

Airports company seeks to use a wider range of suppliers

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Airports Company SA (Acsa) is looking to widen its supplier pipeline to include black, women and youth-owned businesses, CEO Bongani Maseko says. The company had "tended to recycle" the same suppliers, Maseko said, speaking at a transformation conference held by Acsa in Melrose Arch, Johannesburg, yesterday.



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Maseko said Acsa had missed an opportunity to bring in new suppliers for construction work when it had invested in its more than R17bn infrastructure programme to upgrade airports in the lead-up to the 2010 Fifa World Cup. Acsa was one of a number of state-owned clients that paid too much for construction projects in the lead-up to the World Cup due to collusion by construction companies.

It is planning to increase revenue from nonaeronautical services including retail and property, from 38% to 55%. Retail, property development, construction, and information and communications technology services were the four main areas identified for new suppliers.

"Leading up to 2010, we had the largest infrastructure programme of R17bn, creating the infrastructure you see in our business," Maseko said. "Perhaps, that was a missed opportunity in that we had the usual suspects, especially in the construction industry. And how can we then now, as we go into the next wave of development, create opportunities, not just in construction, but also in retail."

Some companies at OR Tambo had been with the company since 1993 and this had created a "culture of entitlement", he said. In some instances, when Acsa went out to tender and some of these companies were unsuccessful, they had taken Acsa to court.

Collaboration was needed for funding for successful new entrants who often had difficulty raising finance after winning bids, he said. Collaboration with other state-owned companies, such as Transnet and Eskom, was also needed on SA's transformation journey, he said.

The founding director of the Gordon Institute of Business Science, Nick Binedell, said companies had to realise that they were in an ecosystem in which they were just as dependent on suppliers as they are on customers. "South Africans have not figured out that they need each other. Everyone operates in a silo, where business operates separately from government, but interdependence is key," Prof Binedell said. "Acsa cannot be successful until its suppliers are successful."

Acsa chairman Skhumbuzo Macozoma said the company's board was committed to transformation. "There are no exclusive and anointed service providers to the airport business. We intend transformation to touch every part of the business," he said.

Source: Business Day

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