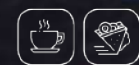


MAXIMISING OUTCOMES THROUGH COLLABORATIVE PARTNERS



FOOD
&CONNECT
PURCO





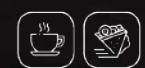
OVERVIEW AND STRATEGY

Ashley Francis
Executive Director Finance, UCT

Robin Golding
Director Procurement & Payment
Services, UCT

Marius Rezelman
Project Manager, Tribe Consulting

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&CONNECT
PURCO



POWER OF PURSUING COLLABORATIVE ADVANTAGE

Putting collaborative advantage into practice requires the following ingredients:

- ✓ Funding
- ✓ Identification of opportunities
- ✓ Taking products, services and programmes to market
- ✓ Achieving greater efficiency
- ✓ Driving organisational transformation
- ✓ Developing an engaged workforce
- ✓ Driving growth in revenues
- ✓ Enabling partners to create their own Collaborative Advantages



BACKGROUND

- ✓ UCT Foods Services (Pty) Ltd was developed around a new food provisioning model, created in response to a number of factors including the provision of an improved and healthier food offering.
- ✓ It is a UCT owned entity.
- ✓ The overriding principle was to create a new model that addressed the issues that had been experienced by students and staff with some of the third-party food vendors at UCT including health and safety problems; many of the food offerings were poor; and there were ongoing labour issues. In addition, there had been little investment in maintenance and upkeep due to lack of income from lease agreements.
- ✓ The decision was taken to create a stand-alone company that could leverage the advantages that UCT could offer, while still operating independently in order to provide for the needs of the UCT community.

MARKET

- 29 000 Students and 6 000 Staff
- Supply Chain Management service to 4 100 students in residence
- R25 average spend per student and R50 per staff member
- R35 per lunch voucher
- Estimated UCT market size of all Retail outlets on campus R50m to 80m + Catering R8 to 15m

DRIVERS AND CHALLENGES

Drivers:

- Healthier food offering
- Affordable food pricing
- Creating internal multipliers
- Cashless environment
- Environmentally friendly packaging

Challenges:

- Difficult labour environment
- High labour costs (60-70% of Retail Turnover)
- R35 meal voucher
- Other Retail vendors have high dependence on UCT

TRENDS

- Healthier food and snack based menu
- “Fast & Slow” concept
- High quality coffee
- Collaborative spaces
- Online ordering system
- Mobile food offerings i.e. Food Trucks

COMPETITIVE LANDSCAPE

MAJOR PLAYERS		
Existing UCT vendors	External suppliers	UCT Residence Catering
High street brands	Purchasing Consortium SA	Other Universities

BEING RELEVANT

Food provisioning is a dynamic industry and continues to go through an unprecedented rate of change. Customers expect more exciting shopping experiences, higher value propositions, greater service and an ability to contribute positively to societal challenges

In order to survive there needs an appreciation of what it requires to remain relevant:

“Understand emerging needs + Constantly innovate + Hire talented people who are passionate about what they do + Ensure offerings are in line with market trends and customer needs”

Food and Connect established four lenses: ‘our values’ to guide decision making and to remain relevant within our operating environment and to shape the our strategy.

Transformation + Sustainability and Innovation + Wellbeing + Scalability

FOOD & CONNECT

OUR PURPOSE

Our purpose is to develop a variety of healthy, delicious, quick and easy, and affordable food offering for students and staff.

OUR VISION

To build a food business that has transformed the food offerings on campus, and which are the first choice for good food.

OUR VALUES

TRANSFORMATION

- Development and upskilling of people;
- Redesign and rebrand of old/ existing offerings;
- Create new offerings for healthy, affordable and delicious food and drink on campus;
- Drive behavioural change of, employees, staff and students;

INNOVATION AND SUSTAINABILITY

- Development of multiple income streams and micro-economies;
- Create eco-systems that are collaborative and self-organising.
- Create businesses that are sustainable;
- Ensure supply chains and operations have a focus on sustainable materials and recycling.

WELLBEING

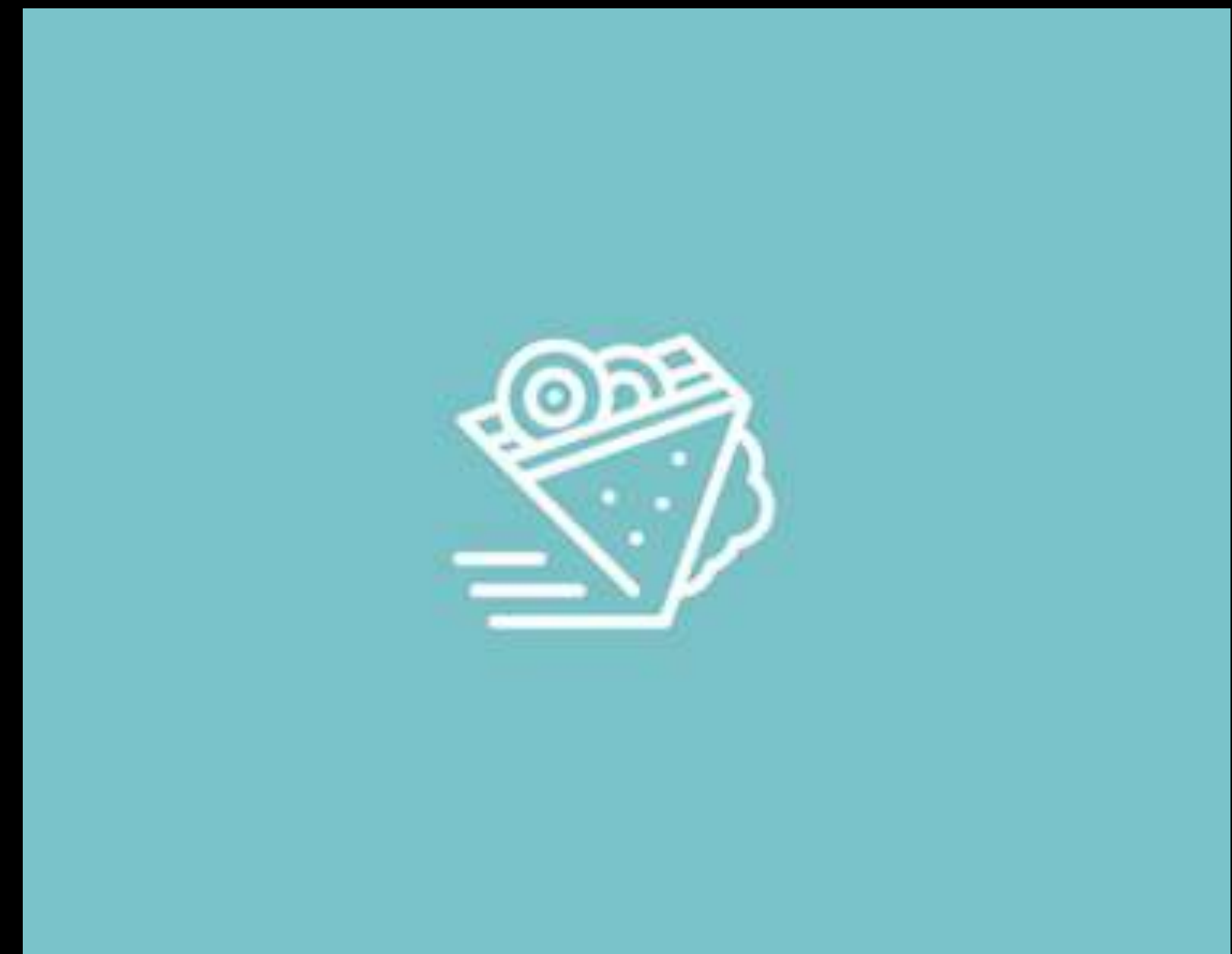
- Creation of a wellbeing environments with happy people in happy workplaces;
- Development of food offerings that are healthy, green and which offer a variety of options for all tastes and preferences;
- Creation of inspiring places and services where people can meet, eat, play and connect.

SCALABILITY

- Creation of business that grow and change over time;
- Re-imagining and reverse-engineering of spaces and commercial opportunities that bring them back to life;
- Constantly open to new, big picture ideas.

FOOD & CONNECT

SOCIAL SCIENCES





FOOD & CONNECT

HOT DRINKS

- ESPRESSO 17
- MOCHA 17
- AMERICANO 15
- CAPPUCINO 15
- FLAT WHITE 14
- LATTE 17
- MACCHIATO LATTE 11
- PISTOIA 11
- ICE CAPPUCINO 17
- GREEN TEA 11
- WUJIAN TEA 11

SANDWICHES

- PULLED PORK 13
- CHICKEN GRILL 13
- BAKON 11
- PIZZANELLA 11

FRESH & FAST!



A PROJECT WAS LAUNCHED TO IMPLEMENT THIS VISION

Project governance

Finance

HR

Training and development
of staff

Legal

Systems

Physical spaces

Food offerings

Supply chain

Marketing

Change management

Contingency approach

EXTERNAL EXPERTS WERE APPOINTED ON A CONTRACT BASIS:
12 WORKSTREAMS, OF WHICH 4 WERE ACCELERATED



CREATING A BRAND

Emma King
Managing Director, The Friday
Street Club



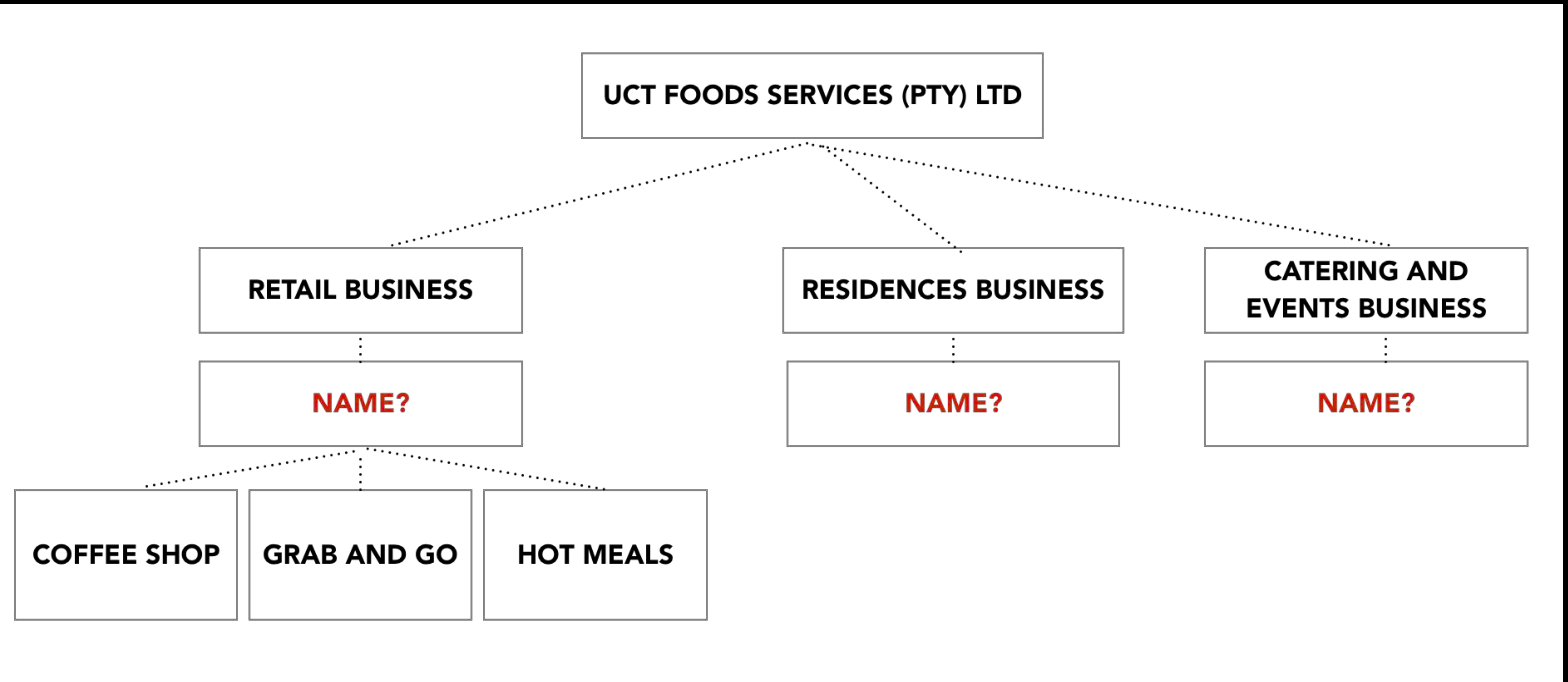
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&CONNECT
PURCO



CONSIDERATIONS

- ✓ We needed to have naming convention/look and feel/ identity that is **simple** enough to work across multiple sub-brands and executions;
- ✓ It also needed to be **consistent and coherent** across all of these executions;
- ✓ We needed to have something that has **longevity and flexibility** over time - that will be fresh and appealing years into the future;
- ✓ We need to have something that appeals to a **young and cynical** audience.
- ✓ We needed to have something that can be rolled out into a physical space that takes into consideration **limits on budgets** and resources (e.g. maintenance)

INITIAL BRAND HIERACHY



**FOOD &
CONNECT**

**FOOD &
CONNECT**

**FOOD
&CONNECT
PURCO**





**FOOD &
CONNECT**
ALWAYS
FRESH



**FOOD &
CONNECT**



FOOD & CONNECT

SALAD BAR

F&C



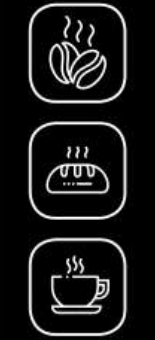
NEW
CRUSHED
DRINKS

FOOD & CONNECT **HOT
DRINKS**

FOOD & CONNECT



F&C



**FOOD &
CONNECT**



**FOOD
&CONNECT
PURCO**









FRONT



BACK



LASER ETCHING

1 COLOUR PRINT







GRAB & GO

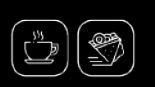
FOOD & CONNECT

FREE



PAY POINT

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PULLED PORK 69
slow cooked pulled pork, mature cheddar, caramelised onion, tomato, gressos

GREEK LAMB 69
grilled lamb, red onions, hummus, tzatziki, tomato, gressos

CHICKEN GRILL 69
flame grilled chicken, tomato, red onions, cashew, mozzarella, soft, ball pasta gressos



FOOD & CONNECT



HOT DRINKS

- ESPRESSO 21
- MACCHIATO 22
- AMERICANO 18
- CAPACCINO 25
- FLAT WHITE 24
- LATTE 27
- HAZELNUT LATTE 35
- MOCCA 35
- RED CAPPACCINO 29
- CEYLON TEA 22
- ROOIBOS TEA 22



SANDWICHES

PULLED PORK 69
slow cooked pulled pork, mature cheddar, caramelised onion, tomato, gressos

GREEK LAMB 69
grilled lamb, red onions, hummus, tzatziki, tomato, gressos

CHICKEN GRILL 69
flame grilled chicken, tomato, red onions, cashew, mozzarella, soft, ball pasta gressos

BACON 69
grilled bacon, pepperoni, cheese, soft, mozzarella, soft, ball pasta gressos

MOZZARELLA 69
caramelised onion, tomato, gressos, ball pasta gressos

CRISPY WHOLEWHEAT WRAP, BAKED WRAP

100% SOY SAUCE



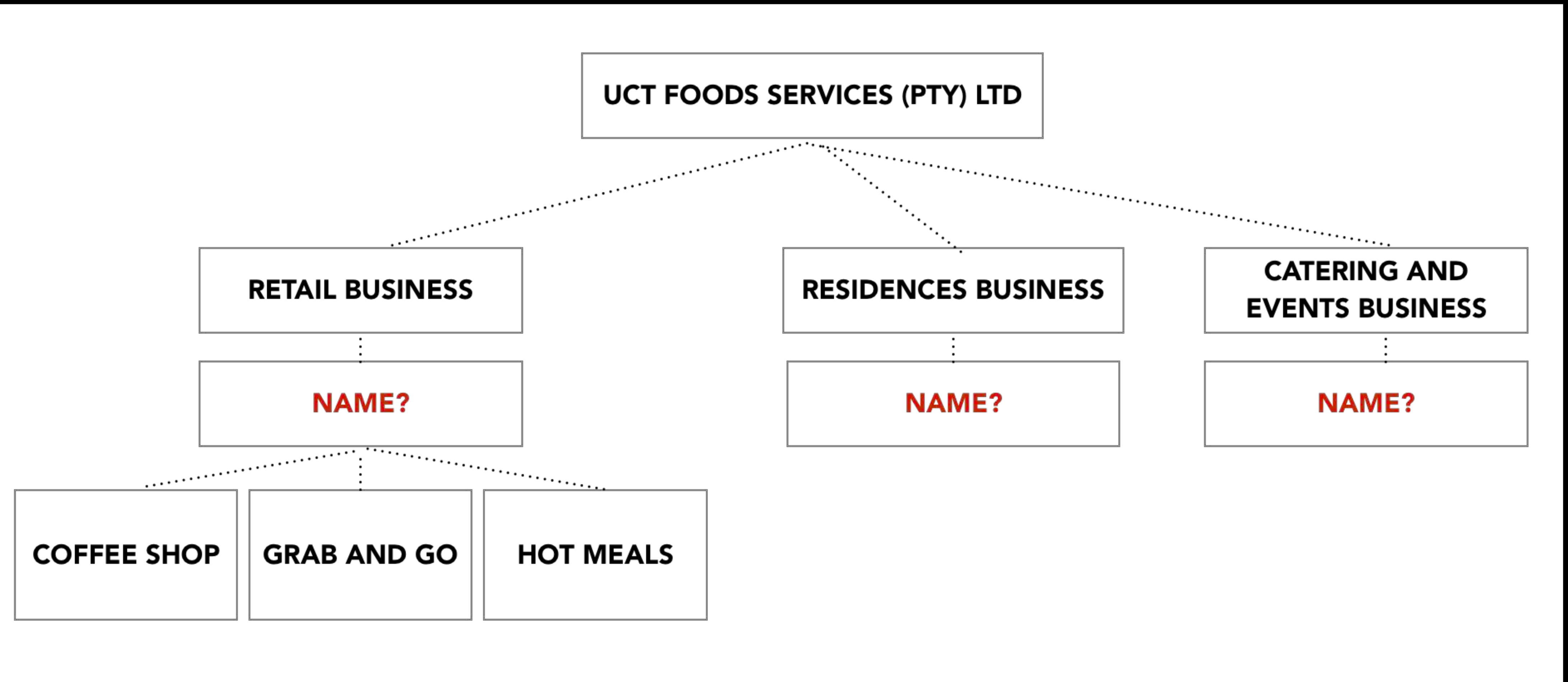
FRESH & FAST!



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INITIAL BRAND HIERARCHY



CURRENT BRAND HIERARCHY

UCT FOODS SERVICES (PTY) LTD

NEW ENTITY?

RETAIL

SUPPLY CHAIN

CSI

FINANCIAL SERVICES

FOOD & CONNECT

POWERED BY FOOD & CONNECT

A
F&C
SED INITIATIVE

PAY & CONNECT

RETAIL OUTLET

CATERING AND
EVENTS BUSINESS

RESIDENCES
BUSINESS

NEW BRAND

SMALL
ENTERPRISE
DEVELOPMENT
PROGRAMME

PAYMENT SERVICES

FOOD & CONNECT

FRANCHISES/
OTHER

COFFEE SHOP

GRAB AND GO

HOT MEALS

MOBILE

FOOD & CONNECT
HEALTH SCIENCES
WEST

FOOD & CONNECT
CENTRAL

FOOD & CONNECT
HEALTH SCIENCES
EAST

FOOD & CONNECT
ON THE GO

WHY STOP THERE?



MEDIA
&CONNECT

PAY
&CONNECT

STAY
&CONNECT

HEALTH
&CONNECT

FOOD
&CONNECT

TRAVEL
&CONNECT



FOOD
&CONNECT
PURCO



PAY & CONNECT

Terence Goldberg
Founder, Slide Financial



FOOD
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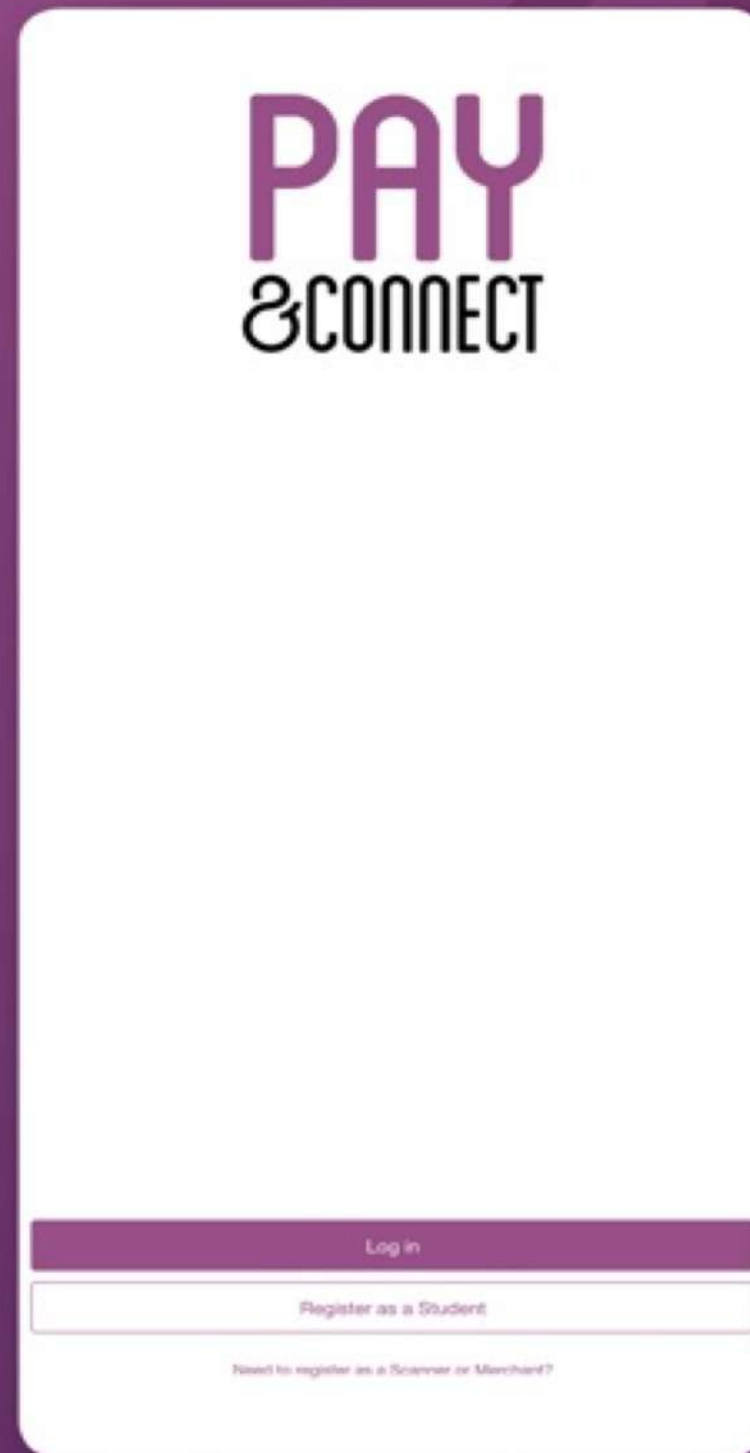


A DIGITAL PAYMENTS REVOLUTION

- ✓ Processes that were previously manual or paper-based are being digitised
- ✓ This is impacting all sectors
- ✓ Mobile phones facilitate digital payments and allow for seamless user experiences
- ✓ Not digitising can lead to some serious problems:
 - ✓ Wasted administrative effort
 - ✓ Theft, fraud and loss
 - ✓ Lack of accountability and transparency
 - ✓ Inflexible systems that are unable to adapt
 - ✓ Maintaining older systems leads to a waste in time, effort and money

The Pay & Connect app was designed and launched by Slide, and was customised to meet UCT's exact needs

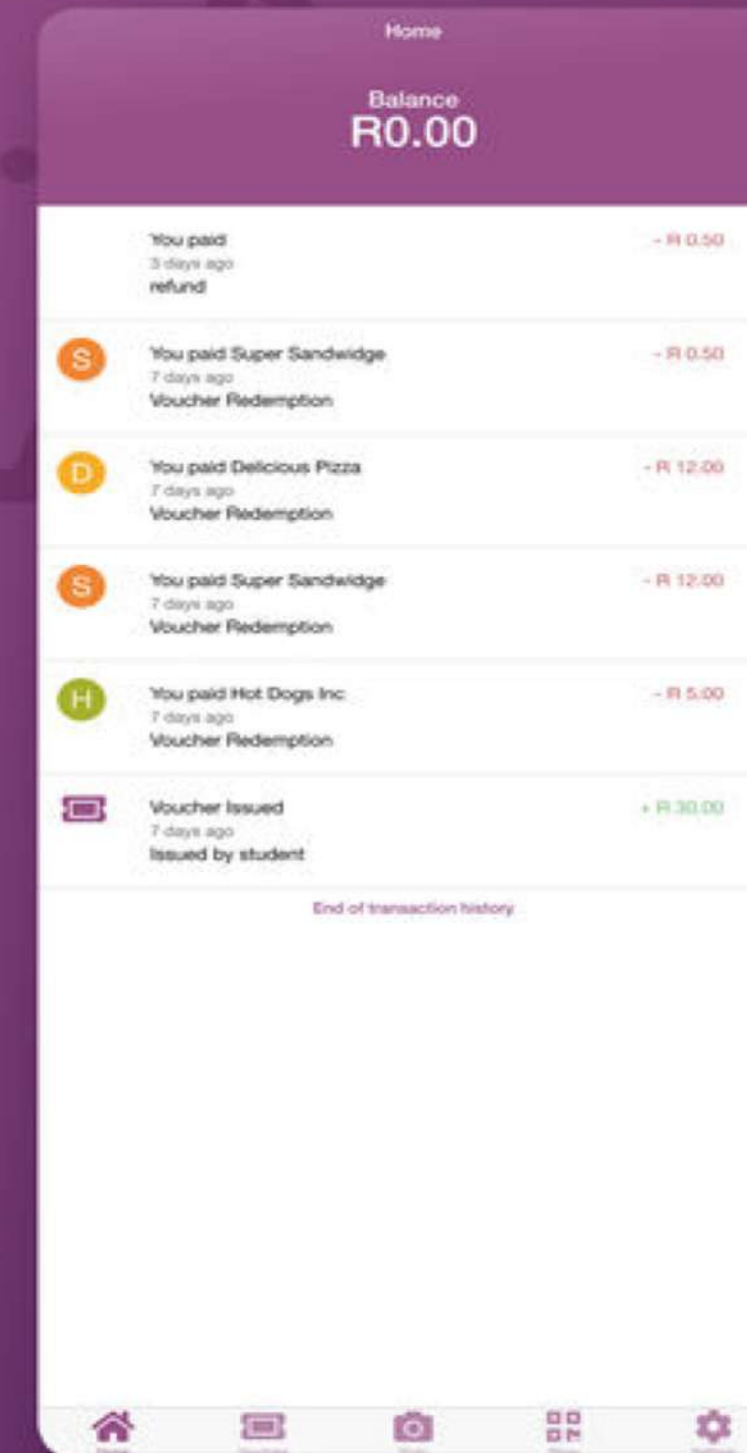
Register using your student number



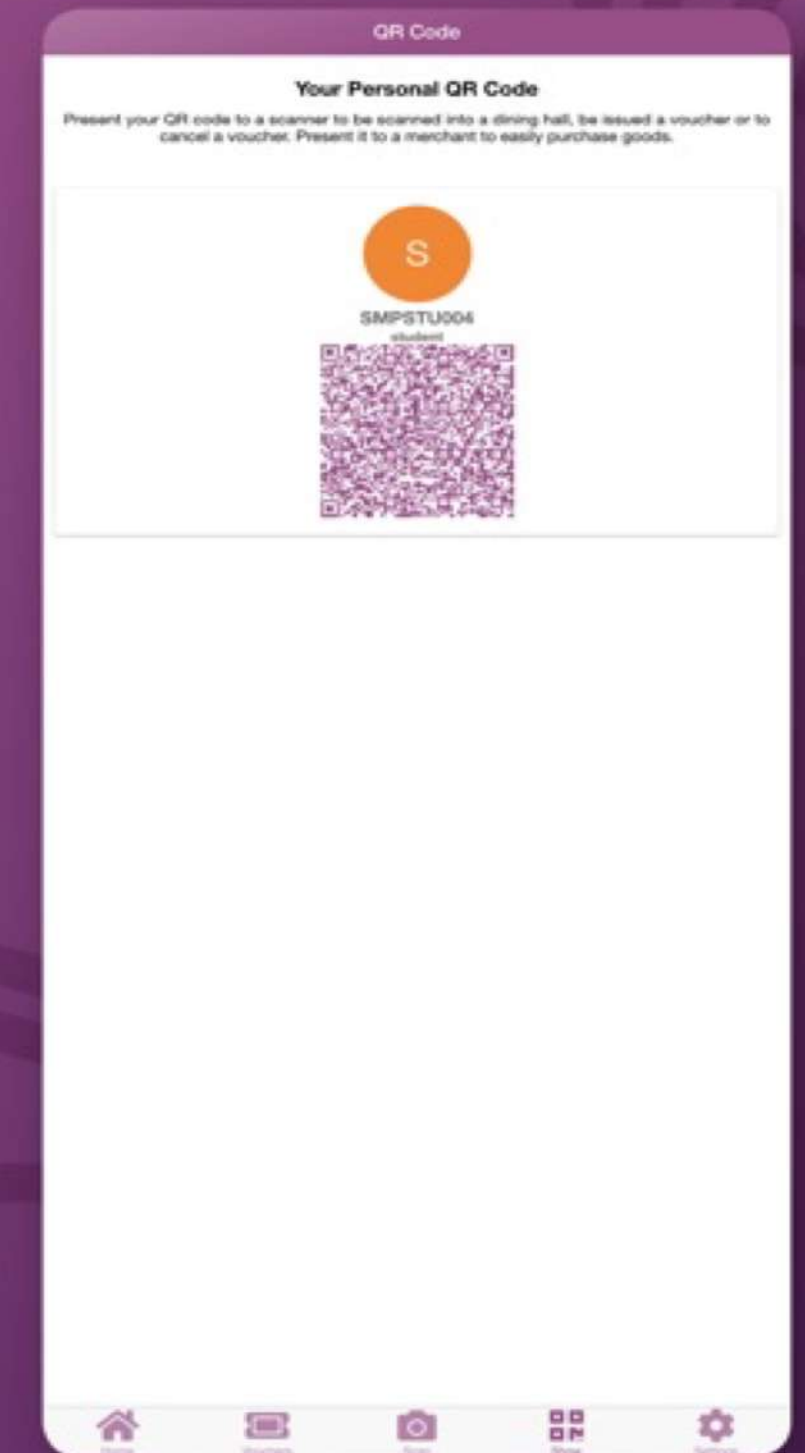
Request a voucher to eat on campus



Spend your vouchers at merchants on campus



Scan into dining hall meals



PAY & CONNECT AT UCT

- ✓ Mobile app
 - ✓ Available on iOS and Android
- ✓ Lunch vouchers
 - ✓ Spent at various vendors, paying with a QR code, just like Snapscan
- ✓ Meal entry scanning
 - ✓ Scan in at dining halls, with integration to meal plan
- ✓ Easy withdrawals
 - ✓ Merchants can cash out directly into bank accounts
- ✓ Analytics and management
 - ✓ Via dashboard and daily reports
- ✓ Three types of vouchers available: digital lunch vouchers, emergency vouchers, food security programme vouchers

BEFORE

- ✓ High administrative costs
- ✓ Fraud and counterfeits
- ✓ No data, analytics or predicated behaviour

AFTER

- ✓ Low administrative costs
- ✓ Eradication of fraud and counterfeits
- ✓ Data, analytics and behaviour prediction

More than 4 500 students using it in every catered residence

Used daily, with over 100 000 entries in dining halls per month

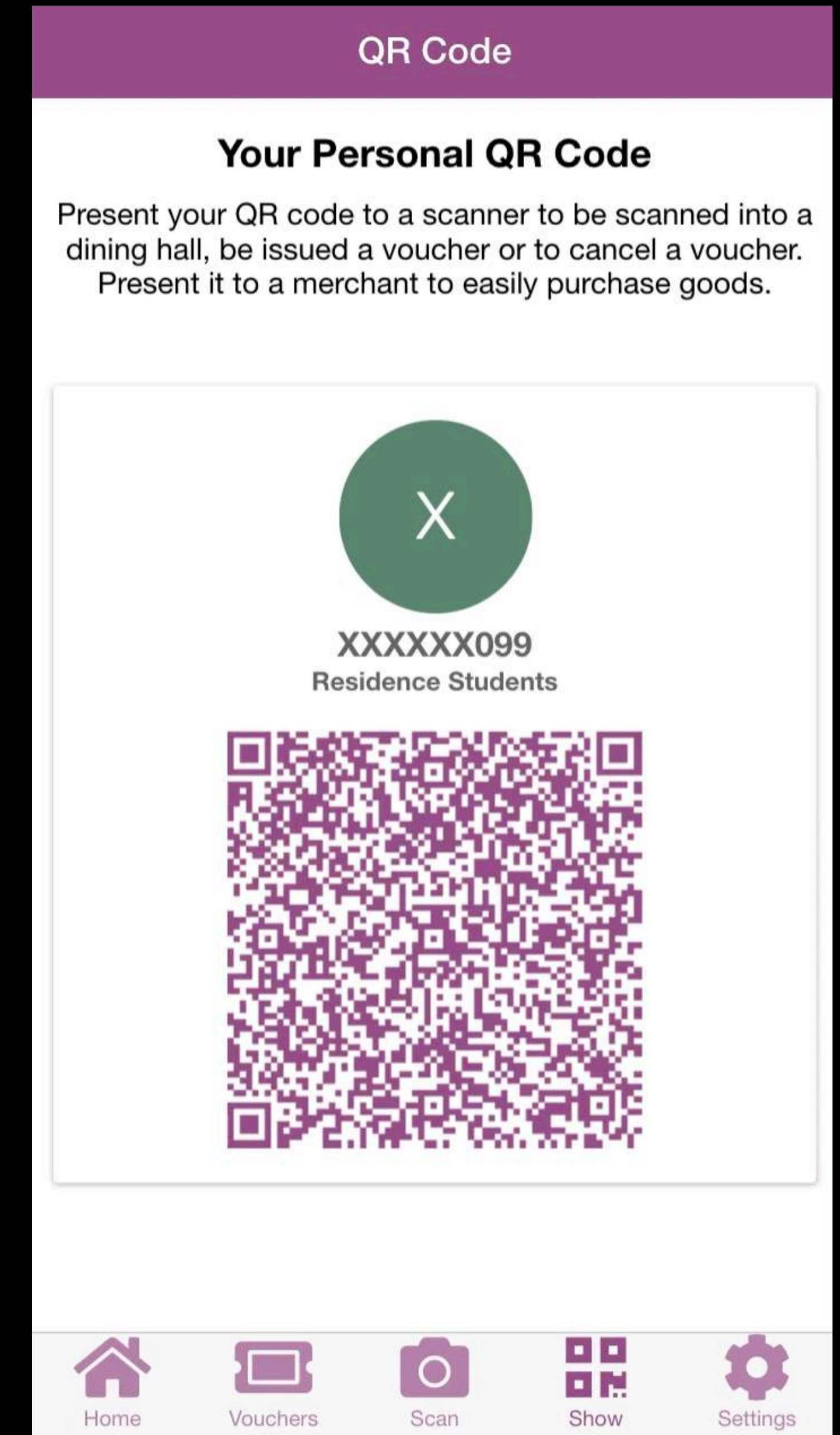
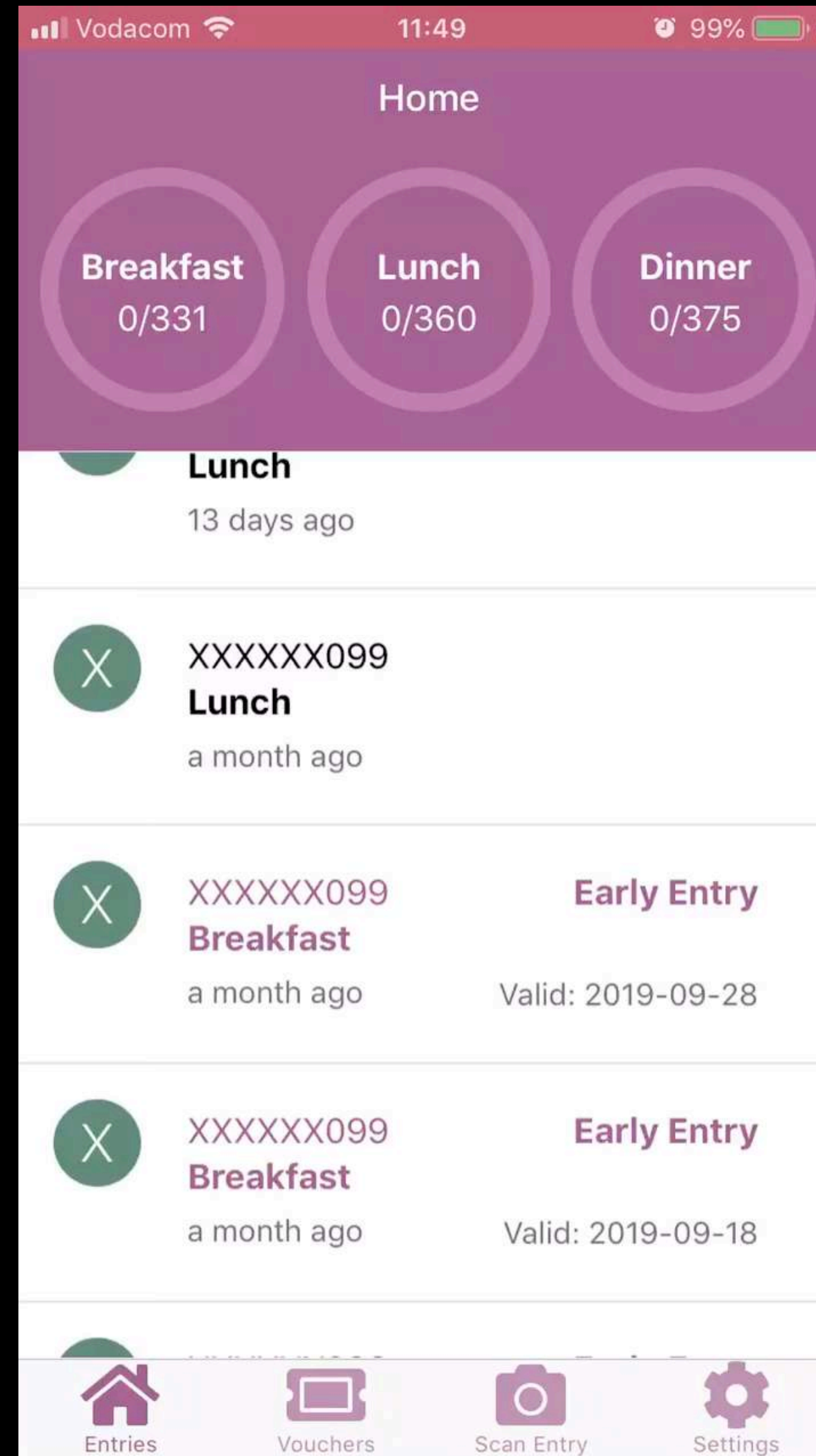
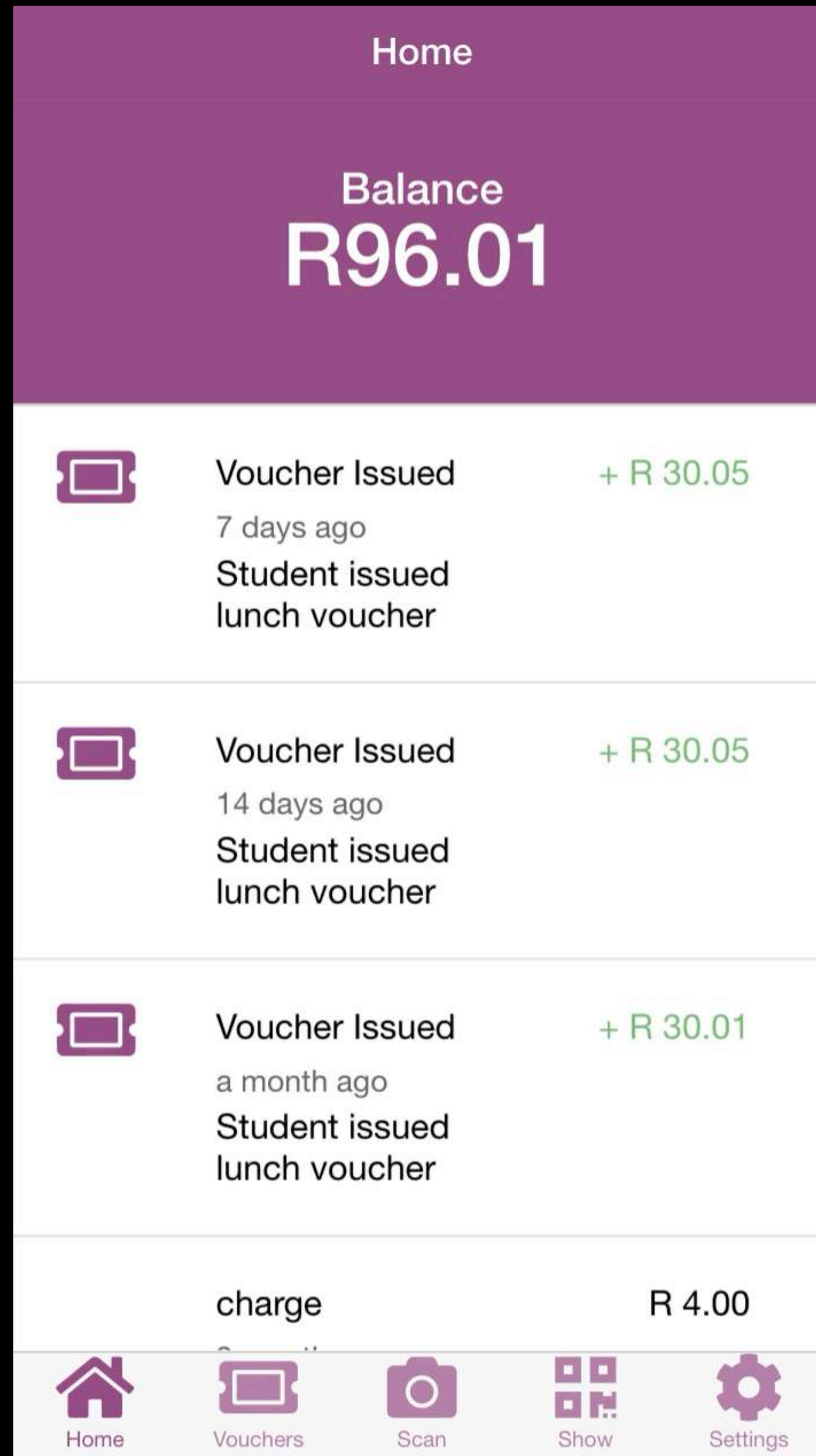
Over 45 000 digital vouchers per month

STUDENT ISSUED VOUCHER

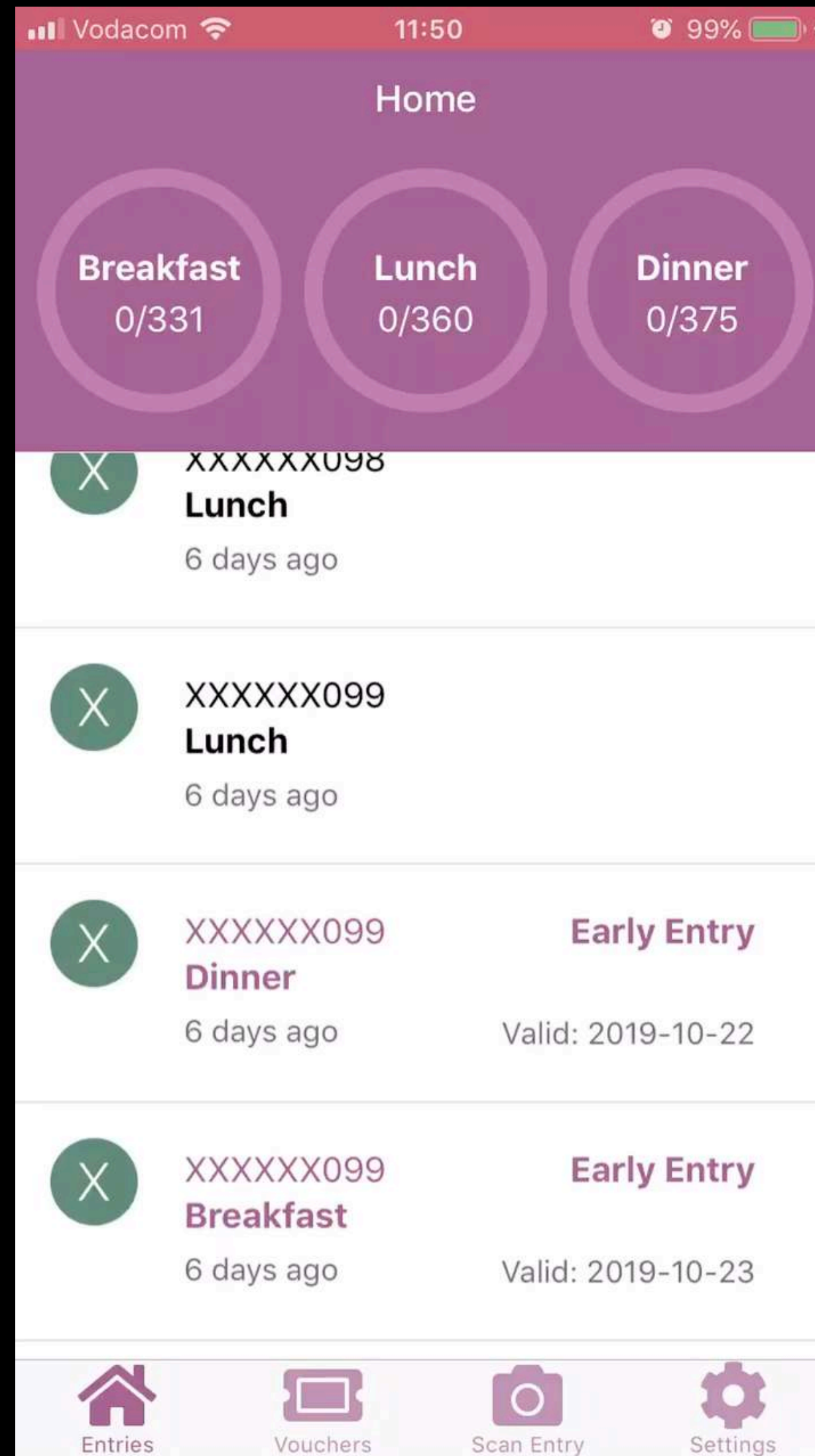
The screenshot displays a mobile application interface with a purple header and a white body. The header contains the text "Home" and "Balance R96.01". Below the header, there is a list of three transactions, each represented by a purple voucher icon, the text "Voucher Issued", a date, and the amount "+ R 30.05". The transactions are: "7 days ago Student issued lunch voucher", "14 days ago Student issued lunch voucher", and "a month ago Student issued lunch voucher". At the bottom of the list, there is a "charge" entry with the amount "R 4.00". The bottom navigation bar contains five icons: Home, Vouchers, Scan, Show, and Settings.

Transaction	Amount
Voucher Issued 7 days ago Student issued lunch voucher	+ R 30.05
Voucher Issued 14 days ago Student issued lunch voucher	+ R 30.05
Voucher Issued a month ago Student issued lunch voucher	+ R 30.01
charge	R 4.00

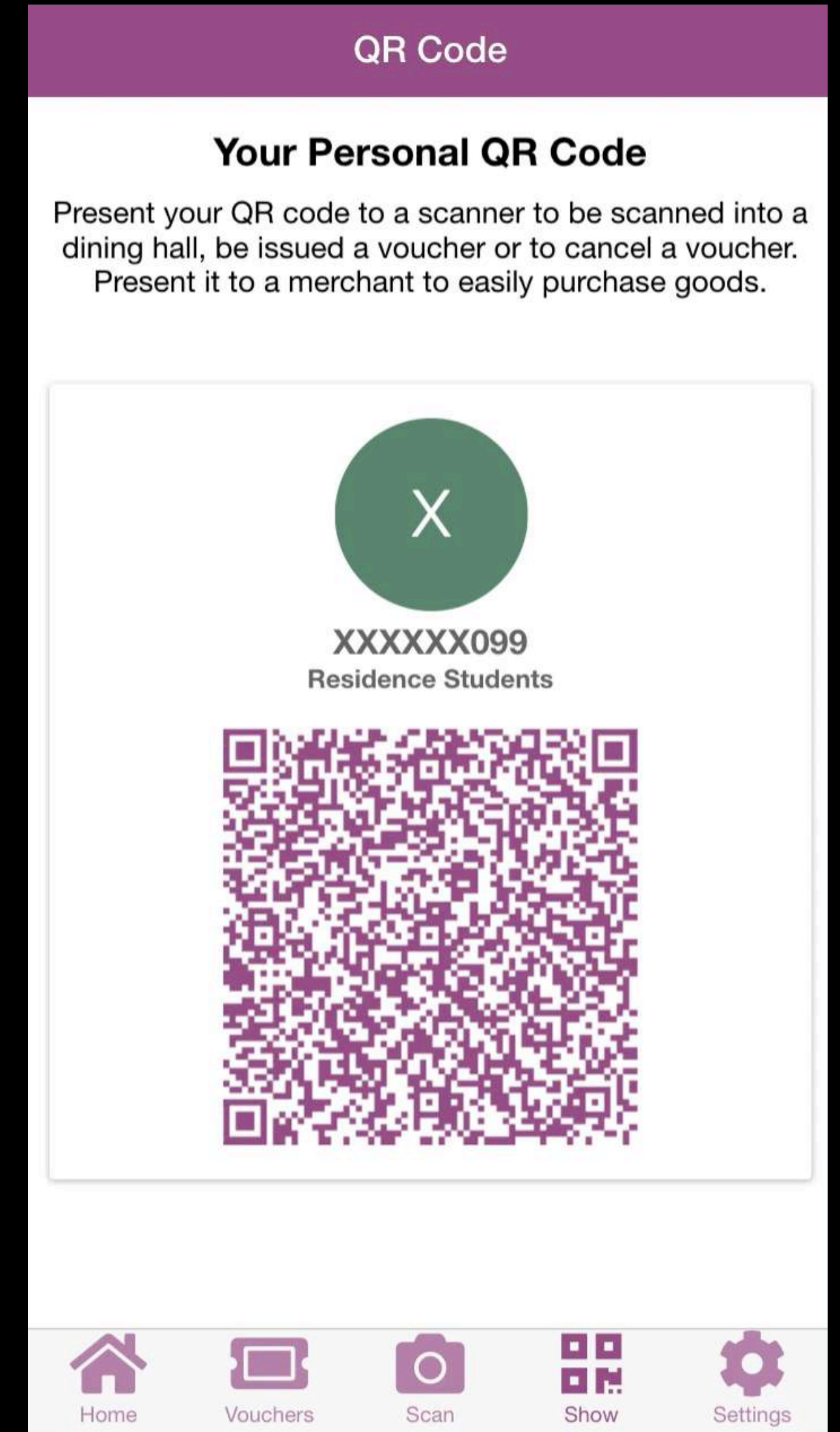
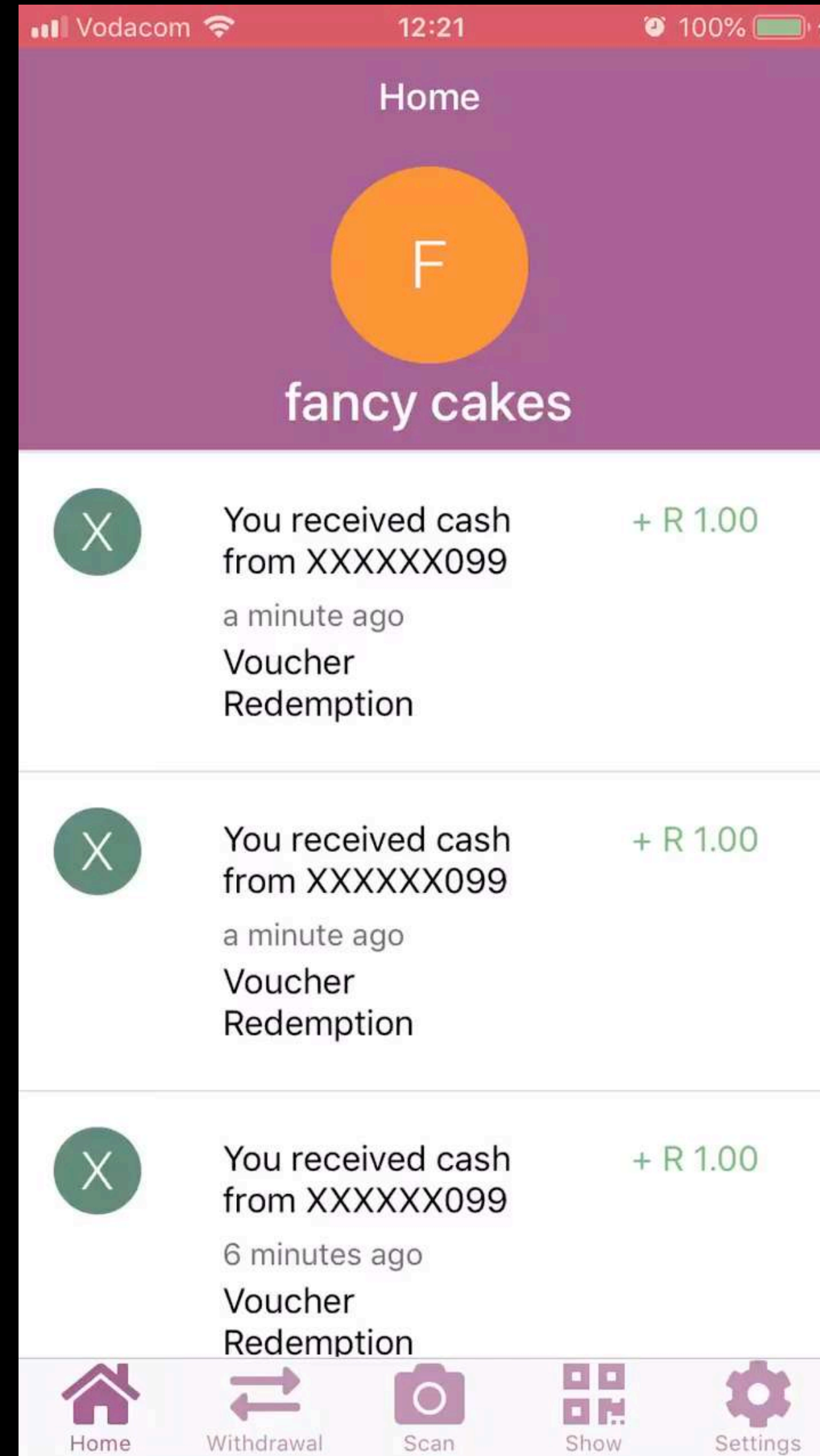
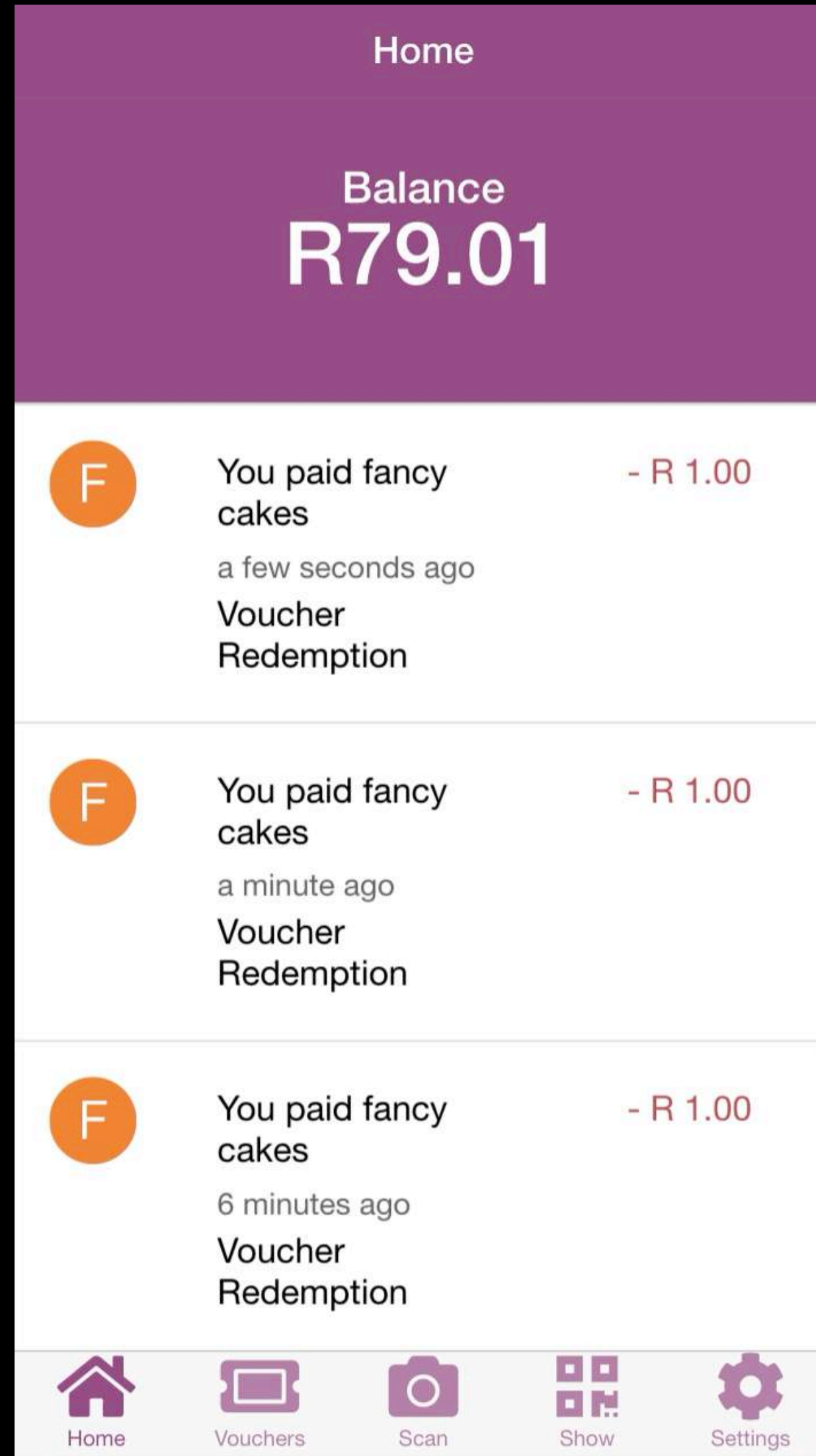
SCANNER ISSUED VOUCHER



SCANNER MEAL ENTRY



MERCHANT PAYMENT



Dashboard

Users

Transactions

Meal Entries

Settings

RESOURCES

API Documentation

System Status

Home / Dashboard

System Balance

Current

R 884,095.29

Account Balance

Current

R 594,717.54

Target Balance: R 2,000,000.00

Users

Current

5,052

Transfers

Last 30 days

R 1,272,662.69

47,079 transactions

Deposits

Last 30 days

R 780,000.00

2 transactions

Withdrawals

Last 30 days

R 1,166,028.36

335 transactions

Vouchers

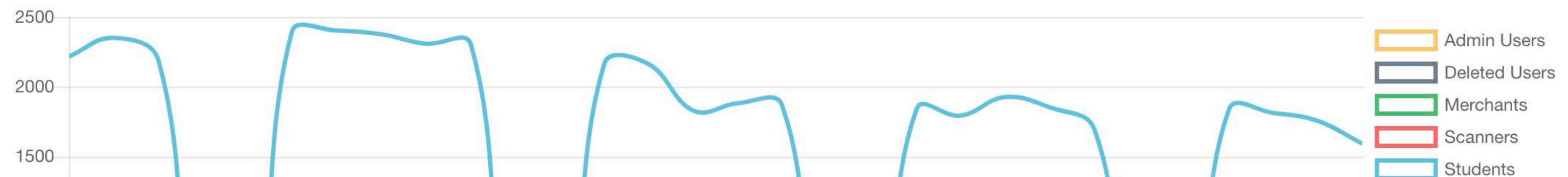
Last 30 days

R 1,368,992.00

42,781 transactions

Daily Active Users

Last 30 days



“If I had to rate the app out of 10, I would give full points !”

“The app is easy to use i love it!”

“Best decision UCT has made”

“It is a wonderful and amazing app”

“Well thought out application. Makes life very convenient”

“Very innovative and convenient”



SMALL ENTERPRISE DEVELOPMENT

Sa-at Abrahams
Business Development Specialist,
Kulea Consulting



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BACKGROUND

- ✓ Changing university economy (insourcing)
- ✓ Change in management systems and processes
- ✓ Vendors slow to adjust to changes
- ✓ Vendors “lifestyle entrepreneur”
- ✓ Vendor “non-compliant” from a B-BBEE angle

SED TIMELINES

2018: Align Food & Connect pillars to B-BBEE Act

2019: Draft SED Policy framework
Link vendors to supply chain opportunities

2020: Vendors become “compliant”
SED Funding support

SED POLICY FRAMEWORK

- ✓ Support for third-party vendors:
 - ✓ Mobile food truck offering, provide more food variety
 - ✓ Supply within Food & Connect supply chain
 - ✓ Product development improve their food offering
- ✓ “Grace period” for non-compliant vendors
- ✓ Mentorship and training support
- ✓ Grow business beyond UCT

SUCCESS STORIES

Food & Connect Job Readiness Programme

- ✓ Two third year commerce students
- ✓ Vacation work during mid-year break
- ✓ Exposure to SCM and Finance function
- ✓ Retail and production experience (outlets and main kitchen)
- ✓ Draft audit policies on Waste Management

SUCCESS STORIES

WhyNut Granola Bar: Product Development

- ✓ Sales supported through Food & Connect outlets since 2019
- ✓ Improved production: fund “jiggs” to improve quality of bars
- ✓ Product development: assist with expansion of product
- ✓ Improved branding: fund the cost of new design
- ✓ Assist with new listings
- ✓ Sales growth:

✓ 2017	R15 003	(1 674 units)
✓ 2018	R28 943	(2 938 units)
✓ 2019 YTD	R46 080	(4 776 units)
	R19 470 F&C	= 42 % of sales

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FUTURE PROJECTS

Mobile food trucks

- ✓ Offers to independent food vendors
- ✓ Food truck specialist's assistance
- ✓ Product development support
- ✓ CAPEX support “rent to own” model
- ✓ Support to grow business beyond UCT market
- ✓ Exit after five years

FUTURE PROJECTS

Food truck course

- ✓ Food truck course
- ✓ General public
- ✓ Support corporates in their CSI and entrepreneurship initiatives
- ✓ Supported by business development specialists
- ✓ Supported by food truck specialists
- ✓ Practical experience at UCT food trucks

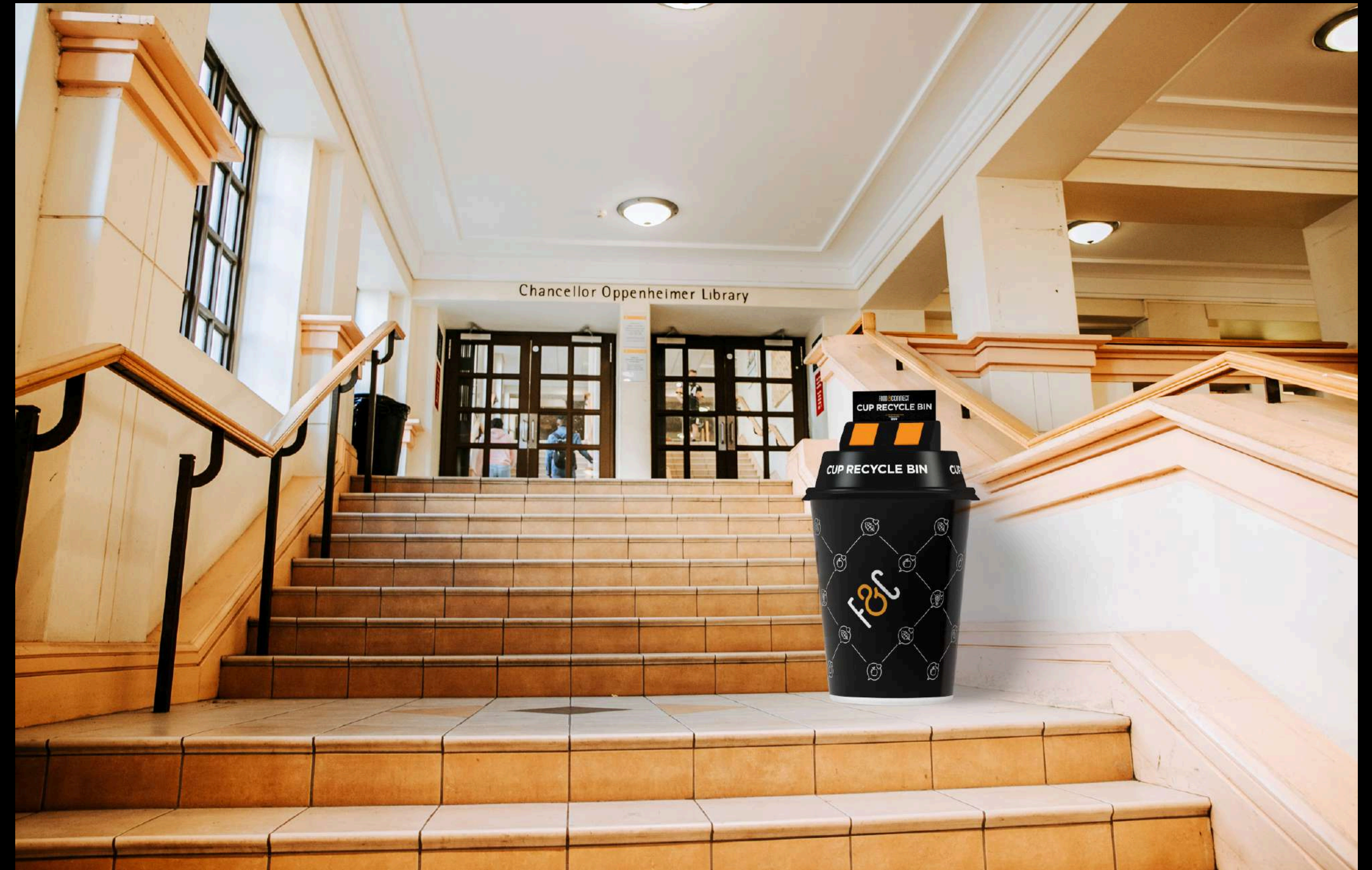
A SCALABLE BUSINESS



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AN INNOVATIVE APPROACH TO SUSTAINABILITY



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ANY QUESTIONS?

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