

Electrifying performance from PE tech incubator

SEDA Nelson Mandela Bay ICT Incubator (SNII) has released its performance results for the 2014/2015 financial year and announced that, through support and incubation of Port Elizabeth ICT and technology startups, it will continue to drive small business enterprise development.



Taahira Tiry owner of Fintac, an accounting technology start-up company, is one of the several companies under the wing of SNII Centre Manager Sipelo Lupondwana and his team.

Job creation and turnover

SNII Centre Manager Sipelo Lupondwana said that strong growth in job creation, aggregate growth in turnover of the incubator's clients and new startups is good news for the regional economy. "New job creation from ICT SMMEs supported by SNII rose 18% on a year-on-year basis and our clients grew their turnover on average by 25%," said Lupondwana.

Ten new ICT and technology startups were established from 11 projects in the period under review. The incubator had 26 SMMEs in various stages of incubation, and 37 direct and 81 indirect jobs were created between April 2014 and March 2015 by new ICT and technology startups.

SNII's total number of clients, which represent the incubator's total portfolio of projects, SMMEs and incubator beneficiaries, stood at 96. In terms of job creation from SNII clients across these categories, 46 direct jobs, 102 indirect jobs and 25 casual jobs were created for Nelson Mandela Bay's regional economy in the period under review.

The combined turnover of SMMEs and incubator beneficiaries added R5.1 million to the regional economy of Port Elizabeth. Importantly, 100% of incubated enterprises supported by SNII survived their first year in the market, while 94.5% of enterprises were still in operation at their second year of business. Statistically, approximately 71% of small business startups do not survive their first year in the market.

SNII clients also celebrated various achievements ranging from awards to social entrepreneurship accolades from international media:

- [Popsiebelle](#) - an innovative children's brand of tactile accessories, develops children's minds by using their imagination as a springboard. The brand is the recipient of several awards including Samsung Designer of the Year Award 2014.
- [The Millbug Vuya Tablet PC](#) - a low-cost, solar-powered Android tablet with all the necessary ICASA stamps of approval, was successfully commercialised through incubator support and went on sale last year. The tablet has been heralded by various international media as one of the greatest inventions from the African continent to improve connectivity and information access in areas without electricity. The product has been touted as a game changer for closing the digital divide, and for its potential to improve education and digital literacy in communities that are adversely affected by income inequality.
- [Digijiz](#) - a newly established software development company specialising in artificial intelligence, cloud solutions and hosting. It also develops bespoke software solutions for desktops, mobile and web platforms. The company's managing director was accepted as one of 38 young South Africans in a global E-mobility programme in Germany.

The 2015/2016 vision

Commenting on the 2015/2016 vision, Lupondwana said SNII will focus on providing world-class incubation support to SMMEs, unlock strategic partnerships with the private sector and play a much stronger role in supporting the development of Port Elizabeth as a smart city.

"Firstly, we will continue to be the place where Port Elizabeth's technology entrepreneurs, young ICT businesses, and inventors with ideas come to in order to be developed into successful enterprises. We have world-class office facilities and spaces, IT infrastructure and connectivity to reduce the cost of doing business. We also have good business coaches, mentors and business support services in place," Lupondwana said.

"One of our immediate aims now is to unlock meaningful partnerships with global and local private firms. Enterprise development cannot succeed without support from big technology and ICT companies. "We want to bring blue-chip companies such as Microsoft, IBM South Africa, Datatec, Dimension Data, Siemens South Africa, Altec, EOH and Pinnacle Technology into this incubator, to share ideas, technologies and leadership with us and to help groom a next generation of tech entrepreneurs. We will also look at creating partnerships with international universities, such as Massachusetts Institute of Technology."

Driving innovation

Lupondwana said SNII will launch a new research and development (R&D) laboratory, next year, which will drive innovation for the region. "SNII will also continue to entrench itself as a catalyst for local economic growth through technology. In short, we want to play the lead role in transforming Nelson Mandela Bay into a smart city, and we want to be the go-to technology partner for key economic sectors such as maritime, automotive, manufacturing and renewable energies.

"When companies have ideas or certain challenges, they must engage with us. We have the best technology hive mind in the city - bright minds eager to make a mark and support companies in this region. "This also means that SNII will serve civil society, especially in delivering technological innovations to the Eastern Cape Departments of Health and Education."

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