

MINUTES OF THE 10th
SAPPMA ANNUAL GENERAL MEETING
held on Tuesday 7 October 2014 AT 11:00 at the office of Plastics SA, MIDRAND

ATTENDANCE

Surname	Name	Company
Bhana	Kirtida	Plastics SA
Chigiya	Kuda	ProPlastics
Dean	Tony	Rare
Dicks	Grove	Rothenberger
du Preez	Lizl	Pipeflo
du Preez	Paul	Gradco
Fisher	David	Rho-Tech
Fourie	Charl	Capital Polymers
Gosslin	Glen	Pipeflo
Grobbelaar	Danie	Marley Pipe Systems
Harmse	Sean	Sizabantu
Kotzee	Gerhard	DPI Plastics
Krüger	Ronnie	Marley Pipe Systems
Lopes	Fernando	Engen
Majorobela	Joe	SASOL
Mayet	Hassen	Hultec
Momberg	Hein	Fiberpipe
Moroney	Trevor	Emeraude
Mosikidi	Ralph	Marley Pipe Systems
Muller	Louise	SAPPMA
Potgieter	Andre	Rothenberger
Seizer	Jonathan	Rare
Sharp	Lowrie	Plastics SA
Smart	Mike	IFPA
Snyman	Renier	DPI Plastics
Tennant	Bernard	Protea Polymers
van Buuren	Altus	Gradco
van Coller	Wally	Rare
van Dyk	Kobus	Sinvac Piping
van Eyk	Gary	Sun Ace
Venter	Ian	Marley Pipe Systems
Venter	Jan	SAPPMA
Voogt	Gordon	Q Services

Apologies

Ben de Klerk	SAPPMA
Bernhard Mahl	Safripol
Brad Chamont	Plasti-tech
Bruce Kidd	Gamma Enterprises
David Mokomela	Sasol
Delanie Bezuidenhout	SAVA
George Diliyannis	Safripol
Jacques van Eck	Klamflex
Marco Boninelli	Plasti-tech
Nico Gericke	Alprene
Phillip Bawden	Inclledon
Pierre Mans	Capital Polymers
Rudi Verwey	Protea Polymers
Vijay Naik	Flotek

1. WELCOME

The Chairman welcomed all members and visitors to the 10th SAPPMA Annual General Meeting. He said that although the annual meeting is a requirement of the Memorandum of Incorporation in terms of formalities, it provides a good opportunity for feedback and to discuss various matters.

The meeting was timeously advertised and was therefore properly convened. The Chairman confirmed that a quorum was present. He declared that the meeting is entitled to elect a different candidate to Chair the meeting. The meeting chose not to.

Apologies noted.

2. CONFIRMATION OF MINUTES: 2013 ANNUAL GENERAL MEETING

The minutes of the 9th Annual General Meeting held on 20 August 2013 were taken as read and were proposed and accepted as a true reflection of proceedings. Acceptance proposed by Tony Dean and seconded by Gary van Eyk.

3. APPOINTMENT OF AUDITORS

Genesis Chartered Accountants will continue as auditors of SAPPMA.

4. INTRODUCTION OF BOARD OF DIRECTORS

The Chairman got permission of all Members in advance to follow a different method of appointing the Board of Directors this year.

He introduced the new directors:

1. Gerhard Kotzee (DPI Plastics/Dawn Infrastructural division)
2. Hein Momberg (Fiberpipe)
3. Ronnie Kruger (Marley Pipe Systems)
4. Tony Dean (Rare Plastics)
5. David Mokomela (Sasol)
6. Bernhard Mahl (Safripol)

The Chairman congratulated them and thanked them for their willingness to serve. In their absence he also thanked the two directors who have stepped down: Mike Biesheuvel and Vijay Naik.

5. ANNUAL REPORT

The chairman gave an overview of the Association: Who we are (space, mission, footprint, brand, focus), shared the key objectives and reminded members of the benefits of membership, along with its responsibilities. He then gave an overview of the past year and explained the proposed financial and structural model for the future of the Association.

Who we are

Our Space

- Pipelines is one of three key elements of a country's infrastructure, together with the electrical grid and roads/rail networks
- Infrastructural elements are long-term investments in order to provide essential services to citizens with minimum interruption
- Plastic pipes are high quality, energy conserving, environmentally friendly, infrastructural elements, capable of providing essential services for very long times
- Well-designed plastic pipelines made with modern polymers are easily capable of lifetimes more than 100 years

Our Mission

- The Purpose/Mission of SAPPMA is to create absolute customer confidence in the Plastics Pipe Industry, thereby ensuring long term sustainability and dynamic growth

Our Footprint

- SAPPMA members contribute more than 80% of the plastics pipe market by volume, directly employ about 2200 people and have collective sales of more than R3 billion
Membership: SAPPMA – 35; IFPA – 27;

Our Brand

- The SAPPMA brand is built on quality, integrity, information and support

Our Focus

1. Quality
2. Standards
3. Information
4. Marketing
5. Training

Key Objectives

- Promoting and monitoring product quality of member companies
- Interacting with SABS in terms of standards, certification, testing, monitoring and enforcing
- Fulfilling instrumental role in upgrading and amending existing standards
- Measuring state of industry in terms of relative volumes, growth & quality by regular market surveys
- Providing reliable and objective design information to the market by way of consultations, conferences and technical literature
- Promoting the growth of Polyolefin, Rigid & Flexible PVC and GRP piping systems
- Effective marketing of the Industry
- Creating awareness of conservation of energy and protection of the environment through effective use of plastic piping (no waste)
- Functional training (via PSA)
- Maintaining contact with design/consulting engineers
- Interacting with Government (DTI)
- Acting as a forum for the Industry

Benefits of Membership

- The right to use SAPPMA logo (Brand strength)
- Interaction at TC level - access to technical information and solving of problems
- Opportunity for input into product standards
- Factory audits - beneficial objective input
- Significant marketing benefit through advertising, press releases, website, conferences, technical manual and other activities
- Participation in the only representative plastics pipe forum in Southern Africa

Responsibilities of Members

- To produce only top quality products by complying consistently with minimum industry standards
- Comply with Code of Conduct
- Support all SAPPMA actions & activities
- Where possible, use only SAPPMA & IFPA companies
- Promote SAPPMA in the market
- Communicate SAPPMA matters internally
- Have a long term vision for our industry

In his overview of the past year, the Chairman mentioned the positive downward trend that the quality surveys indicate in terms of non-conformances in the pipe production. He further said that the SAPPMA Conferences have gone from strength to strength over the past eight years in terms of attendance, support and positive financial return. Other activities that the Association was involved with over the past year were: productive SABS interaction, Standards, Technical Manual, Factory Audits (SAPPMA & IFPA), Pipe Fittings and PR & promotion of Plastic Pipes.

Financial Results summary:

	Actual	Budget	Previous Yr
Total Income	2 453	2 537	1989
Membership	1 917	2 038	1 521
Other	536	499	468
Opex	2 298	2 353	2 166
Surplus (deficit)	155	185	(177)

Funding Proposal:

- Levy on polymers, instead of membership fee: R50 per ton (0,25 – 0,38% of cost)
- Administered by suppliers
- Possible income >R5m pa
- Benefits
 - Scope to increase activities
 - More effective operation
 - Fair, balanced & wider contribution
 - Improving long term viability

Structure

- Board of Directors
 - Executive director + 6-7 nominated members
 - Focus: Direction, strategy, membership, financial, legal, marketing
- Pipe Manufacturers
 - Senior representative of all manufacturers
 - Focus: Quality, SABS, training, information, IFPA, etc.
- Technical Committee
 - Technical representative of all members
 - Focus: Materials, standards, SABS, quality, technical issues
- Work Groups
 - Individuals from TC
 - Focus: Specific projects
- IFPA
 - All members
 - Focus: Standards, quality, training, membership, fittings, fabrication, installation

Operational

- Staff
 - CEO, Admin Manager, Auditor
 - Technical Manager – part time
 - Trainee (graduated engineer) – fulltime
- Activities
 - As before, plus:
 - Improve quality surveys (statistically responsible)

- Do technical marketing seminars, nationally
- Improve contact with consulting engineers
- Add GRP pipes & vessels to portfolio
- Do regular market surveys
- Possible closer involvement with test laboratory?

Comments about levy system:

- Mike Smart asked if the polymer traders will be included in the model. The Chairman confirmed.
- Tony Dean asked if polymer importers will be on board. The Chairman replied that he has not engaged with them yet since he has only recently received full agreement from both local polymer manufacturers. Contacting the importers will be the next phase.
- Gary van Eyk asked if there is a plan to retain the non-polymer supplier category. The Chairman said that it will probably be in the form of a membership fee. The association would not want to lose their support.
- Kobus van Dyk would like to see specifics of how the additional funds will be applied.
- Tony Dean warned that non-members will probably object.
- Gerhard Kotzee remarked that the model is working well in other industries and that it becomes common knowledge in the industry. It is then up to non-members to decide whether they want value for the money that they are already paying.
- Renier Snyman asked if non-members will, by paying the levy, earn the right to put the logo on their products. The Chairman said that only members who have been accepted, audited and have signed their commitment to the SAPPMA Code of Conduct, will have the right to use the SAPPMA logo.

The Chairman asked if there is agreement to go ahead with the funding model, effective 1 July 2015. There were no objections from the meeting.

6. IFPA OVERVIEW

Mike Smart, Chairman of IFPA, gave an overview of the Association.

IFPA was a 'spin-off' from SAPPMA in 2009 with the objective of extending the pursuit of excellence from the manufacturing sector into the fabrication and installation sector.

Our credo: "No IFPA installations with non-SAPPMA pipes; no non-IFPA installations with SAPPMA pipes"

Membership

IFPA has grown from 25 members in 2013 to 30 in 2014. Meetings are attended by up to 25 different representatives.

Year in review

- Stamps: Issued (PVC fabricators opted for stickers); many thanks to Stubman for their donation.
- Training: - Inspectors course for thermoplastic pipe

- High pressure welding (ISO 21307); many thanks to Hydrodifusion for donating 2 welding machines
- Plastics SA's training status clarified/published
- Stubs: 630 OD interference with flange; worldwide; International standards \geq PN10; SA PN25: Problem resolved/published
- Imported fittings: - List of conforming criteria published
- Pressure testing: - SANS 2001-DP2 explained on website
- Calculator on website
- Structured wall: - ISO 21138 allowed imported scrap
- SAPPMA requested to raise the matter with SABS
- SAPPMA will publish internal standard
- Conclusion
Many thanks to "big brother" SAPPMA for its support
Many thanks to all members who contributed, especially:
 - Ian Venter for his work on stub standards, et al
 - Renier Snyman for his work on Pressure Testing
 - Jacque van Eck for his work on imported fittings
 - Louise Muller for holding the association together
- A Final plea
 1. SAPPMA Members only use IFPA Member's services.
 2. IFPA Members only use SAPPMA Member's products.
 If we all do this, we will grow the market 'Pie' and not share the existing 'Pie' with 'Non-conformers'.

7. TECHNICAL COMMITTEE AWARDS

The Chairman announced the winners of the merit awards. The criteria for selecting the winners are contribution and frequency of attending meetings. The 2014 winners were:

- Renier Snyman (DPI Plastics)
- Ian Venter (Marley Pipe Systems)
- Ralph Mosikidi (Marley Pipe Systems)
- George Diliyannis (Safripol)

8. GENERAL

Comments were invited. No points were raised under General.

9. CLOSE AND NEXT MEETING

The Chairman thanked everybody for taking the time to attend and for their continuous support. He gave each member a SAPPMA flag to celebrate the 10th Anniversary of the Association.

There being no further business to discuss the meeting was adjourned at 11:50.