

## Insurer's initiative gives black panel beaters formal skills and funding

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The Adopt A Panel Shop enterprise development initiative, launched as a pilot project in Soweto in 2005 by Alexander Forbes and Guardrisk, is being rolled out to more black panel beaters nationwide.

Bernard Coka, the owner of Toy Panelbeaters in Ga-Rankuwa near Pretoria, is the latest to benefit from the initiative.

Last week Coka's business became one of the few black

panel beating operators in the country to receive a major structural repairs grading from the SA Motor Body Repairers Association.

Coka said the grading he had worked so long to achieve, which cost so much in equipment and resources, would allow his business to repair the high-quality vehicles insured by South Africa's major insurers.

The lack of access to finance has been a constant hurdle for black-owned panel beaters seeking to improve operations.

Full-service repair shops with the required equipment could cost entrepreneurs more than R10 million before they even hire their first employees, while a small shop could require several million rands.

Errol Masinga, the enterprise development co-ordinator at Alexander Forbes Risk Services, said yesterday that Toy Panelbeaters had received a grant of almost R1 million to acquire and install new equipment and renovate the premises.

Training would be provided

### R10m Modest cost to set up a full-service vehicle repair shop

by suppliers to the vehicle repair industry.

Masinga said two further panel shops in KwaZulu-Natal and the Eastern Cape had been identified for upgrading. The

initiative would then expand into the Western Cape.

"We're busy checking what kind of support we can offer the panel shops we have identified to achieve one of the three recognised grades required to receive business from the insurance industry."

Masinga stressed that access to the lucrative insurance industry repair market required marginalised panel beaters to receive the same formal grading as that of current operators, but this was a bigger

challenge than merely providing equipment and facilities.

Panel shops with one of the three gradings also needed intensive skills development and management, as well as systems upgrades, he said.

"Since these cannot simply be bought, but involve training and scarce skills transfer, we've had to develop an empowerment model that combines financial transfers with skills and capacity development."

Masinga added that a target had not yet been set for the

number of black panel shops Alexander Forbes Risk Services hoped to assist through the initiative, but four more candidates could be assisted next year.

"We are hoping to do more," he said.

Anton Ossip, the chief executive of Alexander Forbes Risk and Insurance Services, said the pilot project in Soweto was initiated to see how the insurance industry could help develop a repair supply chain in disadvantaged communities.