

Case Study – South Africa

SAF Construction (South Africa)

SAF Construction (South Africa) is a family-run construction business in Cape Town.

When the business started they concentrated on supplying equipment for small to medium projects, but as their business grew, their focus shifted in recent years to specialising in high-rise work and supplying safety handrail systems.



They required Edge Protection products on a daily basis for the majority of projects and had planned for some years to invest in creating their own product line for this purpose. Developing a range of Edge Protection products would prove time consuming and they faced too many technical and conformity difficulties, so it was left unresolved.

Although they enjoyed a discount from their edge protection suppliers for repeat business, an opportunity for profit was being missed.

How KGUARD® helped:

KGUARD® approached SAF Construction (South Africa) explaining how they could sign a franchise deal in a timely and controlled process, and in doing so, implement a new profit centre with immediate effect. This saved them the headaches of investing in product development.

Becoming a KGUARD® Franchise was an easy decision for SAF Construction (South Africa) because within weeks they were able to rent and sell the range of KGUARD® Edge Protection products to all the major high-rise markets in South Africa.

SAF Construction (South Africa) are now the leading Edge Protection Supplier in both Cape Town and Durban. Edge Protection has now grown to account for over 42% of their annual profits.

Signing a franchise agreement with KGUARD® was the single biggest boost to their business in over 20 years.

KGUARD®

CASE STUDY

Typical Sales Figures for this Scenario:

Supplying KGUARD® products allowed SAF Construction (South Africa) to make a much greater profit margin than the mark-up they previously added to their Edge Protection Equipment Business Sector.

SAF Construction (South Africa) signed on to the KGUARD® Franchise scheme for the initial 5 year period and have continued to renew the scheme on an annual basis. £GBP Silver (medium) rate price bands have been used in this example.

Year 1:	Income Rented £GBP 62,900	Sold £GBP 21,285
Year 2:	Income Rented £GBP 125,800	Sold £GBP 44,570
Year 3:	Income Rented £GBP 314,501	Sold £GBP 66,854
Year 4:	Income Rented £GBP 503,202	Sold £GBP 90,000
Year 5:	Income Rented £GBP 755,000	Sold £GBP 111,400
Total:	Income Rented £GBP 1,761,207	Sold £GBP 344,270



Conclusion:

Because the KGUARD® system was so simple, SAF Construction (South Africa) were able to make a quick and smooth transition to greater profits.

Quoting for Edge Protection products using the KGUARD online system was an unexpected technology advance for SAF Construction (South Africa). This made their quoting procedures faster, clearer and easier for their clients to understand. This was a welcome efficiency boost for the office based operatives, allowing them to concentrate on other areas of the business. Their onsite co-workers also enjoyed an efficiency boost due to the easy installation process of the KGUARD components.

Key factors of Success:

- Easy and quick sign up process
- Already enjoying good business in high-rise construction work
- Offering a new product line with zero development costs or time investment
- Easy installation for construction personnel
- Easy quoting system for office personnel
- Indirect benefits of the KGUARD® system allowing business wide efficiency gains boosting year-on-year profits