

# New MD for Gauteng business incubator Raizcorp

Privately-run business incubator, Raizcorp, has a new managing director at the helm. Colin Kapeluschnik, a businessman with a passion for entrepreneurship, is the man appointed to help lead the community of entrepreneurs, at this Gauteng-based marketing services incubator.

In a country that births fewer entrepreneurs than Uganda, small business incubators that provide incubation for SMEs trying to get off the ground, have a vital role to play in fostering local entrepreneurs. This in order to develop a thriving middle class.

Adding to this, Kapeluschnik says that traditionally South Africa has not actively promoted entrepreneurial activity, and it has a long way to go in when it comes to catching countries like India, where there is a thriving SME sector.

Business incubators, such as Raizcorp, assist small and medium-sized businesses during the startup and initial growth phases of the company.

"Essentially we provide centralised infrastructure, mentoring and financial services, and assist the entrepreneurs getting off the ground. We reduce their overheads by 40% to 50% to help get their business going. We have an 87% success rate, as opposed to the 96% failure rate of start up businesses in this country," says Kapeluschnik.

The Raizcorp incubator operated as a virtual incubator from 1999 and launched as an incubator in 2002. Now, almost three years later, there are up to eight companies operating successfully within the Raizcorp stable under the guidance of Raizcorp founder and mentor, Allon Raiz.

Raizcorp incubators are designed around a sector of the market, for example, the advertising or the fashion sector. The Raizcorp incubator is the only marketing incubator in South Africa, and Africa.

Each member of the group is a specialised unit, with its own client base. Kapeluschnik explains that the Raizcorp concept is about cross-pollinating these client bases for the benefit of the group.

"The cross-pollination within the group ranges from 5% to 400% additional turnover. This figure is dependent on the incubatee's ability to communicate its service offerings to the other members of the group, so that they in turn can sell on the additional group services," says Kapeluschnik.

For further information on the entrepreneurship or the Raizcorp incubation service, contact Allon Raiz on 011 802-7415.