Pitching Session

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Automotive Industry Development Centre (AIDC)
Who We Are

Legal name: **SPDC SOC t/a AIDC Gauteng**

Established as a support centre with a **focus on the Gauteng automotive industry**

Implementation agency of the provincial government

Established in **2000 at the request of industry**

Staff compliment of +/- **160**

Asset base of approx. **R850 million**

www.aidc.co.za
South Africa Automotive Industry

SA Automotive Industry Vision and Objectives: 2035

1. Grow SA vehicle production to 1% of global output
2. Increase local content in SA assembled vehicles to 60%
3. Double total employment in the auto value chain
4. Improve auto industry competitiveness to that of leading international competitors
5. Transformation of South African automotive value chain
6. Deepen value addition within South African auto supply chains
Flagship Projects

Automotive Supplier Park

Automotive Incubation Programmes

Gauteng Automotive Learning Centre

Tshwane Automotive City

Township Automotive Hubs

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Incubation Programmes

The AIDC pioneered its Incubation Programmes within the local automotive industry to provide support to Black-owned enterprises and nurture these companies during their start-up phases.

IC at FORD SA

- Ikukeng
- TAS
- MH Automotive
- Nomtec

IC at Nissan SA

- Letago
- Nakana
- Ndivho
- Sana
- Agile

Logistics
Bumper assembly & sequencing
Box Rail / has press for metal pressing
HVAC Assembly

Bumper assembly & sequencing
Rework
Tyre and wheel assy & sequencing
Welding – Stillage manufacture/repair
Logistics Kitting
AIDC’s Incubation Model

Responsible for the ‘Safety Net’ – Regulation and Control of Environment, Compliance and Governance

Tier 1 Supplier  Tier 1 Supplier  Tier 1 Supplier  Tier 1 Supplier  Tier 1 Supplier

SMME 1  SMME 2  SMME 3  SMME 4  SMME 5
Barriers to Entry

SMME’s

Local Business

Access to start-up capital

Technical agreements

Quality Management Systems

Supply experience is required

Warranty costs

Multinationals
What is a Business Incubator?

A business incubator is an entity organized to deliver support to businesses during the start-up phase.
The Incubation Model

Stages of Incubation

- Parenting 0-2 years
- Hand Holding 3-4 years
- Coaching and mentoring 5 year

5 Years

Graduation

Incubatee
Incubation Programmes

- Safety net provided by AIDC
- Partnership with the OEMs and Tier 1 Suppliers
- Complex legal architecture
- Services fully funded by OEMs (water, electricity, etc.)
- Guaranteed commodity access within its supply chain
- AIDC income generated by
  - Shared Services offered to Incubatees (HR, Fin, Payroll, Mentorship)
  - Rental income generated (approx. 50% market related)
  - Profit-sharing model
- Operational facility directly linked to Ford/Nissan’s production line
- High risk, high pressure environment
- Nissan IC co-funded by the Jobs Fund
On offer

• Incubation business owners – ready to graduate and take up opportunities

• Skilled and technically proficient having trained in an automotive plant

• Business skills - soft skills and on-job training over approx 5 year period
Contact Us

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