



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA INVITE

Date: 10 December 2012

Minister of Energy, Ms Dipuo Peters to launch a new look BP Service station

The Minister of Energy, Ms Dipuo Peters and BP invite members of the media to the celebration of transformation in the petroleum sector and to meet the new man at the helm of BP Ebony Park, Elvis Sithagu who started out as a petrol attendant and is now changing the lives of over 100 of his employees.

The Minister of Energy, will also deliver a key note address during this important event. The members of the media are invited to attend and cover this important event which is organized as follows:

Date: 11 December 2012
Time: 9am
Place: 29 September Avenue, Corner September and Bluegum Road, Ebony Park, Midrand

Issued by Ms Thandiwe Maimane, Spokesperson for the department of energy,

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Background Information

BPSA Dealers embrace Transformation

On the 30th of August BP celebrated a huge achievement as BP Ebony Park, a brand new site, opened its doors for business. Forecourt operations at this site started at around 15h00 and in just under three hours the site had already pumped 3,000 liters of petrol. The site which is located in Midrand, near Thembisa also has a BP Express Shop. This was a big moment which involved several parties within the Dealer Network and BPSA.

Not only is the opening of this site of great significance because it's one of a few New To Industry (NTI) that have been built in a while, but also because it came about as a result of a partnership that supports the country's and BPSA's efforts to transform the oil industry.

The seed for Ebony Park was planted many years ago, and began with an idea by a few BP dealers. Rowan McLeod, Johann du Toit, Nigel McLeod, Willy Grant and Craig McLeod had a meeting of minds and decided to form a partnership whereby they took up shares in each other's' businesses. This means that they share both business risks and rewards. Rowan mentions that it is this model that helped pull BP Empire through during the financial hardships caused by the construction of the Bus Rapid Transit System in the area adjacent to the site.

It is through this partnership that the idea of doing an empowerment project originated. The partners drafted a proposal based on identifying candidates from within their current businesses and nurturing them to become successful independent business people. They identified two employees who had been working for them for many years and entered into a partnership with them. The two, Phaniel Sinthumule and Elvis Sithagu worked their way up through the ranks — Phaniel started working as a casual washing car at BP Kensington while Elvis started working as a petrol attendant at BP Saratoga in 1999.

With the assistance of the partners, securities were provided and finance arranged for them. This enabled them to apply for a site when the opportunity came up. The parties entered into an agreement which afforded Phaniel and Elvis the immediate part ownership of the new business and the ability to obtain 100% ownership over time.

Today, Phaniel is the Franchisee of Rabie Ridge and Elvis at Ebony Park.

Rowan explains that the success of the model is based on ongoing support and mentorship. He, Johann, Nigel and Craig visit both sites four times a week. They provide guidance in terms of finance, HR, Statutory Compliance and other elements of running a business.

Rowan says that they hope to be provided further opportunities to repeat this model.

Elvis went through a rigorous process before being awarded Ebony Park, according to him, the secret of his success is hard work, he said he grew up in a poor household where his family struggled to make ends meet and he used to sell ice cream and cold drinks on weekends. He also attributes his success to the support provided by his partners. He adds, "I didn't want to pump petrol for the rest of my life."

Ebony Park has been a great success and in its first month it pumped close to 750 000 liters and the partners look forward to seeing it grow from strength to strength.