

the SOUTH AFRICAN EXPORTER

Avoid historic traps for deals in Africa

AFTER working for 14 years as the South African-based export manager of a large multinational, Luyton Driman has acquired a wealth of experience about doing business in Africa.

This month sees the publication of his book, which aims to help South African exporters, particularly smaller firms, to conquer the African market. He met **John Fraser**.

Q Government seems to believe that this country's economic future is linked to the strengthening of trade ties with the rest of Africa. Do you agree?

A The links between SA and the other 53 countries in Africa have become closer in the past 10 years, for obvious reasons. The development of initiatives like Nepad and the African Union has created a more brotherly feeling between the countries. I see in my travels how the vibe has changed in the past 10 to 12 years, with people definitely more open as far as what SA is and what it can do. In certain instances, the attitude hasn't always been positive, because of the attitudes of some members of the South African business community going into Africa. Perhaps the problem is rooted historically, with some arrogance and bombast.

Some South Africans should be more deferential in the way they handle people of different races, religions, sexes and colours. You have to understand the country and its culture, and you need to do some

basic research to understand the way business is done in terms of customs, etiquette, and so on.

Whatever the challenges, are the rewards there for someone considering exporting to Africa?

It is worth it. From a personal point of view, there have been more than just business rewards. I've been exposed to diverse customs and people, and have met many professional business people. It has been enriching to see this depth of talent.

Is it safe to travel in Africa?

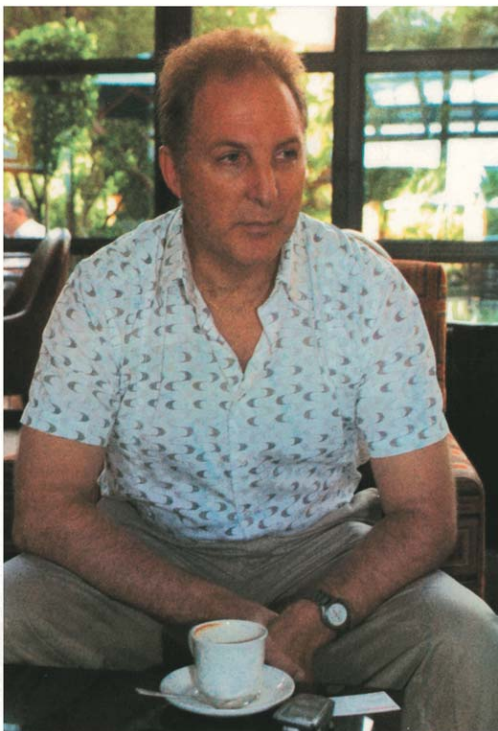
Contrary to popular belief, there is definitely less violent crime in the rest of Africa than there is in SA. There is a lot of petty crime, such as bag-snatching or the theft of passports, but violent crime with a gun in your face doesn't happen too often.

What would you see as obstacles confronting a potential South African exporter to the rest of Africa?

Logistics and the strength of the rand. In particular, the price of freight from Asia or South America to some African countries is quite economic when compared with the price from SA to the same countries.

What about corruption in Africa? One hears a lot of stories about the need to grease palms in order to do business?

Corruption is there, but the scale depends on what you are doing and where you are operating. If you are involved in exporting consumer



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Picture: ROBERT BOTHA

electronics or motor spares or food products, you will find levels of corruption that are much smaller than those associated with government projects. I have only once had an experience of this, when someone at

an airport wanted a "present".

Why did you write this book?

After many years of experience doing African trade and dealing with 32-odd countries, I felt I wanted to

share my experiences with other South African companies, especially small and medium-sized firms. I am targeting small companies who wish to embark on an export drive, or medium-sized firms who want to look at different markets, or find where they are going right or wrong.

Is it getting easier to do business with Africa?

In general, yes. The relations between most African countries and SA are improving in leaps and bounds. The global village concept has been brought home to roost with accessibility to the internet and cellphones.

Are there still no-go zones in Africa?

Yes, but it depends what you are selling. In West Africa, Sierra Leone and Liberia are not the most open markets for luxury electronic products, but obviously they are still good markets for food, motor spares, medical supplies and other humanitarian relief.

Somalia is also a market for humanitarian reasons.

Can you get your fingers burned easily?

It is pretty easy. It is pretty easy to lose money or to fail if you don't follow basic procedures and do basic market research. Be extremely prudent on issues like pricing. Look, listen and decide before you

commit yourself.

■ *Getting the Extra Mile — A Guide to Trading in Africa*, by Luyton Driman (luyton@telkomsa.net) will be available in all major bookstores from mid-April.