

S&V Weekly Newsletter Vol.10 No.37, September 09 2024

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**Former Musgrave Agencies members win right to challenge BR plan for Coast2Coast successor**

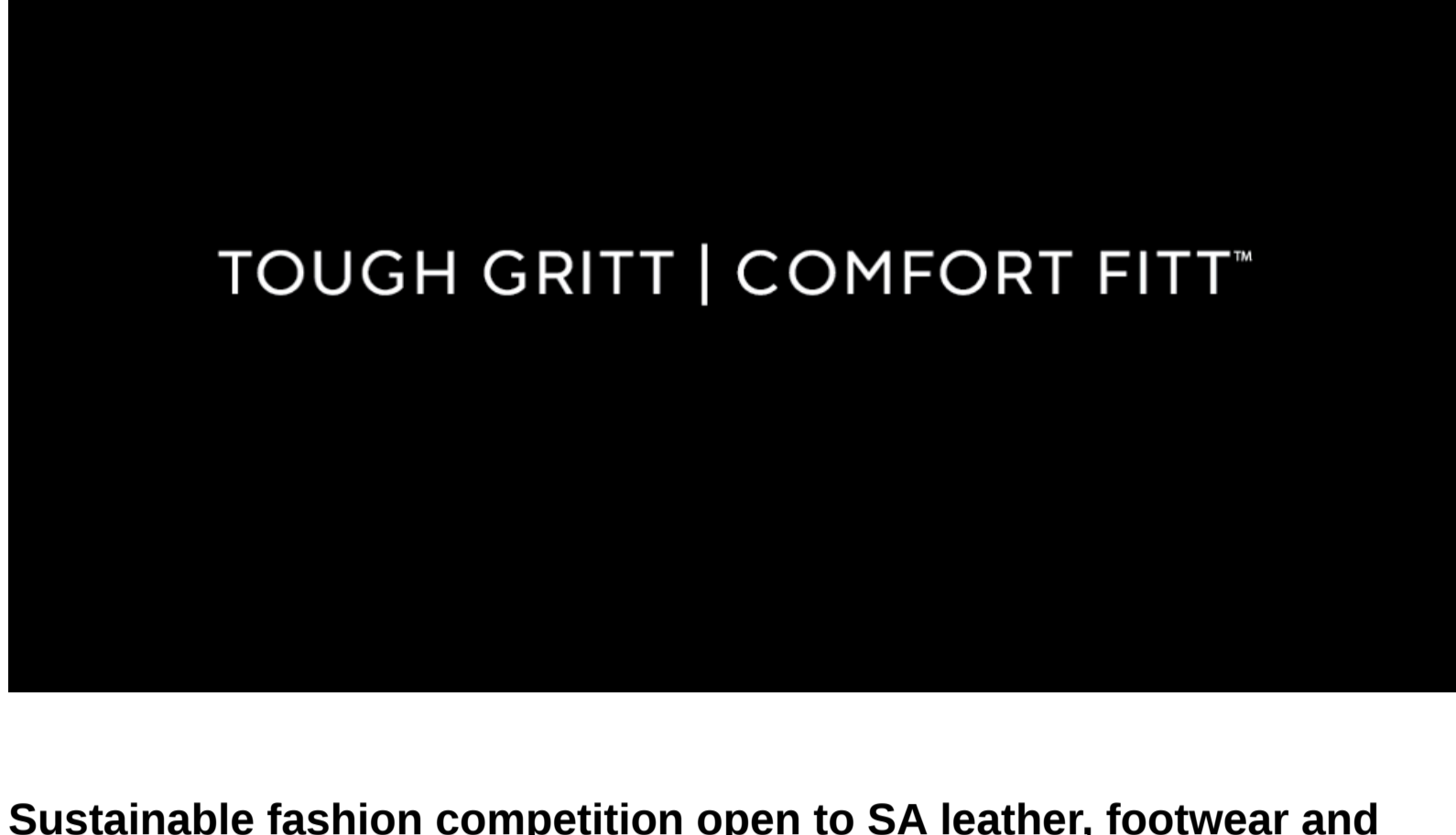
**Cape Town, W. Cape, SA** - In the case between 4 former Musgrave Agencies cc members (the applicants) and the business rescue practitioner, directors and others of Cambridge Services (Pty) Ltd, previously known as Coast2Coast Capital (Pty) Ltd (the respondents), the Western Cape Division of the High Court on 16 August ruled that the applicants can challenge the business rescue plan for Cambridge.

This case is one of a series of legal challenges by the former Musgrave Agencies directors, **Arthur Limbouris, Karen Jansen van Rensburg, Stephan Uppink and Oliver Dawber**, and others who sold their brand distribution businesses to Coast2Coast, alleging that they were defrauded by Coast2Coast.

The respondents were **Jacques du Toit**, both in his capacity as the BR practitioner and as a director of Cambridge, Cambridge Services, "all affected persons of Cambridge Services", **Gary Shayne**, and the Commissioner for Intellectual Property and Companies.

The brands include Diesel and Jeep, now distributed by Bounty Brands, which was linked to Coast2Coast. Acting Judge of the High Court, **A. Kantor**, ruled that:

1. Leave is granted to the applicants in terms of Rules 4(2) and 5(2) to serve the applicants' combined summons in an action, in which the applicants intend to claim an order setting aside the business rescue plan dated 5 March 2020 in respect of the Company, Cambridge Services (Pty) Ltd ("Cambridge Services"), and its adoption on 13 March 2020 ("the Action"), and any related relief, by electronic mail on all affected persons of Cambridge Services at the email addresses furnished by the first respondent's attorneys to the applicants' attorneys in accordance with the order of this court in this matter on 22 May 2024.
2. Pending the final determination of the Action, the first respondent is interdicted and restrained from filing a notice of substantial implementation of the business rescue plan approved and adopted by the creditors of Cambridge Services on 13 March 2020 in terms of s 132(2)(c)(ii) of the Act.
3. The Action is to be instituted (by which is meant, for the purposes of this paragraph of this order, issued by this court and served on the first and third respondents) within one calendar month from the date of this order, failing which the interdict in paragraph 2 of this order will ipso facto lapse.
4. The costs of this application are reserved for decision in the Action, save that the applicants are ordered to pay, jointly and severally:
  - 4.1 the wasted costs associated with the set down and postponement of the matter on 22 and 24 May 2024; and
  - 4.2 20% of the remaining costs of the application.



**Sustainable fashion competition open to SA leather, footwear and accessories brands who think differently**

**Cape Town, W. Cape, SA** - Environmental awareness organisation TWYG, which organises an annual sustainable fashion competition, is encouraging greater participation from South African footwear, accessories and leather innovators. Nominations must be in by 27 September.

The overall winner will receive R100 000.

Entry forms can be found here: <https://twyg.co.za/awards/>

There are 11 categories, including accessories, footwear, and farm-to-fashion. The footwear and farm-to-fashion categories started last year.

Accessories winners over the years have been Sealand Gear, Verse, Pichulik, Au-Terra, and Matsidiso Shoes, before footwear was separated.

The inaugural footwear category was won by cork upper footwear brand Reefer, with other entries from Zetu Shoes' iFele brand and SoulShooz. The first farm-to-fashion category was won by botanical dyer of natural fabrics, Ira Bekker, and finalists were Inke Knitwear and Yarnh.

TWYG founder **Jackie May** said the organisation "really wants to grow" the footwear category, and that it was looking for sponsors for the new categories.

The criteria are:

The accessory category recognises an accessory brand that implements ethical labour practices, avoids toxic chemicals, considers end-of-life and uses sustainable materials to create a quality item. Ideally, materials used are locally sourced, recyclable or recycled materials. The quality, durability, creativity and innovative design of the nominated brands will be assessed. Examples of accessories are: jewellery, belts, cuff links and studs, sunglasses, gloves, handbags, hats and headwear, neckties, purses, socks and stockings, veils.

The footwear category recognises a brand, cobbler or designer who makes shoes and implements ethical labour practices, limits toxic chemicals, considers end-of-life and creates a quality and durable item. Ideally, materials are locally sourced, recyclable or recycled materials. The category also includes repairers of shoes. The quality, durability, creativity and innovative design of the nominated brands or shoes will be assessed.

The farm-to-fashion category, which is open to leather, celebrates a brand or designer who is committed to cultivating transparent and traceable supply chains and advocating for regenerative and sustainable textile practices. The farm-to-fashion movement advocates for rebuilding localised, natural fibre textile systems and supply chains. The garments created should be made from 100% natural fabric, no fossil-fuel based synthetics and as few toxins and chemicals as possible. The purpose of this category is to promote a holistic view of sustainability in the fashion industry, encouraging practices that consider the environmental and social impacts of fashion from the very first stages of production on the farm.

TFG trading update

**Sales down, margins up**

**Cape Town, W. Cape, SA (04 September 2024)** - Group gross margin increased by more than 100 basis points for the 21 weeks ended 24 August 2024 when compared to the 21 weeks ended 26 August 2023, despite 3.5% lower sales as gross margins improved across all territories.

- Gross margin for TFG Africa increased by c.200 basis points for the current period against a decline in sales of 1.0% (like-for-like decline of 2.6%), mainly due to the high clearance activity during the prior period and the late start to winter in South Africa.

- The result of the increased margin, despite the normalised sales activity, meant that TFG Africa achieved a record gross profit result (in rands) of c.R5.9 billion, up c.4% on the prior period.

- Group online sales grew by 7.8% and now contributes 10.8% to total sales; the growth largely attributable to growth of 42.7% in South Africa via our Bash platform.

- Cash sales now contribute 73.0% to total TFG Africa sales and 81.2% to total Group sales.

- TFG London's gross margin increased by c.150 basis points, with sales 12.4% (in GBP) lower, as continuing headwinds from low consumer confidence impacted non-food retail, particularly in the premium categories where our brands operate; and

- TFG Australia's sales were 3.9% (in AUD) lower as macro conditions continue to dampen consumer demand. However, gross margin improved by c.50 basis points.

The Group's financial results for the six months ending 30 September 2024 will be released on SENS on or about 8 November 2024.

Woolworths final results June 2024

**More positive, sort of**

**Cape Town, W. Cape, SA (04 September 2024)** - The Group's results for the 53 weeks ending 30 June 2024 are not directly comparable to that of the 52 weeks ended 25 June 2023 given the inclusion of the David Jones ('DJ') contribution for nine months (to end-March 2023) in the prior period.

Continuing operations

Revenue for the year ended on R77.3 billion with gross profit coming in at R27.5 billion. Operating profit from core trading activities was R5.4 billion and profit for the period attributable to shareholders of the parent came to R2.6 billion. Additionally, headline earnings per share ended on 364.2c per share.

Dividend declaration

Notice was given that the Board of Directors of WHL ('Board') has declared a final gross cash dividend per ordinary share ('dividend') of 117.5c per share for the 53 weeks ended 30 June 2024

Company outlook

In South Africa, prospects appear more positive following the national election and the formation of the Government of National Unity, as well as the suspension of loadshedding. Whilst inflation is easing, the trading environment is, however, expected to remain constrained as elevated interest rates continue to pose headwinds to consumer demand. The same is true for Australia, with the pace of macro recovery likely to prove more protracted than initially envisaged.

**They Said It**

*"I am not aware of any new developments in the crocodile industry. We are all waiting for the feedback after the Lineapple Milan Fair. Hope to get some news of recovery for 2024/5 after yet another year of slowdown or contraction in the international luxury industry."* - **Stefan van As**, Le Croc, Mogwase, N.W. Province, SA.

**Got anything you'd like to share?**

Do you have any suggestions, comments or experiences about the industry that you'd like to share with the industry? - [tony@svmag.co.za](mailto:tony@svmag.co.za)

**New subscribers last week**

- Louie, CAD operator, The little slipper company, Port Elizabeth, South Africa
- Reggy Ramiah, Sales Rep, Tuffex Dist, South Africa
- Sesh Naicker, Sales & Marketing, Mendelson & Frost, Durban, South Africa
- Ridwana Rughoonanan, Director, Razmar (PTY) LTD, Ladysmith, South Africa

**Birthdays this week**

- 09/09/1929: **Bill Hoffman**, Emrigals, Johannesburg, Gauteng, SA.
- 09/09/1943: **Simon Liu**, emigrated, formerly MCA Marketing [out of footwear], Midrand, Gauteng, SA.
- 09/09/1952: **Abisha Tembo**, formerly the DTI, now Beier Industries, Pinetown, KZN, SA.
- 09/09/1953: **Fernando Santos**, Bolton Footwear, Cape Town, W. Cape, SA.
- 12/09/1940: **Tony Mason**, retired, formerly Resolute Engineering [closed], Cape Town, W. Cape, SA.
- 12/09/1962: **Silvio Ceriani**, Jonsson Workwear, Durban, KZN, SA.
- 13/09/1958: **Mark Gibbins**, Pearson Trading, formerly Apeco (closed), Pinetown, KZN, SA.
- 14/09/1941: **Rob Jordan**, retired, formerly Jordan Shoes (now Bolton Footwear), Durban, KZN, SA.
- 14/09/1943: **B Oerder**, Bolt Leather, Bedfordview, Gauteng, SA.
- 14/09/1968: **Nasser Narot**, Shoe Preme, Durban, KZN, SA.
- 14/09/1983: **Ridhwana Shaik**, Save Our Soles Manufacturing, Lenasia, Gauteng, SA.

**In memoriam this week**

- 09/09/2000: **Erik Peter Rormose** (b. 11/03/1934), Bulley's Tannery/Coja Tannery/Silverton Tannery/KwaNdebele Tanning/Kembe Estates, Gauteng, SA.
- 09/09/2018: **Errol Smith** (b. 07/02/1946), ENS Machinery, Pietermaritzburg, KZN, SA.
- 11/09/1998: **Harry Chafkin**, Chafkin's Shoe Co, Benoni, Gauteng, SA.
- 11/09/2008: **Robbie Chapman** (b. 10/08/1957), Canterbury International SA [closed], Cape Town, W. Cape, SA.
- 12/09/2015: **Ingo von Falkenhausen** (b. 14/12/1931), Cheval Shoes, Pinetown, KZN, SA.
- 13/09/2015: **Heinz Adrio** (b. 19/08/1940), Busby Leathergoods, Adrio Leathercraft, Durban, KZN, SA.
- 13/09/2021: **Robin Scott** (b. 20/05/1935), retired, former director Scotts [closed], Durban, KZN, SA.
- 14/09/2021: **Rafiq Hajat** (b. 14/09/1955), Footwear Centre, Malawi.
- 14/09/2020: **Graham Althorpe** (b.17/04/1948), agent, East London, E. Cape, SA.
- 15/09/1995: **Andy Bax**, NPI, Durban, KZN, SA.
- 15/09/2013: **Bruce Mallett** (b.27/06/1952), Simply Shoes, Johannesburg, Gauteng, SA.
- 15/09/2014: **Fred Eboru** (b. 01/10/1947), Fred Footwear, Port Elizabeth, E. Cape, SA.
- 15/09/2016: **Franco Polia** (b. 01/01/1937), designer, Durban, KZN, SA.

Have you let us know about your birthday, or the birthdays of your colleagues? Our readers love this section, so please become part of it. This also applies to the In Memoriam section. Help us remember former colleagues.

SEP 2024						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2 Electra ...	3 Electra ...	4 Electra ...	5 Electra ...	6 Electra ...	7
8	9	10	11	12	13	14
15 Micam - ...	16 Micam - ...	17 Micam - ...	18 Micam - ...	19	20	21
22	23	24	25	26	27 Premier ...	28 Premier ...
29 Premier ...	30 Premier ...					

**Directory entries updated last week**

- Centre of Excellence for Leather Skills, Richmond, KZN, SA.
- Concept Shoe Material Centre cc, Pretoria, Gauteng, SA.
- Daya & Sons (Pty) Ltd, Durban, KZN, SA.
- Deluxe Footwear cc, Durban, KZN, SA.
- Le Bonheur (Pty) Ltd, Simondium, W. Cape, SA.
- Nepton Boot [Shezi Industrial Holdings (Pty) Ltd], Pinetown, KZN, SA.
- Ostriland Import Export (Pty) Ltd, Citrusdal, W. Cape, SA.
- Thurling Investments (Pty) Ltd, Cape Town, W. Cape, SA.

**ABSA Agri Trends: Hides & skins prices**

**Johannesburg, Gauteng, SA (06 September 2024)** - The average hide price remained R2.801/kg from a week ago. The current price is 2.15% higher than the average price a month ago and 0.0% lower than the average price a year ago. The range of prices reported was as follows: Minimum price: R2.75 Maximum price: R3.00. Please note: Our methodology weighs the prices we collect according to the number of hides they sell in a month. This is done to make it more representative of the prevailing market price. NB\* Hide prices are determined by the average of the RMAA (Red Meat Abattoir Association) and independent companies. - **Marlene Louw**, senior agricultural economist, and **Nkhensani Mashimbyi**, agricultural economist, and **Zama Sangweni**, agricultural economist, Absa group.

Note: For previous prices, see [HERE](#)

**THIS WEEK LAST YEAR!**

- Foreign investors sell SA apparel retail shares
- BBF accuses Dromex of 'crossing ethical line', threatens legal action
- Situation 'unsustainable', Peter Meinzer of Thiel's Shoes on trading conditions
- Pittards shuts

READ IT HERE - [S&V Weekly Newsletter Vol.9 No.37, September 11 2023](#)

**THIS WEEK FIVE YEARS AGO!!**

- Retail last week: Comment from 3 retailers on Saturday
- Stock Exchange News Service (SENS) release: AVI final results June 2019
- Mr Price - allegations of non-compliance
- Competition Commission recommends approval for Footgear/Edcon deal
- Movements

READ IT HERE - [S&V Weekly Newsletter Vol.5 No.37, September 16, 2019](#)

**Contact us**

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Next newsletter: Monday September 16, 2024. Ad and editorial deadline Friday 13 September.

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