & Training	287	36%
	799	

PARTICIPANTS BY RACE		
Black	191	51%
White	132	35%
NGO	37	10%
Unknown	13	3%
	373	

PARTICIPANTS BY PROGRAMME		
Enterprise Development & Training	131	35%
Market Access	180	48%
Both	62	17%
	373	

SPREAD OF OPPORTUNITY		
One Opportunity	226	61%
Two Opportunities	64	17%
Three Opportunities	30	8%
Four Opportunities	18	5%
5-9 Opportunities	25	7%
More than 10 Opportunities	10	3%
	373	



3. Enterprise Development and Training

Over 180 craft producers went through skills training programmes during the year and the results are already apparent in their beautifully made products and more robust businesses.

The annual **Winter School** offered four programmes with two main focus areas – business development and product design, both at NQF levels two and four. A total of 63 learners completed, with 37 of them travelling from rural areas to take part in this great opportunity.

A new addition to our service offering this year was the establishment of our **Programmes Group** – a ‘panel’ of the managers from each CCDI-support programme. The Group sits for the last three Wednesdays of each month. Craft producers can book appointments with managers, for a holistic discussion of their needs. We also make referrals and offer follow-up counselling sessions based on the outcomes of each session.

Courses at our popular mid-year **Winter School** were moderated for the first time, so that craft producers could accumulate credits towards formal qualification.

PROGRAMME PANEL COUNSELLING SESSIONS	
MONTH	NO. COUNSELLED BY THE PROGRAMME GROUP
First Quarter	26
Second Quarter	55
Third Quarter	22
Fourth Quarter	28
Total	131



Deep concentration during a drawing and design module.



Ed Erica Elk congratulates Funeka Dukwe at the Winter School graduation.

The CCDI launched a mentorship pilot project in partnership with a Norwegian wholesale and retail partner, Isandi, and funded by the Norwegian Agency for Development Co-operation, Norad. The programme, which provides mentorship for five producers, three of whom hail from the Western Cape, will run to the end of March 2010. The three producers are: Zambane Textiles (hand-printed fabrics); Iliwa (shwe shwe fabric clothing, beaded animals); and Jo-Jo Wires (rusted wire art works and décor).



Elizabeth Uigis of Zambane at SARCDIA International.

4. Local and National Market Access

CONSUMER EVENTS TOTAL SALES			
2008 / 2009			
EVENT	DATE	PEOPLE	SALES VALUE
Inter-Parliamentary Union Conference	9-18 Apr	52	66 709.00
Decorex Cape	25-28 Apr	35	52 822.00
Outdoor Expo Bien Donn�	3-5 Oct	17	5 261.00
Khayelitsha Festival Forest Stewardship	24-26 Oct	11	7 712.50
Council Gift Shop	3-4 Nov	18	17 962.00
Baby Expo	7-9 Nov	11	13 780.00
Volvo Ocean Race Craft Market	7-15 Nov	5	undisclosed
AWID International Forum on Women's Rights and Development	14-17 Nov	23	87 015.00
Total		172	251 261.50

TRADE EVENTS TOTAL SALES / ORDERS					
2008 / 2009					
EVENT	DATE	PEOPLE	SALES VALUE	ORDER VALUE	TOTAL
SA Handmade Collection	30 Jul-3 Aug	19	136 355	31 120	167 475
SARCDIA International	12-15 Mar	6		122 564	122 564
Design Indaba 2009	27 Feb-1 Mar	20	20 752		20 752
Total		45	157 107	153 684	310 791

Shoppers love to browse around and buy Handmade [Cape] products on the stylish CCDI collective shops at various shows.



Craft producers took part in four trade shows and eight consumer shows, notching up nearly R500 000 in direct sales and orders, and taking **six awards** for the CCDI's stands.

This year, we helped facilitate access to new and existing markets and other trade opportunities through 12 shows. Many new buyers, from Khayelitsha to the Waterfront, were exposed to the beauty and value of the handmade. Goods were snapped up on site, and follow-on orders also helped swell craft producers' coffers.

Alongside our usual participation in consumer shows, the CCDI also took part in several trade events, some for the first time. These included the SA Handmade Collection that was held for the first time alongside Decorex in Johannesburg, the SARCDIA Cape trade show, the 2009 SARCDIA International trade exhibition at Gallagher Estate, and the iconic Design Indaba Expo.

5. Retail and Export Market Access

Taking on the potentially lucrative yet highly challenging export markets was made easier this year through the support of two key events – **Market Information and Trends Workshops** geared at both the US and Scandinavian markets. Facilitated by experienced buyers from these two fascinating yet very different locations, they offered craft enterprises an insider's view and the necessary tools to survive in these challenging times. Inspired and bolstered by their new-found knowledge, producers were confident enough to adapt some of their ranges to these markets, which in turn stimulated keen interest at both the Isandi and Atlanta hub showrooms.

A total of 30 craft enterprises are currently supplying **Isandi**. A 2008 Isandi report recorded total trade of R2 million, with Western Cape crafts people contributing R850 000. Isandi also reported improved export readiness from Western Cape suppliers.

The CCDI also helped 27 producers to cut through red tape and to register for **export licences**.



Western Cape craft producers exhibit on the dti's stand at Ambiente.

Twelve craft producers went **global** as they showcased their products to the world through four **top-ranking** trade shows: Atlanta Home and Gift Fair in the USA; the Norwegian Gift Fair in Norway; Ambiente in Germany; and the Havana Trade Show in Cuba.

6. GIFT and 2010

GIFT CLIENT SEGMENT SALES CONTRIBUTION						
CLIENT / SEGMENT	Q1	Q2	Q3	Q4	TOTAL	% SHARE
Government Departments	40 606	6 412	122 617	240 173	409 808	40.5%
Corporates	41 293	77 141	412 822	34 465	565 721	56.0%
Professional Events Organisers	12 787	1 505	2 280	0	16 572	1.6%
Showroom and Other	3 399	4 823	7 609	3 078	18 909	1.9%
Total	98 085	89 881	545 328	277 716	1 011 010	100.0%



Recycled soccer player by Mixed Ideaz; a Mokoya Makaraba; and a soccer ball of bottle tops by Mixed Ideaz.

The GIFT Warehouse is not only helping Western Cape-based enterprises to source **the perfect gift**, but has expanded its offering to include a 2010 range in the run-up to the World Cup™.

The GIFT Warehouse is based at the CCDI headquarters and links buyers of corporate gifts to producers. This year, GIFT established relationships with **299 clients**, had an **8.3% conversion rate** of enquires to the value of a healthy R12m, and created a total of **614 opportunities** for producers through its activities. The **11 producers** who took part in the Market Readiness Programme have boosted their skills and confidence and the results are showing in their business environments.

The CCDI spent much of the year investigating opportunities and creating partnerships around the **2010 soccer bonanza**. A firm foundation was established through carefully researching the market, then **70 craft producers** attended an **information session** aimed at stimulating the submission of soccer-related products. A beautiful array of about **20 great products** – ranging from beaded soccer boots to decorated handbags – have been developed and these are proudly displayed in the GIFT showroom. Although early days, this new range has already generated **R230 000 in direct sales** for producers supplying to GIFT.

7. Creativity, Design and Innovation

The creative process is a dynamic process that needs time and energy and lots of nurturing to show results. It's a people-centred activity and, to help this, the CCDI increased the number of staff running its Creativity, Design and Innovation programmes, leading to a dramatic increase in the number of workshops and users. The FabLab alone has helped 1 744 users during the year. The team also ran **nine workshops** to introduce **60 craft producers** to the equipment and processes.

A total of **seven different kinds of creativity workshops** were held in the last four months of the year. These focused on building creativity skills in general and also around different specific themes, such as the 2010 soccer event, and the beautiful colours and shapes of the Kirstenbosch botanical garden. A total of **72 producers** took part.

The **Visual Awareness Pilot** programme opened craft producers' eyes to the creativity and inspiration all around them. The programme focused on visual awareness seminars given by prominent artists at the monthly craft sector meeting, as well as visits to **three iconic sites** (the Two Oceans Aquarium, Table Mountain and Robben Island). A total of **43 producers** took up these opportunities and many of them visited these inspirational places for the very first time.



Sense of place visits to Kirstenbosch and Robben Island, and creativity workshops.

New products and new designs are emerging all over the province – inspired by the **Creativity, Design and Innovation programme** that's helping craft producers to explore new materials, techniques and technologies.

8. Rural Outreach



*Clockwise fitr:
A 2010 briefing
session in Knysna,
Mary-Ann Fortuin
at a George craft
showcase,
a Creativity workshop
in Oudtshoorn,
and the ROO-mobile
on the road.*



The CCDI reaches out to link up and share, not only in the Mother City, but throughout the Western Cape. We reconceptualised our Rural Outreach programme this year with the aim of building capacity in the regions and attaining greater value and synergy with our partners. Our **new Rural Outreach coordinator** met with many craft producers and numerous partners such as Local Economic Development officials, Red Door small business advice centres, Small Enterprise Development Agency representatives, tourism agencies and NGOs working in the regions. This has laid a solid foundation for work in the new year.

A **craft development and training programme** was launched in partnership with the Department of Cultural Affairs and Sport and the West Coast regional tourism office. This helped identify the 25 most promising crafters in the regions, and then helped them develop through taking part in the CCDI Winter School held mid-year in Cape Town .

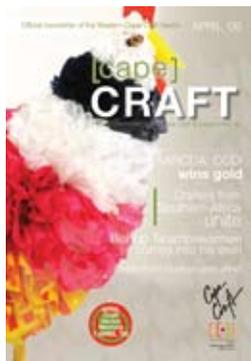
We've travelled far and wide to establish new networks, **connect people** to each other and organise workshops. We even took the **first collective craft gift shop** to the Oudtshoorn Kunstefees.

9. Communications and Sector Promotion

CCDI DATABASE LISTINGS			
DATABASE	2008/9	2007/8	% INCREASE
Active	1 105	965	12.7%
Western Cape	1 216	n/a	n/a
Other Provinces	13	n/a	n/a
Reached by Cellphone	1 013	n/a	n/a
Retail Outlets	377	376	4.0%
Service Providers	218	202	2.0%
Partners	607	570	6.0%
Total Listings	1 229	1 097	12.0%

The CCDI's newsletter, website and SMSs are the most direct, used and accessible communication channels of the CCDI. This year, our innovations included producing a special **CCDI EXTRA newsletter** in full colour and in English, Xhosa and Afrikaans. The **website** got a facelift and is crammed with information that is updated monthly. We've also added a **materials supplier database**. The website is clearly useful as it registered **37 354 site visits** and **182 567 page hits** during the year.

We launched our first annual **Exhibition Collection** at the iconic Design Indaba Expo in February 2009, showcasing 63 outstanding products from around the country. Ceramics were the most prominent, while textiles, wood, glass and mosaic, beadwork and other media are also included in the collection. This initial exhibition travelled to various venues during 2009 and was viewed by an estimated **140 000 people**. It will be repeated in 2010.



We continue to raise the bar with the **professionalism** of our communication activities and by **reinvigorating** our digital and print media. This year, an average of 2 230 people were **inspired** every month by our new-look, fact-filled monthly newsletters.

10. Growing the Sector

The CCDI has shared its learnings with a wide array of stakeholders throughout the country and beyond our borders: Our staff gave extensive input into the development of a **KZN craft hub**, advising on research and strategy development, and later the business plan and implementation strategy. The CCDI also helped develop an implementation strategy for Gauteng, and project managed the setting up of the **Craft Design Centre Gauteng**.

We helped develop an implementation strategy for the Eastern Cape with the Department of Trade and Industry (the dti) and the Eastern Cape Development Corporation (ECDC). We also provided information and other support to the **Northern Cape** and **Limpopo** provinces.

The CCDI also helped the dti Creative Industries Sector Desk to establish the **Mzansi Collection**, an upmarket craft producer and designer maker store in Sandton.

Executive Director Erica Elk took part in the **Design Indaba Expo Curatorial Panel**; The **Creative Cape Town** Reference Group; the **National Crafts and Design Sector Co-ordinating Group**; and the **Visual Arts Network of South Africa (VANSA)**, of which she is a board member in the Western Cape chapter.



CRAFT & DESIGN CENTRE – GAUTENG

The Craft & Design Centre – Gauteng was launched on 9 April at its home – the former Sandton Gallery in Sandton Square. Celebrating in the CCDI GIFT showroom are Erica Elk, CCDI Executive Director and Dawn Robertson, Head of Department, Recreation, Arts, Culture and Sport.

LIMPOPO DELEGATION VISITS CCDI
*Seen here are: Back fltr: Thandeka Tyatyantsi (2010 Programme Manager: CCDI), Vuyisile Mshudulu (Market Access Export & Retail: CCDI) and Kgaugelo Chere (Craft Facilitation: TIL)
Front fltr: Erica Elk (Executive Director: CCDI), Emily Khunou (Senior Manager Trade Promotion: TIL) and Marjorie Naidoo (Communications & Sector Promotions: CCDI).*



The CCDI is passing on the many valuable lessons it's learnt over the years, helping fledgling craft bodies to **establish and grow** while avoiding some major pitfalls.

11. Fundraising



Other organisations that provided project-specific funding or in-kind support include: 369 Designs (SARCDIA International Stand), Department of Cultural Affairs & Sport (2010 Research), Decorex/Thebe, DTI (Soccerex 08), ESP Africa (CT international Jazz Festival), MAPPP-Seta (learnerships), Office on the Status of Disabled Persons in the Presidency (Thembaletu), Trade & Investment Policy Strategies, SARCDIA (Cape), SEDA (Gift Market-readiness)

OUR FUNDRAISING EFFORTS DURING THE YEAR 2008/09 RAISED THE FOLLOWING

Department of Trade & Industry, with the IDC	
Operations and Programmes	R5 000 000
Department of Economic Development & Tourism (WC)	
Operations and Programmes	R3 300 000
Special Project Grant (Production Cluster)	R1 500 000
Kellogg Foundation	
Regional (Southern Africa) Design/Innovation and Sector Support Programme worth \$450 000/three years	R3 658 500
Norad/Isandi	
Mentorship Programme value R1.8m/two years.	R1 800 000
AMTS	
Funding for the FabLab	R 721 000
City of Cape Town	
Operations and Order Facilitation Project	R 566 000
Old Mutual Foundation	
Operational Support for GIFT	R 500 000
National Arts Council	
Organisational Grant Funding	R 250 000
Exhibition Collection Catalogue	R 50,000

The CCDI can only survive with the help of much-needed funding, and numerous organisations underpinned us this year. **Thank you for your support!**