My wife’s love for plants and agriculture influenced our venture into the Horticulture business, it’s very refreshing to the mind. - Chaka
A quick drive of about six kilometres to the north of Molepolole Main Kgotla takes one to Moleps Horticultural Enterprises (PTY LTD) [MHE], an enterprise that has been in operation since September 2011. The business is located in Suping Ward and operates from a 5 hectare (Ha) plot, of which only 3 of the 5 hectares are taken up by the business.

Mr Chaka Keoagile, one of the Directors of MHE was born and bred in Molepolole. A father of two boys, he is married to Mrs Koketso Keoagile. He attended his Primary, Junior and Senior Secondary School education in Molepolole. He worked for a period of three years at BP and then ventured into a driving school business. He later started a taxi and combi business, which he is currently running in parallel with the horticulture business. Chaka, as the Managing Director is responsible for the day to day operations of MHE. He also handles marketing for the business. His wife - Koketso, who is also a Director in the business, supports him when she can.

MHE employs a total of eight people, excluding the two Directors. All the employees joined the business without any prior training or experience in the horticultural landscape, but over a period of time, they have gained all the necessary experience and have become one of the most invaluable resources in the business.

MHE products are tomatoes (0.5 Ha), cabbage (1.5 Ha), green pepper (0.5 Ha) and butternuts (1 Ha). Chaka advises that they have decided to use hybrid seeds because they have many advantages; they are resistant to most diseases, they have a high yield, and they grow fast. Chaka gives an example of the type of tomato they grow – the ‘Indeterminate’. He says that the ‘Indeterminate’ tomatoes can grow as high as six meters, also that as it grows, it produces its fruits in bundles instead of singles. In addition, the fruits ripen at different times. This is highly advantageous especially during peak season when everyone is selling. The major advantage of this type of tomatoes is that they can be harvested continuously over a period of up to about nine months. The tomatoes also have a longer shelf life as compared to the other breeds. Chaka advises that they use chicken manure which they source from a nearby poultry farm. They also use commercial fertilisers. The method of application for the commercial fertilisers is called ‘fertigation’, which is defined in simple terms as - ‘dissolving the fertilizer in water and “feeding” the solution to the plants through the drip irrigation system.

Chaka says his wife’s love for agriculture influenced their venturing into the Horticulture business. He says that his wife’s love for plants rubbed off on to him as he discovered the calming and refreshing nature of plants to the mind. His wife’s interest in farming has been there from her formative years. Chaka says his wife was an active member of the 4B Club in primary school when she was younger, a club that taught her all that she needed to know to start and maintain a garden at home. This cultivated her love for gardening even more that she dreamt of owning a farm in the future. Chaka reiterates that when she sold him the idea of starting a horticulture business, he humoured her, and even enrolled for a short course at the Sebele Rural Training Centre (RTC), a decision which he considers the best he has done in a long time!

Chaka sees it fit to take a moment to express gratitude for the suppliers of the products they need for the business, for example, Agrichem, Dicla and Hygrotech. He reiterates their reliability and quality products they supply. As we chat to Chaka, in the background is the harmonious sound of the borehole pump powered by a three phase electricity supply, providing the much needed water for the crops.
Mr and Mrs Keoagile, at the cabbage field  

Spring onions ready for transplantation  

The directors doing there daily routine in the tomato field  

As the saying goes, “you re what you eat,” Chaka is very much awake to the importance of quality. At MHE, they ensure quality produce, because they understand that it translates into healthy and happy customers, who will keep coming back for more. This business however, like any other successful business, has its ups and downs. Chaka catalogues some of the production challenges as follows:

- **Pests** – this challenge calls for a well-articulated plan to prevent and combat attacks

- **Weather** – extremely high temperatures at times (especially for plants outside the shade netting)

- **Acidic soil** – this required that, among others, MHE employs the use of lime to reduce the acidity levels to one that is conducive for crop production

- **Power cuts and borehole breakdowns** - causing peppers and tomatoes to crack. This is because ideally they should be watered consistently at the same time, with the same amount of water and for the same duration every day.

- **At peak times there are price wars** - some customers will for instance disregard quality and go for cheaper and yet inferior produce, with the notion that after all “a cabbage is a cabbage”.

LEA Business Advisors, experienced farmers and Agriculture Officers have imparted and rendered expert advice and support to MHE.

Starting MHE came with its challenges, some of which are discussed below:

- Surveying the wrong plot for water, mainly because the land was completely bushy, Chaka realized this unfortunate fact after being approached by the owner of a neighbouring plot who had noticed an encroachment on his land. He eventually had to engage a new surveyor because in any case the first survey drew a blank – he also then discovered that first surveyor was apparently a diviner. He remembers with a smile how they were cheated, but quickly points out that it was a lesson for them, that they were now wiser and therefore enlisted the services of a Geophysics.

- Rigidity of financial institutions when it comes to disbursements of funds. Chaka advises that one of the financiers they engaged was not forthcoming in instances where they needed additional funds for procuring seeds (for example). Chaka attributes this unreasonable stance to the mistrust the financiers have based on past experiences where people would use money for personal gain.
Involvement with LEA

Chaka’s wife, Koketso, approached LEA in 2009, after briefly reading about the organization on the local newspaper. She subsequently registered with the organization. Koketso advises that her initial perception of LEA was that they developed and wrote business plans for aspiring business people. After engaging with LEA, she then realized that contrary to her belief, LEA facilitates and assists one develop their own business plan. This helps create a sense of ownership in the project on the part of the potential business owner. Koketso therefore made a commitment to developing the business plan herself, she advises other potential business owners alike to do the same because as she rightly and confidently puts it - “why pay someone to do something you can do yourself?”

Thereafter, LEA advised her and her husband on land requirements for the type of business they were venturing into. Furthermore, they assisted them with the development of the business case which would form the basis of financial assistance. Koketso then approached a local financier, but her first attempt was unfortunately not successful. The main reason for the rejection was that the land she had available compared to the capital outlay required, compromised the commercial viability of the project. This, however, did not discourage her. In partnership with her husband, Chaka, they decided to explore other ways to reduce the loan amount required from the said financier. They achieved this by debushing the farm, building up structures (store/office), constructing the reservoir foundation, buying a second hand 1.5 ton truck, surveying for water and processing the title deed from their own personal resources. They then approached the same financier again, and this time around the application was successful. She attributes this success and wisdom to her involvement with LEA. Chaka and his wife reiterate that the LEA interventions have had a traceable impact on the success of their business. To date, the Directors of the business have received training in LEA short courses such as: Entrepreneurial Development (EDT), Quality, Branding & Packaging, Trade Fair Readiness and Marketing, to name a few. They both agree that they would recommend LEA to any business owner, whether potential or existing.
Opportunities

Chaka believes there are opportunities in this industry because the government’s support for import substitution. This in simple terms, defines the process by which government through legislation, undertakes to put bureaucracies in place that discourage suppliers to import products that can otherwise be sourced locally.

He also sees opportunities to secure supply contracts with local schools. In addition, Chaka believes that opening a fresh produce shop would enhance the marketing efforts of the business, and that the shop could also provide a platform for other farmers to sell their produce from. He says in the event that his yield is low, with a shop he can source produce from other farmers and therefore sustain the farm operations. He has not presented this idea to LEA as yet because he wants to fully conceptualise the idea and put it on paper professionally before he does.

Chaka’s advice to the youth and the unemployed is, “The prosperity of a business depends on the dedicated involvement of the owner to ensuring its success. The horticulture business in particular, is profitable but is very demanding. Before you reap the rewards there is a lot of sweat, pain and hard work. This is a dirty job, but if passion is your driver, then all the challenges you experience along the way makes it all worth it.”

Market Access

MHE customers include individuals, hawkers and retailers (Choppies, Shoppers, Shoprite and Spar). There are no formal contracts in place because of limited output from the farm. However, Chaka says quality and speedy deliveries are the what draws his customers. His marketing strategies so far include a stall at Molepolole Supa Save, attending trade fairs, and empowering workers with skills and knowledge which in turn frees some of his and his wife’s time to do marketing activities. He proudly announces that at the last trade fair, which was also their first, they won one of the Best Exhibitor prizes! He adds that the trade fair exposure has resulted in a surge of enquiries and sales. The stall at Supa Save also has received great attention from the public who constantly want to know where the fresh produce is sourced from.

Checking the progress and growth of the tomatoes
Ms Masunga, the MHE business advisor can only heap praise upon praise on Chaka. Ms Masunga’s testimony cannot be doubted because having been with LEA since its inception in 2007, her assessment surely carries a lot of credibility. She recalls that through Koketso, MHE registered with LEA on the 13th January 2009 as a prestart armed only with a business idea. LEA assisted them identify and apply for land, do market research and develop a business plan. The project took long because the business was denied finance during the first finance assistance application. This called for re-strategizing which included the Keoagiles’ increasing their contribution in order to bring down the amount they were hoping for in the form of financing. When the business eventually succeeded with sourcing finance, finally operations started. LEA proceeded to facilitate training, technical advice, implementation of the project, marketing and record keeping interventions. The enterprise is currently using Microsoft Word for record keeping but plans are underway for in-house training in Excel. In addition to that, LEA facilitated the formation of an association (Kweneng SMME Association) for synergies between farmers and other industries. As an example MHE has linked with a nearby poultry farm to dump their chicken manure at the MHE farm and no cost to MHE thus saving them the long distance drive to and from the Gamodubu Landfill. LEA has also helped with the design and layout of flyers and brochures for the trade fair where the MHE scooped an award. Ms Masunga says unlike some entrepreneurs, Chaka is very hardworking. She attributes the success of MHE to the fact that they religiously implement action plans as agreed with the LEA business advisors. The LEA Business Advisor says she has three similar projects – one doing well; another failed because the agreed implementation plan was not adhered to. Ms Masunga concludes with this advice to the youth and the unemployed, “Do not only ask for LEA services and advise. Use them! Opportunities are many, take advantage of them. Use available government programs to better your lives and businesses.”
Mr Ngakane, the Molepolole Branch Manager since 2007 begins by sharing the LEA mandate. He says LEA promotes and facilitates entrepreneurship and Small, Medium & Micro Enterprises (SMME) development through targeted interventions “for our clients.” Furthermore we have training, mentoring, business plan advisory services, market access facilitation and identification of Business Opportunities in existing and new businesses in the LEA focus sub-sectors of Dairy, Horticulture, Leather and Piggery. His branch covers Kweneng District.

His view about Chaka is that he is passionate about his project and that his attitude goes to show that there is a lot of potential to grow his business. He echoes the words of the Business Advisor when it comes to adherence to action plans – that he follows them religiously. He further advises that Chaka fully embraces support rendered by LEA. He says LEA are currently monitoring MHE implementation of action plans, doing business coaching, assisting with market access by facilitating client participation in SMME fairs, and also assigning a technical advisor (specialist in agriculture) to assist them as needed. As a very interested stakeholder in this project, his dream is “to see, within three years, this project graduate and employ more people, become more independent and sustainable”, he states. His advice to MHE is “as an individual it is difficult to operate optimally, therefore it is important to have and maintain clusters, the clusters should also accommodate other sectors in Molepolole.”

He says within the four subsectors of Dairy, Horticulture, Leather and Piggery there are plenty of opportunities. Some of them include distribution, processing and product (vegetable) preservation. His view is that the four subsectors are not fully developed and exploited and that uptake is still low. He says research and sensitization of the public about this is ongoing. He concludes by saying that in Kweneng, horticulture is the dominant subsector with 23 businesses operating, and a further 17 at prestart stage.
Future Plans

Growth and efficiency are the key words when Chaka talks of the future. MHE is looking at building a farm house for greater involvement and close monitoring of operations. At the same time they intend to put up two more shade netting structures for tomatoes and green pepper for crop rotation. Another addition on the cards, funds and permits allowing, is to drill another borehole, and for this, MHE has applied for another piece of land (an extension to the current one) and is awaiting allocation.

With increased produce, they may also be able to secure signed contracts, and this will in turn facilitate further growth. In the long run, opening a fresh produce shop is also a possibility. Given the challenge posed by the acidity of their soil, they are also, on the side lines testing other plants and may, depending on the outcome of the tests, add the same to their four main crops (tomatoes, cabbage, green pepper and butternuts).